

**APPROVED**

REPORT OF GENERAL MANAGER

APR 05 2007

NO. 07-86

DATE April 5, 2007

**BOARD OF RECREATION  
and PARK COMMISSIONERS**

C.D. 6

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: SEPULVEDA GOLF COMPLEX PROFESSIONAL CONCESSION – REJECTION OF ALL PROPOSALS RECEIVED AND DIRECTION TO PREPARE A NEW REQUEST FOR PROPOSAL AND RETURN PROPOSAL DEPOSITS

R. Adams _____	J. Kolb _____
J. Combs _____	* F. Mok _____
H. Fujita _____	K. Regan _____
S. Huntley _____	M. Shull _____

  
 \_\_\_\_\_  
 General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board:

1. Reject all three proposals received on November 14, 2006, for the operation of the Sepulveda Golf Complex Professional Concession on the basis they are non-responsive to the Level I Request for Proposal (RFP) requirements and direct staff to return all proposal deposits to each proposer; and,
2. Direct staff to develop and release a new RFP for this concession.

SUMMARY:

The Sepulveda Golf Complex Professional Concession operates and maintains the driving range, provides lessons to the public, and operates the golf proshop. Gross revenues during the past five calendar years averaged \$1,200,000 each year.

The current concessionaire has been operating on a month-to-month basis since February 2001, after the previous concessionaire filed for bankruptcy.

The Board approved the release of a RFP on August 9, 2006, (Board Report 06-217) and the RFP was released on August 21, 2006. The proposer's conference was held on September 7, 2006. Proposals were received on November 14, 2006, from GolfLinks Ventures, Inc.; Pacific Highland, LP; and Ready Golf Centers. Each of the three proposals also contained a \$10,000 deposit which is refundable upon execution of a new agreement or rejection of all proposals.

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As stipulated in the RFP, evaluation of the bid proposals would occur in three levels. Level I checked and reviewed for required compliance and submittal documents; Level II would be a preliminary review by Department staff of documents related to the proposers' ability to finance the operation as proposed to determine whether they meet the basic RFP requirement; and, Level III would be a comprehensive evaluation of the proposals by a panel. Proposers must successfully pass Level I to proceed to the other levels.

Level I review consists of:

1. Compliance Documents:
  - a) Proposer's Signature Declaration and Affidavit
  - b) Disposition of Proposals
  - c) Affirmative Action Plan
  - d) Good Faith Effort Outreach
  - e) Living Wage / Service Contractor Worker Retention Exemption Form (only if applying for an exemption)
  - f) Contractor Responsibility Ordinance Questionnaire
  - g) Equal Benefits Ordinance Statement
  
2. Submittal Documents:
  - a) Cover Letter
  - b) Proposal Deposit
  - c) Ability to Finance
  - d) Background and Experience
  - e) Business Plan
  - f) Items Specific to the Concession (for the Sepulveda Golf Pro RFP, this included on-going refurbishment, improvement, and maintenance)
  - g) Capital Improvements

During staff review of Level I the Good Faith Effort (GFE) Outreach of each proposal was reviewed. The GFE Outreach is a City requirement (Mayor Executive Directive No. 2001-26), that the proposers make a good faith effort to provide a portion of the concession's operation to Minority Business Enterprises / Women Business Enterprises / Other Business Enterprises (MBE/WBE/OBE) subcontractors. Pursuant to the program, proposers are to determine what portions of their concession operation may be subcontracted and then obtain offers from interested subcontractors to participate in concession operations. Proposers are required to score 75 points out of 100 in this subcontractor outreach effort as described in the RFP. This City requirement has also been adopted by the Board as the Board's policy (Board Report No. 177-89) and is consistent with Citywide practice. If the proposer achieves a score of 75 or more points, the proposer has made a good faith

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effort and is responsive to the RFP requirement. A score of less than 75 points indicates failure to comply and non-responsiveness to the RFP requirement.

The following are the GFE scores for each proposal (Attachment 1):

<u>Proposer</u>	<u>Score</u>	<u>Pass/Fail</u>
GolfLinks Ventures, Inc.	10	Fail
Pacific Highland, LP	0	Fail
Ready Golf Centers	10	Fail

Pacific Highland, LP and Ready Golf Centers attempted to fulfill the GFE by stating that they would subcontract for capital improvements as required by the RFP. However, no plans and specifications for proposed improvements were supplied to potential bidders and all advertisements stated that bidders would be contacted later if a contract was awarded to either Pacific Highland, LP or Ready Golf Centers. As a result, no bids were received from potential subcontractors. Under the criteria listed in the 10 GFE sub-areas, such actions do not constitute sufficient outreach. However, even if considered as an appropriate attempt to make outreach, the proposals still failed. The following are the scores with the most favorable treatment given to Pacific Highland, LP and Ready Golf Centers' efforts at outreach based on the opportunity to bid on future capital improvements (Attachment 2):

<u>Proposer</u>	<u>Score</u>	<u>Pass/Fail</u>
GolfLinks Ventures, Inc.	10	Fail
Pacific Highland, LP	40	Fail
Ready Golf Centers	69	Fail

Although none of the bid proposals passed the GFE portion of the RFP, staff continued the Level I review. Ready Golf Centers passed the other Level I areas, but GolfLinks Ventures, Inc., and Pacific Highland, LP failed.

