

CITY OF ATLANTA
REQUEST FOR PROPOSALS

FOR
FC-8725

**MANAGEMENT AND MAINTENANCE SERVICES FOR CANDLER
PARK CITY OF ATLANTA GOLF COURSE**



AMY PHUONG
COMMISSIONER
DEPARTMENT OF PARKS AND RECREATION

ADAM L. SMITH, ESQ., CPPO, CPPB, CPPM, CPP,
CIPC, CISCC, CIGPM, CPPC
CHIEF PROCUREMENT OFFICER
DEPARTMENT OF PROCUREMENT



CITY OF ATLANTA

SUITE 1900

55 TRINITY AVENUE, SW

ATLANTA, GA 30303

(404) 330-6204 Fax: (404) 658-7705

Internet Home Page: www.atlantaga.gov

Kasim Reed
Mayor

DEPARTMENT OF PROCUREMENT
Adam L. Smith, Esq., CPPO, CPPB, CPPM, CPP,
CIPC, CISCC, CIGPM, CPPC
Chief Procurement Officer
asmith@atlantaga.gov

January 25, 2016

ATTENTION INTERESTED PROPONENT:

Your firm is hereby invited to submit to the City of Atlanta (the "City"), Department of Procurement (the "DOP"), a Proposal for **Project Number: FC-8725, Management and Maintenance Services for Candler Park City of Atlanta Golf Course**. The successful Proponent relative to this solicitation will have responsibility for management and maintenance services at the Candler Park City of Atlanta Golf Course.

A **Pre-Proposal Conference** will be held on **Tuesday, February 9, 2016, at 9:30 A.M., at 55 Trinity Avenue, S.W., Suite 1900 (1st Floor), City Hall South, Atlanta, GA 30303**. The purpose of the Pre-Proposal Conference is to provide Proponents with detailed information regarding the Procurement process and to address questions and concerns. There will be representatives from the Department of Parks and Recreation, Risk Management and the Office of Contract Compliance available at the conference to discuss this project and to answer any questions. Attendance to the Pre-Proposal Conference is strongly encouraged. **A site tour will immediately follow the conference.**

The last date to submit questions will be **Friday, February 12, 2016, no later than 5:00 P.M.** Questions may be sent to **Mano Smith, Contract Administrator, CPPO, CPPB, CPPM, CPP**, via email at mosmith@atlantaga.gov, or facsimile at 404-658-7705. Questions will be responded to in the form of an addendum.

Your response to this Request for Proposal ("**Proposal**") must be received by designated staff of the Department of Procurement at 55 Trinity Avenue, S.W., City Hall, Suite 1900, Atlanta, GA 30303, **no later than 2:00 P.M., on Wednesday, March 2, 2016**. Any Proposal received after this time will not be considered and will be rejected and returned.

All Proposals will be publicly opened and read at 2:00 P.M. on the respective due date in Suite 1900, 1st Floor, 55 Trinity Avenue, S.W., City Hall, Atlanta, GA 30303.

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Request for Proposal

Project Number: FC-8725, Management and Maintenance Services for Candler Park City of Atlanta Golf Course

January 25, 2016

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If you have any questions regarding this project, please contact **Mano Smith, Contract Administrator, CPPO, CPPB, CPPM, CPP**, at 404-330-6351, or by email at mosmith@atlantaga.gov. Any questions regarding the procedures for purchasing a copy of the document or obtaining a copy of the plan holder's list should be directed to Deondra Clausell, Administrative Assistant Senior, at 404-865-8708, or by e-mail at dsclausell@atlantaga.gov.

The City reserves the right to cancel any and all solicitations and to accept or reject, in whole or in part, any and all Proposals when it is for good cause and in the best interest of the City.

Thank you for your interest in doing business with the City.

Sincerely,

A handwritten signature in black ink that reads "Adam L. Smith". The signature is written in a cursive style with a large initial "A" and "S".

Adam L. Smith

ALS:mas

REQUEST FOR PROPOSALS

FC-8725, MANAGEMENT, CAPITAL IMPROVEMENTS AND MAINTENANCE SERVICES CANDLER PARK CITY OF ATLANTA GOLF COURSE

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Part 1: Information and Instructions to Proponents

1. **Definitions:** The following terms shall have the following meanings when used throughout this Request for Proposals (“RFP”):

Proponents: Each Firm or aggregation of Firms (which may include a joint venture partnership, limited liability company or limited liability partnership) submitting a proposal in response to this RFP with the intent of performing the services as stated in the Scope of Services.

Firm(s): A service provider that meets the minimum qualifications stated herein below.

Head Golf

Professional: Individual responsible for managing the functions associated with a golf course. Generally, he/she may hire staff, create a budget, host tournaments, and create revenue at the golf/pro shop or snack bar. In addition, he/she may also oversee group golfing clinics or private lessons and, in some cases, he/she may teach a few classes as well.

2. **Services Being Procured:** The City of Atlanta (“City”) is seeking proposals from Firms to perform management and maintenance services at the **Candler Park Golf Course** (“Services”) on behalf of the City’s Department of Parks and Recreation (“DPR”). The Firm awarded a Contract through this procurement (RFP) will have the responsibility for management and maintenance services at the Candler Park Golf Course (sometimes referred to herein as “Golf Course”).

3. **Method of Source Selection:** This procurement is being conducted in accordance with all applicable provisions of the City’s Code of Ordinances (“Code”), including, but not limited to, Section 2-1189 thereof. By submitting a proposal concerning this procurement, a Proponent acknowledges that it is familiar with all laws applicable to this procurement, including, but not limited to, the Code and City Charter, each of which are incorporated into this RFP by this reference.

