

Purchasing Division Finance Department

Room 120 411 West First Street Duluth, Minnesota 55802



Addendum 1 Solicitation 22-AA08 RFP for Golf Course Operator

This addendum serves to notify all bidders of the following changes to the solicitation documents:

Questions asked are answered in italics below.

1. The RFP references Phases 1 and 2 of capital improvements to be concluded at Enger Park. Can you clarify the exact improvements to be expected as the final renovation plan references Phase 1a, 1b, 2, and 3?

Answer: The priority improvements amongst all Phases of capital improvements at Enger Park Golf course are those listed as Phase 1a and 1b, which specifically focus on replacing the irrigation system and the clubhouse. Quality of play and experience will be improved with the implementation of Phases 2 and 3. The City will continue to pursue completion of Phases 2 and 3 as expeditiously as funding is available to do so.

At this time, the City anticipates funding sufficient to accomplish Phases 1a and 1b during the term of this agreement. Should additional funding be available, the City expects to work closely with the operator to continue to make course improvements in a way that maximizes course use and minimizes disruptions and additional revenue loss.

2. What type of kitchen is contemplated in the new structure as the renovation plan references two different size kitchens?

Answer: For study purposes, the Enger Park Golf Course Renovation Plan evaluated both basic and full kitchen options. The financial projections in this plan are based upon a full kitchen option, which expands food/beverage service and anticipates higher revenue generation as a result of the full kitchen design. A full kitchen option is the City's preferred option.

Final kitchen design, including layout, appliance selection, etc. is not yet complete, and the City anticipates soliciting input from the selected operator during the design process.

3. How will the setting of rates and annual passholder fees occur?

Answer: In 2021, the City of Duluth's Parks and Recreation Commission recommended,

and the City Council approved, changes to our City code that amended the process and authority for rate setting on our public golf course(s). A complete set of ordinances related to public golf are found in Chapter 35 – Parks and Recreation, Article III. Public Golf Courses. Most applicable is Sec. 35-15. Council to establish oversight of green fees, season ticket fees, etc.

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The green fees, season ticket fees and other special fees to be paid for the use of the golf course in the city shall be set by the golf course supervisor under the direction of the parks and recreation director as described in the applicable Council-approved service agreement. Fees shall represent a reasonable price point for financially accessible and sustainable public golf.

Thus, the process for rate setting will be incorporated into the negotiated agreement between the City and the operator prior to the agreement being approved by City Council.

4. Where is the City at in regards to progress towards construction?

Answer: Irrigation Consulting Inc. is designing the irrigation system documents tracking towards the City putting the irrigation system project work to bid in late Spring with the possibility for ground-breaking in Fall 2022 at the end of the season. If that timeline is too tight, then construction would begin in Spring 2023.

5. The RFP reads as a long-term lease type of arrangement, how does that align with the State of Minnesota in regards to property taxes.

Answer: A long-term lease arrangement is not an arrangement the City intends to pursue with this RFP process.

6. Would the City entertain an unsolicited public-private partnership? For example, an outside proposal where the private entity invests in the site as a partner wherein the City is not in charge of funding the capital improvements in exchange for a long-term lease, concession, or management contract.

Answer: A long-term lease arrangement is not an arrangement the City intends to pursue with this RFP process. Responses to the RFP must achieve Phase 1a and 1b capital improvements, at a minimum, and propose a financial arrangement that ensures the City can finance any debt incurred from the course improvements or operations over the proposed duration of the agreement.

Please acknowledge receipt of this Addendum by including a copy of it with your proposal. The pages included will not count toward any page limitation, if any, identified in the RFP.

Posted: 3/25/22