The following are the complete Level I findings for each proposer:

- GolfLinks Ventures, Inc., was found Non-Responsive in five compliance documents and four submittal documents (Attachment 3A).
- Pacific Highland LP was found Non-Responsive in five compliance documents and two submittal document (Attachment 3B).
- Ready Golf Centers was found Non-Responsive in one compliance document (Attachment 3C).

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Based on the above, there are no responsive proposers to the RFP. Therefore staff recommends that all three bid proposals be rejected and proposal deposits be returned.

At the direction of the Board, staff will develop and release a new RFP for the Sepulveda Golf Complex Professional Concession.

IMPACT STATEMENT:

Failure to award a contract for the Sepulveda Golf Complex Professional Concession has no immediate impact on the Department's General Fund. Future impact factors include additional revenues that would be received with an updated and improved driving range and a new long-term agreement stipulating favorable terms to the City.

Report prepared by Robert N. Morales, Finance Division

**GOOD FAITH EFFORT OUTREACH SCORING**

**GolfLink Ventures, Inc.**

Indicator	Possible Points	Awarded Points	Comment
1. Level of Anticipated MBE/WBE/OBE Participation	0	0	
2. Attended Pre-Bid Meeting	10	10	
3. Sufficient Work Identified for Subconsultant	10	0	No documentation provided in the bid proposal.
4. Advertisement	9	0	
5. Written Notices to Subconsultant	15	0	
6. Follow-up on Initial Solicitation	10	0	
7. Plans, Specifications and requirements.	5	0	
8. Contacted Recruitment / Placement Organization	10	0	
9. Negotiated in Good Faith	26	0	
10. Bond, Lines of Credit, and Insurance	5	0	
<b>TOTAL SCORE</b>	<b>100</b>	<b>10</b>	<b>Less than 75 points is failing.</b>

**Pacific Highland, LP**

Indicator	Possible Points	Awarded Points	Comment
1. Level of Anticipated MBE/WBE/OBE Participation	0	0	
2. Attended Pre-Bid Meeting	10	0	Did not attend pre-bid meeting.
3. Sufficient Work Identified for Subconsultant	10	0	Insufficient documentation. Opportunity in the outreach did not include the entire concession operation.
4. Advertisement	9	0	
5. Written Notices to Subconsultant	15	0	Outreach for capital improvement opportunity provided in general terms. Specifics or details on scope of work not provided in advertisement. The availability of bid documents lists a RAP Department Analyst (Anthony Sanchez) as the contact for bid documents.
6. Follow-up on Initial Solicitation	10	0	
7. Plans, Specifications and requirements.	5	0	
8. Contacted Recruitment / Placement Organization	10	0	The scope of work and lack of availability of plans and specifications limited the opportunity to receive meaningful proposals from subcontractors. Staff determined that potential subcontractors were not provided an opportunity prior to the proposal deadline to submit bids or proposals for any work to be awarded.
9. Negotiated in Good Faith	26	0	
10. Bond, Lines of Credit, and Insurance	5	0	
<b>TOTAL SCORE</b>	<b>100</b>	<b>0</b>	<b>Less than 75 points is failing.</b>

**GOOD FAITH EFFORT OUTREACH SCORING****Ready Golf Centers**

<b>Indicator</b>	<b>Possible Points</b>	<b>Awarded Points</b>	<b>Comment</b>
1. Level of Anticipated MBE/WBE/OBE Participation	0	0	
2. Attended Pre-Bid Meeting	10	10	
3. Sufficient Work Identified for Subconsultant	10	0	Insufficient documentation. Opportunity in the outreach did not include the entire concession operation.
4. Advertisement	9	0	
5. Written Notices to Subconsultant	15	0	Outreach for capital improvement opportunity provided in general terms. Specifics or details on scope of work not provided in advertisement. The availability of bid documents is stated as "not applicable at this time".
6. Follow-up on Initial Solicitation	10	0	
7. Plans, Specifications and requirements.	5	0	
8. Contacted Recruitment / Placement Organization	10	0	The scope of work and lack of availability of plans and specifications limited the opportunity to receive meaningful proposals from subcontractors. Staff determined that potential subcontractors were not provided an opportunity prior to the proposal deadline to submit bids or proposals for any work to be awarded.
9. Negotiated in Good Faith	26	0	
10. Bond, Lines of Credit, and Insurance	5	0	
<b>TOTAL SCORE</b>	<b>100</b>	<b>10</b>	<b>Less than 75 points is failing.</b>