4. **Minimum Qualifications:**

- a. To participate in this Procurement, Proponent must have a minimum of three (3) years' experience managing and maintaining a regulation 18-hole or 9-hole public and/or private golf course(s).
- b. Proponent shall have a minimum of three (3) years' experience, by the individual who will be the on-site General Manager of the Golf Course, in managing regulation 18-

hole or 9-hole public and/or private golf course(s). This may be the same person as the Head Golf Professional, or may be a different individual.

- c. By submitting a proposal in response to this RFP, Proponent represents and warrants to the City that it has or will acquire and maintain all required and necessary licenses, certifications, permits, bonding capacity and insurance prior to executing an agreement to perform the Services contemplated herein.
5. **No Offer by City; Firm Offer by Proponent:** This RFP does not constitute an offer by City to enter into a Agreement and cannot be accepted by any Proponent or form an agreement or understanding between the City and Proponent. This RFP is only a request for proposals from Proponents and no offer shall bind the City. A Proponent's offer is a firm offer to the City and may not be withdrawn except as stated herein, under the rules specified pursuant the Code and/or other applicable law.
 6. **Pre-Proposal Conference/Site Tour:** A pre-proposal conference is scheduled for **Tuesday, February 9, 2016 at 9:30 am** at 55 Trinity Avenue, Suite 1900, City Hall South, Atlanta, Georgia 30303. Attendance at the pre-proposal conference and site tour is not required but is strongly encouraged. Each Proponent is responsible for being fully informed regarding all existing and expected conditions and matters that may affect the cost or the performance of the Services. Any failure to fully investigate the requirements of this RFP shall not relieve any Proponent from the responsibility to properly estimate the difficulty or cost of successfully performing the Services being sought under this RFP.

Immediately following the Pre-Proposal Conference, a site tour will be available to view the golf course.

7. **Procurement Questions; Prohibited Contacts:** Any questions regarding this RFP should be submitted in writing to City's contact person, **Mano Smith, CPPO, CPPB, CPPM, CPP**, Contract Administrator, Department of Procurement, 55 Trinity Avenue, SW, Suite 1900, Atlanta, Georgia 30303-0307, by fax (404) 658-7705 or e-mail **mosmith@Atlantaga.gov**, on or before **Friday, February 12, 2016 at 5 pm**. Any questions received after the designated period will not be considered. Any response made by City will be provided in writing to all Proponents by addendum. It is the responsibility of each Proponent to obtain a copy of any addendum issued for this RFP by monitoring the City's website at www.atlantaga.gov and its Department of Procurement's Plan Room, which is open during the business hours posted at Suite 1900, 1st Floor, 55 Trinity Avenue, S.W., City Hall, Atlanta, Georgia 30303. No Proponent may rely on any verbal response to any question submitted concerning this RFP. All Proponents and representatives of any Proponent are strictly prohibited from contacting any other City employees or any third-party representatives of the City on any matter having to do with this RFP. All communications by any Proponent concerning this RFP must be made to the City's

contact person, or any other City representatives designated by the Chief Procurement Officer in writing.

- 8. Proposal Deadline:** To be considered responsive, a Proponent must complete and submit its proposal and ALL required submittals in accordance with the instructions contained or referenced in this RFP. All responses to this RFP must be received by the City's Department of Procurement, 55 Trinity Avenue, S.W., City Hall, Suite 1900, Atlanta, Georgia 30303-0307, on or before **Wednesday, March 2, 2016 at 2 pm**. Each Proponent must submit one (1) Original, marked "**Original**," and **seven (7) copies** of its proposal in sealed envelopes, eight (8) total.
- 9. Ownership of Proposals:** Each proposal submitted to the City will become the property of the City, without compensation to a Proponent, for the City's use, in the City's sole discretion.
- 10. Submission of Proposals:**

 - a.** Proposals must be submitted according to the requirements of this RFP. All blank spaces must be typed or hand written in blue or black ink. All dollar amounts must be typed or hand written BOTH in word and numeric forms (e.g., One Dollar and No Cents (\$1.00)). Proponents are advised that the written figures will prevail over the numerical figures in the event of a discrepancy between the two in any Proposal document. For example only, if a final proposal of "One Dollar and No Cents (\$2.00)" is received, then the written figure of One Dollar and No Cents is the amount of the final proposal. All corrections to any entry must be lined out and initialed by the Proponent. Do not use correction tape or fluid.
 - b.** Proposals shall be signed by hand by a principal of the Proponent with the authority to bind the Proponent and enter into an agreement with the City. Joint ventures or partnerships must designate one joint venture member/partner to represent the joint venture or partnership, respectively, with the authority to submit and execute a Proposal, bind the entity as well as enter into an agreement with the City. Each Proponent is responsible for the preparation of its Proposal and for the costs associated therewith.
 - c.** Each Proponent must submit a complete proposal in accordance with the requirements of this RFP. The format for the submission of a proposal mandated by this RFP is not negotiable. The name and number of the project is: **FC-8725: MANAGEMENT AND MAINTENANCE SERVICES FOR CANDLER PARK CITY OF ATLANTA GOLF COURSE (RFP)**. Proposals must be submitted in sealed envelope(s) or package(s) and the outside of the envelope(s) or package(s) must clearly identify the name of the Project, Project Number, Proponent's Name and

address, and Proponent's Federal Work Authorization User Identification Number. All proposals must be submitted to:

Adam L. Smith, Esq., CPPO, CPPB, CPPM, CPP, CIPC, CISCC, CIGPM
Chief Procurement Officer
Department of Procurement
55 Trinity Avenue, S.W.
City Hall, Suite 1900
Atlanta, Georgia 30303-0307