**GOOD FAITH EFFORT OUTREACH SCORING (Capital Improvement Portion)**

**GolfLink Ventures, Inc.**

Indicator	Possible Points	Awarded Points	Comment
1. Level of Anticipated MBE/WBE/OBE Participation	0	0	
2. Attended Pre-Bid Meeting	10	10	
3. Sufficient Work Identified for Subconsultant	10	0	No documentation provided in the bid proposal.
4. Advertisement	9	0	
5. Written Notices to Subconsultant	15	0	
6. Follow-up on Initial Solicitation	10	0	
7. Plans, Specifications and requirements.	5	0	
8. Contacted Recruitment / Placement Organization	10	0	
9. Negotiated in Good Faith	26	0	
10. Bond, Lines of Credit, and Insurance	5	0	
<b>TOTAL SCORE</b>	<b>100</b>	<b>10</b>	<b>Less than 75 points is failing.</b>

**Pacific Highland, LP**

Indicator	Possible Points	Awarded Points	Comment
1. Level of Anticipated MBE/WBE/OBE Participation	0	0	
2. Attended Pre-Bid Meeting	10	0	Did not attend Pre-Bid meeting.
3. Sufficient Work Identified for Subconsultant	10	0	The proposer did not identify specific items of the project to be performed in order to provide an opportunity for subcontracting opportunities.
4. Advertisement	9	0	The advertisement was not specific and information on the availability of plans and specifications was not provided: Concession Analyst listed as contact.
5. Written Notices to Subconsultant	15	15	Possible points. Notice was sent as general overall construction in various categories – no specifics for items of work to be performed.
6. Follow-up on Initial Solicitation	10	10	Possible points. Proposer did send “reminder” faxes to subconsultants.
7. Plans, Specifications and requirements.	5	0	No scope of work, specifications, or plans provided.
8. Contacted Recruitment / Placement Organization	10	10	
9. Negotiated in Good Faith	26	0	There was a lack of project scope sufficient to elicit responses in order to negotiate.
10. Bond, Lines of Credit, and Insurance	5	5	Possible points awarded. Advertisement states that assistance would be provided.
<b>TOTAL SCORE</b>	<b>100</b>	<b>40</b>	<b>Less than 75 points is failing.</b>

**GOOD FAITH EFFORT OUTREACH SCORING (Capital Improvement Portion)****Ready Golf Centers**

<b>Indicator</b>	<b>Possible Points</b>	<b>Awarded Points</b>	<b>Comment</b>
1. Level of Anticipated MBE/WBE/OBE Participation	0	0	
2. Attended Pre-Bid Meeting	10	10	
3. Sufficient Work Identified for Subconsultant	10	10	Possible Points: The Proposer selected areas in general terms but was not specific in scope of work.
4. Advertisement	9	9	Possible Points: The advertisement contained selected areas in general terms but was not specific in scope of work.
5. Written Notices to Subconsultant	15	15	Possible Points. Notice was sent contained selected areas of work in general terms but was not specific in scope of work.
6. Follow-up on Initial Solicitation	10	10	Possible points. Proposer did send "reminder" faxes to subconsultants.
7. Plans, Specifications and requirements.	5	0	No scope of work, specifications, or plans provided. The availability of bid documents is stated on the advertisement as "not available at this time".
8. Contacted Recruitment / Placement Organization	10	10	
9. Negotiated in Good Faith	26	0	There was a lack of project scope sufficient to elicit responses in order to negotiate.
10. Bond, Lines of Credit, and Insurance	5	5	Possible Points: Advertisement states that assistance would be provided.
<b>TOTAL SCORE</b>	<b>100</b>	<b>69</b>	<b>Less than 75 points is failing.</b>

**GOLFLINKS VENTURES, INCORPORATED  
SEPULVEDA GOLF COMPLEX PROFESSIONAL - RFP  
LEVEL I EVALUATION**

I. Compliance Documents		Submitted	Comply	Comments
		No	No	Non-Responsive
a	Proposer's Signature Declaration and Affidavit	Yes	No	The bid proposal is submitted by a Corporation - the document is missing a second signature. Item may be waivable by the Board as an informality.
b	Disposition of Proposals	Yes	Yes	
c	Affirmative Action Plan (Non-Discrimination / Equal Employment / Affirmative Action)	Yes	No	The Total Composition of Workforce form was not submitted. Pages A2 - A6 are missing from the bid proposal.
d	Good Faith Effort Outreach (GFE)	No	No	See Attachment 1 for details.
e	Living Wage / Service Contractor Worker Retention Exemption Form	No	Yes	Submittal of documents is only required if an exemption is requested. Non-submittal indicates acceptance of requirements.
f	Contractor Responsibility Ordinance Questionnaire	Yes	No	The bid proposal is missing page 1 of the document.
g	Equal Benefits Ordinance Statement	Yes	No	The bid proposal is missing page 2 of the document.