**RE: Project Number FC-8725: Management and Maintenance
Services for Candler Park City of Atlanta Golf Course**

- d. A Proponent must submit one (1) original, marked "Original" and seven (7) copies of its proposal, eight (8) total. Each proposal must be submitted on 8-½" x 11" single-sided, typed pages, using 12-point font size and such pages must be inserted in a standard three-hole ring binder. To the extent Proponent requires a larger page size to demonstrate its experience, the City will accept 11"x 17" sheet size but it must be folded to 8-1/2" x 11" size. Each proposal must contain an index, separate sectional tabs and page numbers for the information requirements set forth in this RFP, as well as for the forms required to be submitted.
 - e. The names of proponents that timely submit proposals will be publicly read at **2 pm on Wednesday, March 2, 2016**, in the Department of Procurement's Proposal Conference Room, 55 Trinity Avenue, S.W., Suite 1900, City Hall, Atlanta, Georgia 30303-0307.
- 11. Rejection of Proposals; Cancellation of RFP; Waiver of Technicalities.** The City reserves the right to reject any proposal or all proposals or to waive any technical defect in a proposal. The City also reserves the right to cancel this RFP at any time in accordance with the Code.
- 12. Georgia Open Records Act:** Information provided to the City is subject to disclosure under the Georgia Open Records Act ("**GORA**"). Pursuant to O.C.G.A. § 50-18-72(a)(34), "[a]n entity submitting records containing trade secrets that wishes to keep such records confidential under this paragraph shall submit and attach to the records an affidavit affirmatively declaring that specific information in the records constitute trade secrets pursuant to Article 27 of Chapter 1 of Title 10 [O.C.G.A. § 10-1-760 et seq.]."
- 13. Representation.** By submitting a proposal to the City, Proponent acknowledges and represents that: (a) the accompanying proposal is made by a person or business entity that is neither a high cost lender nor a predatory lender, nor is the Proponent an affiliate of a high cost lender or a predatory lender, as defined by Code Section 58-102; (b) it has read all of the RFP documents (including, without limitation, the Agreement) and

acknowledges that Proponent shall be bound by the requirements stated therein; (c) the signatory to the proposal is the Proponent (or Proponent's duly authorized agent or employee of the Proponent with the authority to bind Proponent hereto); (d) any information or disclosure provided in response to **Form 2: Contractor Disclosure Form**, shall remain truthful and accurate representations up to and including the date Proponent submits its proposal to the City; (e) it agrees that it will voluntarily notify the City immediately if any information or disclosure provided to the City during any part of this procurement process changes, is no longer accurate or would be misleading in any way; and, (f) the City will not agree to make any substantive revisions to the Agreement.

- 14. Electronic Proposal Documents.** This RFP is being made available to all Proponents by electronic means. By responding to this RFP, Proponent acknowledges and accepts full responsibility to ensure that it is responding to the correct form of RFP, including any Addenda issued by the City's Department of Procurement. Proponent acknowledges and agrees that in the event of a conflict between the RFP in the Respondent's possession and the version maintained by the Department of Procurement, the version maintained by the Department of Procurement shall govern. The RFP document is available at www.atlantaga.gov.

Part 2: Contents of Proposals/Required Submittals

1. **General Contents of Proposals:** A Proponent must submit a complete proposal in response to this RFP in the format specified in this RFP; no other format will be considered. A proposal will consist of two (2) separate Volumes: Volume I will consist of information drafted and provided by the Proponent; and Volume II will consist of information provided by the Proponent on forms provided by the City in this RFP.
2. **VOLUME I** (Information drafted and provided by a Proponent):
 - 2.1. **Executive Summary:** Each Proponent is required to provide an overview of the Proponent's qualifications to provide the Services being procured through this RFP. At a minimum, the Executive Summary must contain the following information:
 - 2.1.1. Complete legal name of the Proponent and the name of the legal entities that comprise the Proponent. The Proponent must provide the domicile where each entity comprising it is organized, including entity name, brief history of the entity, contact name, address, phone number, and facsimile number, as well as the legal structure of the entity and a listing of major satellite offices.
 - 2.1.2. If Proponent is a corporation or limited liability company formed in the State of Georgia, Proponent must include a copy of its Certificate of Incorporation or its Certificate of Organization from the Georgia Secretary of State's office.
 - 2.1.3. If Proponent is a corporation or limited liability company formed outside the State of Georgia, Proponent must include a copy of its Certificate of Existence from the Georgia Secretary of State's office.
 - 2.1.4. Evidence of the Proponent's plan for complying with the City's Equal Business Opportunity goals (see **Appendix A**). Proponent's narrative, which is complimentary to the forms required at **Appendix A**, should include detailed information regarding the subcontractor(s) the Proponent intends to use (or, in the case of joint ventures ("JV"), the minority interest holder(s) of Proponent) and should indicate the role and responsibilities these firms will be assigned. Each Proponent must provide a letter from each subcontractor (or JV minority interest holder) indicating that the firm concurs with the role and responsibility Proponent has described.
 - 2.1.5. A declarative statement as to whether the Proponent or any member of the Proponent's team has an open dispute with the City or is involved in

any litigation associated with work in progress or completed in either the private or the public sector during the past five (5) years.

2.2. Management and Financial/Statistical Reporting Capabilities – Describe in detail the Proponent’s proposed operating, management and personnel plan. The plan must include, at a minimum, each of the following:

2.2.1. Operations:

2.2.1.1. **Transition Plan** – Each Proponent shall submit a transition plan describing its proposed methodology for its start-up of operations. This includes the Proponent’s plan to transition existing memberships from the current vendor. The Proponent shall provide a detailed schedule with its key milestones and the timeframe each milestone shall be completed. (**Note:** Current membership rates must be accepted by successful Proponent. Any changes to current membership rates must be approved in writing by the Commissioner of DPR).

2.2.1.2. **Communications with Department of Parks and Recreation** – Describe proposed communications with the Department of Parks and Recreation, how communications will be achieved, when regular communications are proposed to occur, and what routine and emergency procedures are proposed to ensure coordinated operations.

2.2.1.3. **Administrative Reporting Procedures** – Describe internal and external administrative reporting procedures. Include the positions involved, internal and external report forms, and data collection and storage procedures.

2.2.2. Management: Describe how the Proponent will manage the operations of the golf course. Describe the management individual(s) who will be the point(s) of contact for coordination with the City.

2.2.2.1. Submit a detailed organizational chart and management profile for the proposed golf course operations showing the various positions relative to the Proponent’s overall parent and/or subcontractor’s organization. In addition, each Proponent shall submit a chart of the Proponent and its corporate relationships, including any parent, subsidiary, and related entities. Proponent must provide

copies of certifications for all grounds staff and any additional staffed positions requiring certifications.

- 2.2.2.2. Provide proponent's proposed programming plans to increase usage and number of visitors as well as an efficient load-in and tee-time schedule. Proponents should provide details of programmatic enhancements that would be implemented along with expected impact on number of users and quality of services provided.
- 2.2.2.3. Describe and provide supporting documents that show proponent's ability to provide effective community engagement, public relations and quality customer service. As a public facility, the City is committed to maintaining excellent relationships with its patrons and the general public. The Proponent must show ability to provide superior customer service and effective public relations to maintain a positive public image and enhance quality of services provided.
- 2.2.2.4. Describe and provide supporting documents that show Proponent's ability to provide innovative marketing strategies that are essential in increasing overall usage and exposure of the City's golf course. This may include introduction of additional marketing tools (e.g. including free programming, youth clinics, local community involvement, etc.) to increase participation rates.
- 2.2.2.5. Describe and provide supporting documents that show Proponent's ability to create proposals for public use of facilities beyond golf-only activities and revenue streams. These activities may include, but not limited to, special events, rentals, other non-golf related activities.
- 2.2.2.6. Provide Proponent's safety and security plan to ensure the safety of all patrons and security of all assets.
- 2.2.2.7. Provide evidence of the Proponent's ability to provide the City with detailed Financial and Statistical Reporting. Requested reports may include rounds by age, usage by defined timeframe, programming participation numbers (Paid vs. Unpaid), etc. Proponents should provide detail of the types of financial and statistical reporting they are able to provide. Proponent must also notate the program/system that is proposed to be used with detail

description of financial software capabilities, i.e., Point of Sale System (POS), accounting system, etc. Proponent will be required to provide the Commissioner of DPR (or their designee) with log-in access to financial and statistical reporting tools.

2.2.2.8. Provide Proponent's proposed fee structure if different from the City's current fee structure. Proposed fee structure changes are subject to approval by the Atlanta City Council.

2.2.2.9. Provide Proponent's plan for the use and application of chemicals to be applied to the City's golf course.

2.2.2.10. Proponent's plan to stock and operate the City's golf course, pro shop and clubhouse. Proponent should include plans for vending, rentals, events, and City-approved community meetings.

2.2.3. Personnel:

2.2.3.1. Provide position descriptions for each position in the organizational chart describing the scope of duties and responsibilities, normal working hours, reporting and supervisory responsibilities, and number of all staff members.

2.2.3.2. Submit a detailed description of the type and duration of proposed training programs for all positions to enhance job performance and promotion. Discuss proposed management and employee training pertaining to Customer Service including employee training for handling customers and training to assist patrons who are not familiar with the golf course.

2.3. Maintenance Plan

2.3.1 Provide Proponent's plan for the on-going, physical maintenance of the City's golf course. Please provide detailed maintenance standards, activities, and scheduling.

2.3.2 Provide Proponent's plan to provide building/equipment maintenance and a schedule for the routine maintenance of the Golf Course buildings/equipment to include, but not limited to, the clubhouse, the maintenance shop, storage areas, parking area and sidewalks, open areas,

planting beds, plumbing, roofing, and any additional interior/exterior areas. Please include all equipment in these areas, to include but not limited to irrigation systems, greens, HVAC, golf carts, mowers, etc.

2.3.3 Provide Proponent's plan to provide purchasing, maintenance and scheduled replacement for all of the equipment and golf carts operated within the City's golf course, including interior/exterior site furnishings.

2.3.4 Personnel:

2.3.4.1 Provide position descriptions for each position in the organizational chart describing the scope of duties and responsibilities, normal working hours, reporting and supervisory responsibilities, and number of all staff members.

2.3.4.2 Submit a detailed description of the type and duration of proposed training programs for all positions to enhance job performance and promotion. Discuss proposed employee training surrounding maintenance service implementation for proposed golf course.

2.4 Cost Proposal - Proponents are required to provide a cost proposal for each year of the term of the agreement as delineated on Exhibit A.1 attached to the Services Agreement. Proponent's narrative must include a cost proposal section that provides proponent's plan regarding the business terms under which it proposes to provide the Services. Proponents have the option to propose business terms which include but are not limited to, the City retaining all gross revenue or the proponent retaining all gross revenue.

2.5 Industry Experience and Qualifications

2.5.1 To participate in this Procurement, Proponent must possess a minimum of three (3) years' experience managing and maintaining a regulation 18-hole public or 9-hole and/or private golf course(s).

2.5.2 Proponent shall have a minimum of three (3) years' experience, by the individual who will be the on-site General Manager of the Golf Course, in managing regulation 18-hole or 9-hole public and/or private golf course(s). This may be the same person as the Head Golf Professional, or may be a different individual.