II. Submittal Documents		Submitted	Comply	Comments
		No	No	Non-Responsive
a	Cover Letter	Yes	Yes	
b	Proposal Deposit	Yes	No	Company check submitted/made out to Parking Recreation.
c	Ability to Finance	No	No	No documents submitted.
d	Background and Experience	Yes	Yes	
e	Business Plan	No	No	No documents submitted.
f	On-going refurbishment, improvement, and maintenance	No	No	No documents submitted.
g	Capital Improvements	Yes	Yes	

**PACIFIC HIGHLAND, Limited Partnership (LP)  
SEPULVEDA GOLF COMPLEX PROFESSIONAL - RFP  
LEVEL I EVALUATION**

I. Compliance Documents		Submitted	Comply	Comments
		Yes	No	Non-Responsive
a	Proposer's Signature Declaration and Affidavit	Yes	No	There is no listing of a Pacific Highland, LP with the State of California. Item may be waivable by the Board if the proposer can provide clarification.
b	Disposition of Proposals	Yes	Yes	
c	Affirmative Action Plan (Non-Discrimination / Equal Employment / Affirmative Action)	Yes	No	The form requests information on "officials" which was not provided in the bid proposal. Item may be waivable by the Board if the proposer provides additional information requested. The document as submitted provides substantial compliance.
d	Good Faith Effort Outreach (GFE)	Yes	No	See Attachment 1 for details.
e	Living Wage / Service Contractor Worker Retention Exemption Form	No	Yes	Submission of documents is only required if an exemption is requested. Non-submittal indicates acceptance of requirements.
f	Contractor Responsibility Ordinance Questionnaire	Yes	No	One response states the entity has been in business for one-year but another response states that the partnership was created on 10/24/06. Item may be waivable by the Board if the proposer can provide clarification.
g	Equal Benefits Ordinance Statement	Yes	No	The bid proposal claims "One Person Contractor" but the bid proposal is as a two person partnership. Item may be waivable by the Board if the proposer can provide clarification.

II. Submittal Documents		Submitted	Comply	Comments
		No	No	Non-Responsive
a	Cover Letter	Yes	Yes	
b	Proposal Deposit	Yes	Yes	
c	Ability to Finance	Yes	Yes	
d	Background and Experience	Yes	Yes	
e	Business Plan	No	No	No documents submitted.
f	On-going refurbishment, improvement, and maintenance	No	No	No documents submitted.
g	Capital Improvements	Yes	Yes	

**READY GOLF CENTERS  
SEPULVEDA GOLF COMPLEX PROFESSIONAL - RFP  
LEVEL I EVALUATION**

<b>I. Compliance Documents</b>		<b>Submitted</b>	<b>Comply</b>	<b>Comments</b>
		<b>Yes</b>	<b>No</b>	<b>Non-Responsive</b>
a	Proposer's Signature Declaration and Affidavit	Yes	Yes	
b	Disposition of Proposals	Yes	Yes	
c	Affirmative Action Plan (Non-Discrimination / Equal Employment / Affirmative Action)	Yes	Yes	
d	Good Faith Effort Outreach (GFE)	Yes	No	See Attachment 1 for details.
e	Living Wage / Service Contractor Worker Retention Exemption Form	No	Yes	Submittal of documents is only required if an exemption is requested. Non-submittal indicates acceptance of requirements.
f	Contractor Responsibility Ordinance Questionnaire	Yes	Yes	
g	Equal Benefits Ordinance Statement	Yes	Yes	

<b>II. Submittal Documents</b>		<b>Submitted</b>	<b>Comply</b>	<b>Comments</b>
		<b>Yes</b>	<b>Yes</b>	<b>Responsive</b>
a	Cover Letter	Yes	Yes	
b	Proposal Deposit	Yes	Yes	
c	Ability to Finance	Yes	Yes	
d	Background and Experience	Yes	Yes	
e	Business Plan	Yes	Yes	
f	On-going refurbishment, improvement, and maintenance	Yes	Yes	
g	Capital Improvements	Yes	Yes	