2.5.3 By submitting a proposal in response to this RFP, Proponent represents and warrants to the City that it has or will acquire and maintain all required and

necessary licenses, certifications, permits, bonding capacity and insurance prior to executing an agreement to perform the Services contemplated herein.

- 2.5.4 Provide the name, address, and a complete résumé of the qualifications and experience of the Proponent's proposed General Manager and other key personnel (e.g. golf professional, course superintendent, turf specialist, support staff, etc.), along with their relevant experience and scope of responsibility. Qualifications should relate to their ability to manage, maintain, and operate a public and/or private golf course of similar climate and/or soil conditions as those of the City's Golf Course. The selected Proponent's proposed General Manager shall be interviewed by City staff prior to the execution of the Contract to be awarded.
- 2.5.5 No entity may submit more than one Proposal under the same or different names or as part of multiple organizations. The City reserves the right to disqualify any Proponent that consists of any entity submitting more than one Proposal in response to this RFP.
- 2.5.6 Proponent must clearly illustrate how it meets the overall qualification requirements set forth in this RFP. Proponents that fail to meet or demonstrate the above criteria in its proposal will be deemed non-responsive and/or non-responsible.

3. VOLUME II (Information required by a Proponent on forms provided by the City):

- 3.1 **Illegal Immigration Reform and Enforcement Act** – Each Proponent must complete and submit a Contractor's Affidavit, attached hereto at **Form 1: Illegal Immigration Reform and Enforcement Act Forms** with its proposal. This RFP is subject to the Illegal Immigration Reform and Enforcement Act of 2011 ("Act"). Pursuant to the Act, the Proponent must provide with its proposal proof of its registration with and continuing and future participation in the E-Verify Program established by the United States Department of Homeland Security. Under state law, the City cannot consider any proposal which does not include a completed Contractor's Affidavit. It is not the intent of this notice to provide detailed information or legal advice concerning the Act. All Proponents intending to do business with the City are responsible for independently apprising themselves of and complying with the requirements of the Act and assessing its effect on City procurements and their participation in those procurements. For additional information on the E-Verify program or to enroll in the program, go to <https://e-verify.uscis.gov/enroll>.
- 3.2 **Contractor Disclosure Form** – Each Proponent must complete and submit **Form 2: Contractor Disclosure Form** with its proposal.

- 3.3 Proponent's Financial Disclosure** – Each Proponent must complete and submit **Form 4: Proponent Financial Disclosures** with its proposal. The City's evaluation of financial information concerning a Proponent and its consideration of such information in determining whether a Proponent is responsive and responsible may involve a review of several items of information required to be included in a proposal. City will review the information included in Form 4 attached hereto and any additional information required on that form to be included in a proposal.
- 3.4 Acknowledgment of Insurance and Bonding Requirements** – Each Proponent must complete and submit **Form 5: Acknowledgement of Insurance and Bonding Requirements** with its Proposal. The insurance and bonding requirements for any agreement that the City may award pursuant to this RFP are set forth in **Exhibit D: Insurance and Bonding Requirements**.
- 3.5 Acknowledgment of Addenda** – Each Proponent must complete and submit an acknowledgement with its proposal that it has received all Addenda issued by the City for this RFP. **Form 7: Acknowledgement of Addenda** has been included and may be used to satisfy this requirement.
- 3.6 Reference List** – Each Proponent must complete and submit a minimum of three (3) golf industry references as well as three (3) credit references with whom they have had a business partnership within the last three (3) years. A separate **Form 9** is required for each reference.
- 3.7 Contact Directory** – Each Proponent must complete and submit Form 9: Contact Directory with its proposal to include the names, positions/titles, firms, mailing addresses, phone and fax numbers and (when possible) e-mail addresses for at least two individuals, one (1) primary and one (1) secondary, who are authorized to represent Proponent for purposes of this RFP and to whom notices regarding the Proponent's qualification may be sent.
- 3.8 Cost Proposal** – Each Proponent must submit a Cost Proposal using the form provided by the City attached to the form of Services Agreement and marked as Exhibit A.1 – Cost Proposal. The Cost Proposal must support the Scope of Services contained in the RFP and fully encompass all activities in the Proponent's Proposal. The Cost Proposal shall serve as the baseline for final fee negotiation with the City.
- 3.9 Office of Contract Compliance Submittals** – The City's OCC Programs applicable to this procurement and any Agreement that may be awarded pursuant to this RFP are set forth in Appendix A attached hereto.

- 3 **Submittals:** The following submittals must be completed and submitted with each Proposal.

Item #	Required Proposal Submittal Check Sheet ¹	Check (v)
	<u>Volume 1</u>	
1.	Executive Summary	
2.	Organizational Structure, Key Personnel, Overall Experience, Qualifications and Performance on Previous Projects	
3.	Management and Financial/Statistical Reporting Capabilities	
4.	Maintenance Plan	
	<u>Volume 2</u>	
5.	Form 1: Illegal Immigration Reform and Enforcement Act – Contractor Affidavit	
6.	Form 2: Contractor Disclosure Form	
7.	Form 4: Proponent’s Financial Disclosures	
8.	Form 5: Acknowledgement of Insurance and Bonding	
8.	Form 7: Acknowledgement of Addendum	
9.	Form 8: Reference List	
10.	Form 9: Contact Directory	
11.	Exhibit A.1: Cost Proposal	
12.	Appendix A: Office of Contract Compliance Submittals	

¹ This table is included for Proponent’s convenience and may be used to track the preparation and submittal of certain required information with its Proposal.

Part 3: Evaluation of Proposals

All Proposals will be evaluated in accordance with the City's Code and the criteria specified on the Percentage Evaluation Form and considering the information required to be submitted in each Proposal. An Evaluation Committee will review the Proposals in accordance with this RFP. All Proposals will be evaluated using the criteria specified below:

1. Organizational Structure, Key Personnel, Overall Experience, Qualifications and Performance on Previous Projects (10%)

Evaluators will consider the quality, comprehensiveness, and feasibility of the Proponent's organizational structure, experience and qualifications. Evaluators will consider the background, qualifications, and experience of the Proponent in golf course operations. The City will consider the quality of past performance with regard to customer service, reliability of service, and facility maintenance.

2. Management and Financial/Statistical Reporting Capabilities (20%)

Evaluators will consider the quality, comprehensive nature, and feasibility of the Proponent's Management/Maintenance Plan and Financial/Statistical Reporting Capabilities Operations Plan.

3. Maintenance Plan (20%)

Evaluators will consider the quality, comprehensive nature, and feasibility of the Proponent's Maintenance Plan.

4. Total Proposed Cost (25%)

Evaluators will consider the proposed cost for the term of the contract.

5. Office of Contract Compliance Requirements (15%)

The City's Office of Contract Compliance will evaluate the compliance of the Proposal with the City's Equal Business Opportunity Program and other applicable programs. This criterion is not scored on a sliding scale. Proponents who fail to evidence compliance with the City's programs shall be deemed non-responsive.

6. Financial Capability (10%)

The City's Department of Finance will evaluate the strength of Proponents' financial statements and other required financial information. Proponents who fail to submit all required financial information shall be deemed non-responsive. The review will focus primarily on the Proponent's Statement of Income, Balance Sheet, and Cash Flow Statements. Ratio Analysis will be included while determining the Proponent's financial strength as well as a review of the sources and uses of funds.

EVALUATION FORM			
CATEGORIES	CATEGORY SCORE	RELATIVE WEIGHT	TOTAL CATEGORY SCORE
Organizational Structure, Key Personnel, Overall Experience, Qualifications and Performance on Previous Projects		10	
Management and Financial/Statistical Reporting Capabilities		20	
Maintenance Plan		20	
Total Proposed Cost		25	
OCC Program Requirements		15	
Financial Capability		10	
Total Score:		100%	

For purposes of evaluating all of the Proposals timely received by the City, the City will assess a score between one (1) and ten (10) for each Category noted above. The total category score is calculated by multiplying the Category Score and the assigned Relative Weight (i.e., Category Score x Relative Weight = Total Category Score). The Total Score is calculated by adding each Total Category Score together. The result of the calculation of the Total Score will be used to determine which Proponent has received the highest Total Score.

Part 4: Submittal Forms

1. ILLEGAL IMMIGRATION REFORM AND ENFORCEMENT ACT AFFIDAVITS (Form 1)
2. CONTRACTOR DISCLOSURE FORM (Form 2)
3. PROPONENT'S FINANCIAL DISCLOSURES (Form 4)
4. ACKNOWLEDGEMENT OF INSURANCE AND BONDING REQUIREMENTS (Form 5)
5. ACKNOWLEDGEMENT OF ADDENDA (Form 7)
6. REFERENCE LIST (Form 8)
7. CONTACT DIRECTORY (Form 9)
8. EXHIBIT A.1 – COST PROPOSAL
9. APPENDIX A: OFFICE OF CONTRACT COMPLIANCE SUBMITTALS

All Respondents, including, but not limited to, corporate entities, limited liability companies, joint ventures, or partnerships, that submit a Proposal or Bid in response to this solicitation must fill out all forms in their entirety, and all forms must be signed, notarized or sealed with the corporate seal (if applicable), as required per each form's instructions.

If Respondent intends to be named as a Prime Contractor(s) with the City, then Respondent must fill out all the forms listed in this solicitation document; otherwise, Respondent may be deemed non-responsive.

FORM 1
Illegal Immigration Reform and Enforcement Act Forms
INSTRUCTIONS TO RESPONDENTS

All Respondents must comply with the Illegal Immigration Reform and Enforcement Act of 2011, O.G.G.A § 13-10-90, et seq. (“IIREA”). Respondents must familiarize themselves with IIREA and are solely responsible for ensuring their compliance therewith. Respondents may not rely on these instructions for that purpose. These instructions are offered only as a convenience to assist Respondents in complying with the requirements of the City’s procurement process and the terms of this solicitation document.

1. The attached Contractor Affidavit must be filled out COMPLETELY and submitted with the respondent’s submission prior to the due date.
2. The Contractor Affidavit must contain an active Federal Work Authorization Program (“E-Verify”) User ID Number and Date of Registration.
3. Where the business structure of a Respondent is such that Respondent is required to obtain an Employer Identification Number (“EIN”) from the Internal Revenue Service, Respondent must complete the Contractor Affidavit on behalf of, and provide a Federal Work Authorization User ID Number issued to, the Respondent itself (see Example 1 below). Where the business structure of a Respondent does not require it to obtain an EIN, each entity comprising Respondent must submit a separate Contractor Affidavit (see Example 2 below).

Example 1, ABC, Inc. and XYZ, Inc. form and submit a response as Happy Day, LLC. Happy Day, LLC must enroll in the E-verify program and submit a single Contractor Affidavit in the name of Happy Day, LLC which includes the Federal Work Authorization User ID Number issued to Happy Day, LLC.

Example 2, ABC, Inc. and XYZ, Inc. execute a joint venture agreement and submit a response under the name Happy Day, JV. If based on the nature of the JV agreement, Happy Day, JV is not required to obtain an EIN from the IRS, then the response submitted by Happy Day, JV must include both a Contractor Affidavit for ABC, Inc. and a Contractor Affidavit for XYZ, Inc.

4. All Contractor Affidavits must be executed by an authorized representative of the entity named in the Affidavit.
5. All Contractor Affidavits must be notarized.
6. All Contractor Affidavits must be submitted with the Respondent’s response to the solicitation document.
7. Subcontractor and sub-subcontractor affidavits are not required at the time of response submission, but will be required at contract execution or in accordance with the timelines set forth in IIREA.

Contractor Affidavit under O.C.G.A. § 13-10-91(b)(1)

By executing this Contractor Affidavit, the undersigned contractor verifies its compliance with O.C.G.A. § 13-10-91, stating affirmatively that the individual, firm or corporation which is engaged in the physical performance of services on behalf of the City of Atlanta has registered with, is authorized to use and uses the federal work authorization program commonly known as E-Verify, or any subsequent replacement program, in accordance with the applicable provisions and deadlines established in O.C.G.A. § 13-10-91. Furthermore, the undersigned contractor will continue to use the federal work authorization program throughout the contract period and the undersigned contractor will contract for physical performance of services in satisfaction of such contract only with subcontractors who present an affidavit to the contractor with the information required by O.C.G.A. § 13-10-91(b). Contractor hereby attests that its federal work authorization user identification number and date of authorization are as follows:

Federal Work Authorization User Identification Number

Date of Authorization

Name of Contractor: _____

Name of Project: _____

Name of Public Employer: City of Atlanta _____

I hereby declare under penalty of perjury that the forgoing is true and correct.

Executed on _____, _____, 20__ in _____ (city), _____ (state)

Signature of Authorized Officer or Agent

Printed name and Title of Authorized Officer or Agent

SUBSCRIBED AND SWORN BEFORE
ME ON THIS THE ____, DAY OF _____, 201__

NOTARY PUBLIC
My Commission Expires: _____

FORM 2
CONTRACTOR DISCLOSURE FORM
DEFINITIONS FOR THE PURPOSES OF THIS DISCLOSURE

"Affiliate"	Any legal entity that, directly or indirectly through one of more intermediate legal entities, controls, is controlled by or is under common control with the Respondent or a member of Respondent.
"Contractor"	Any person, partnership or entity having a contract with the City.
"Control"	The controlling entity: (i) possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the controlled entity, whether through the ownership of voting securities or by contract or otherwise; or (ii) has direct or indirect ownership in the aggregate of fifty one (51%) or more of any class of voting or equity interests in the controlled entity.
"Respondent"	<p>Any individual, partnership or entity that submits a response to a solicitation.</p> <p>If the Respondent is an individual, then that individual must complete and sign this Contractor Disclosure Form where indicated.</p> <p>If the Respondent is a partnership (including but not limited to, joint venture partnership), then each partner in the partnership must complete and sign a separate Contractor Disclosure Form where indicated.</p> <p>If the Respondent is a legal entity (e.g., corporation, limited liability company), then an authorized representative of that entity must complete and sign this Contractor Disclosure where indicated.</p> <p>If the Respondent is a newly formed entity (formed within the last three years), then an authorized representative of that entity must complete and sign this Contractor Disclosure Form where indicated, and each of the members or owners of the entity must also complete and sign separate Contractor Disclosure Form where indicated.</p>

Instructions: Provide the following information for the entity, partner or individual completing this Disclosure (the "Individual/Entity").

A. Basic Information:

1. Name of Respondent: _____
2. Name of the authorized representative for the Respondent: _____

B. Individual/Entity Information:

- Principal Office Address: _____
- Telephone and Facsimile Numbers: _____
- E-Mail Address: _____
- Name and title of Contact Person for the Individual/Entity: _____

Is the individual/Entity authorized to transact business in the State of Georgia?

Yes **(Attach Certificate of Authority to transact business in Georgia from Georgia Secretary of State.)**

No

C. Questionnaire

If you answer "YES" to any of the questions below, please indicate the name(s) of the person(s), the nature, and the status and/or outcome of the information, indictment, conviction, termination, claim or litigation, the name of the court and the file or reference number of the case, as applicable. Any such information should be provided on a separate page, attached to this form and submitted with your Proposal.

1. Please describe the general development of the Respondent's business during the past ten (10) years, or such shorter period of time that the Respondent has been in business.

2. Are there any lawsuits, administrative actions or litigation to which Respondent is currently a party or has been a party (either as a plaintiff or defendant) during the past ten (10) years based upon fraud, theft, breach of contract, misrepresentation, safety, wrongful death or other similar conduct? **YES** **NO**

3. If "yes" to question number 2, were any of the parties to the suit a bonding company, insurance company, an owner, or otherwise? If so, attach a sheet listing all parties and indicate the type of company involved. **YES** **NO**

4. Has the Respondent been charged with a criminal offense within the last ten (10) years? **YES** **NO**

5. Has the Respondent received any citations or notices of violation from any government agency in connection with any of Respondent's work during the past ten (10) years (including OSHA violations)? Describe any citation or notices of violation which Respondent received. **YES** **NO**

6. Please state whether any of the following events have occurred in the last ten (10) years with respect to the Respondent. If any answer is yes, explain fully the circumstances surrounding the subject matter of the affirmative answer:

Whether Respondent, or Affiliate currently or previously associated with Respondent, has ever filed a petition in bankruptcy, taken any actions with respect to insolvency, reorganization, receivership, moratorium or assignment for the benefit of creditors, or otherwise sought relief from creditors? **YES** **NO**

Whether Respondent was subject of any order, judgment or decree not subsequently reversed, suspended or vacated by any court permanently enjoining Respondent from engaging in any type of business practice? **YES** **NO**

Whether Respondent was the subject of any civil or criminal proceeding in which there was a final adjudication adverse to Respondent which directly arose from activities conducted by Respondent. **YES** **NO**

7. Has any employee, agent or representative of Respondent who is or will be directly involved in the project, in the last ten (10) years:

(a) directly or indirectly, had a business relationship with the City? **YES** **NO**

(b) directly or indirectly, received revenues from the City? **YES** **NO**

(c) directly or indirectly, received revenues from conducting business on City property or pursuant to any contract with the City? **YES** **NO**

8. Whether any employee, agent, or representative of Respondent who is or will be directly involved in the project has or had within the last ten (10) years a direct or indirect business relationship with any elected or appointed City official or with any City employee? **YES** **NO**

9. Whether Respondent has provided employment or compensation to any third party intermediary, agent, or lobbyist to directly or indirectly communicate with any City official or employee, or municipal official or employee in connection with any transaction or investment involving your firm and the City? **YES** **NO**

10. Whether Respondent, or any agent, officer, director, or employee of your organization has solicited or made a contribution to any City official or member, or to the political party or political action committee within the previous five (5) years? **YES** **NO**

11. Has the Respondent or any agent, officer, director, or employee been terminated, suspended, or debarred (for cause or otherwise) from any work being performed for the City or any other Federal, State or Local Government? **YES** **NO**

12. Has the Respondent, member of Respondent's team or officer of any of them (with respect to any matter involving the business practice or activities of his or her employer been notified within the five (5) years preceding the date of this offer that any of them are the target of a criminal investigation, grand jury investigation, or civil enforcement proceeding? **YES** **NO**

13. Please identify any Personal or Financial Relationships that may give rise to a conflict of interest as defined below *[Please be advised that you may be ineligible for award of contract if you have a personal or financial relationship that constitutes a conflict of interest that cannot be avoided]:*

(a) Personal relationships: executives, board members and partners in firms submitting offers must disclose familial relationships with employees, officers and elected officials of the City of Atlanta. Familial relationships shall include spouse, domestic partner registered under section 94-133, mother, father, sister, brother, and **YES** **NO**

natural or adopted children of an official or employee.

(b) Financial relationships: Respondent must disclose any interest held with a City employee or official or family members of a City employee or official, which may yield, directly or indirectly, a monetary or other material benefit to the Respondent or the Respondent's family members. Please describe:

	YES	NO
	<input type="checkbox"/>	<input type="checkbox"/>

Respondent or the Respondent's family members. Please describe:

D. REPRESENTATIONS

Anti-Lobbying Provision. All respondents, including agents, employees, representatives, lobbyists, attorneys and proposed partner(s), subcontractor(s) or joint venturer(s), will refrain, under penalty of the respondent's disqualification, from direct or indirect contact for the purpose of influencing the selection or creating bias in the selection process with any person who may play a part in the selection process.

Certification of Independent Price Determination/Non-Collusion. Collusion and other anticompetitive practices among offerors are prohibited by city, state and federal laws. All Respondents shall identify a person having authority to sign for the Respondent who shall certify, in writing, as follows:

"I certify that this bid/proposal is made without prior understanding, agreement, or connection with any corporation, firm, or person submitting a bid or offer for the same supplies, labor, services, construction, materials or equipment to be furnished or professional or consultant services, and is in all respects fair and without collusion or fraud. I understand collusive bidding is a violation of city, state and federal law and can result in fines, prison sentences, and civil damages awards. By signing this document, I agree to abide by all conditions of this solicitation and offer and certify that I am authorized to sign for this Respondent/Offeror."

Certify Satisfaction of all Underlying Obligations. (If Applicable) If a Contract is awarded through this solicitation, then such Contractor should know that before final payment is made to a Contractor by the City, the Contractor shall certify to the City in writing, in a form satisfactory to the City, that all subcontractors, materialmen suppliers and similar firms or persons involved in the City contract have been paid in full at the time of final payment to the Contractor by the City or will be paid in full utilizing the monies constituting final payment to the Contractor.

Confidentiality. Details of the proposals will not be discussed with other respondents during the selection process. Respondent should be aware, however, that all proposals and information submitted therein may become subject to public inspection following award of the contract. Each respondent should consider this possibility and, where trade secrets or other proprietary information may be involved, may choose to provide in lieu of such proprietary information, an explanation as to why such information is not provided in its proposal. However, the respondent may be required to submit such required information before further consideration.

Equal Employment Opportunity (EEO) Provision. All bidders or offerors will be required to comply with sections 2-1200 and 2-1414 of the City of Atlanta Code of Ordinances, as follows: During the performance of the agreement, the Contractor agrees as follows:

- a) The Contractor shall not discriminate against any employee, or applicant for employment, because of race, color, creed, religion, sex, domestic relationship status, parental status, familial status, sexual orientation, national origin, gender identity, age, disability, or political affiliation. As used here, the words "shall not discriminate" shall mean and include without limitation the following:

Recruited, whether by advertising or other means; compensated, whether in the form of rates of pay, or other forms of compensation; selected for training, including apprenticeship; promoted; upgraded; demoted; downgraded; transferred; laid off; and terminated.

The Contractor agrees to and shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officers setting forth the provisions of the EEO clause.

- b) The Contractor shall, in all solicitations or advertisements for employees, placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, creed, religion, sex, domestic relationship status, parental status, familial status, sexual orientation, national origin, gender identity, age, disability, or political affiliation.
- c) The Contractor shall send to each labor union or representative of workers with which the Contractor may have a collective bargaining agreement or other contract or understanding a notice advising the labor union or workers' representative of the Contractor's commitments under the equal employment opportunity program of the City of Atlanta and under the Code of Ordinances and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Contractor shall register all workers in the skilled trades who are below the journeyman level with the U.S. Bureau of Apprenticeship and Training.
- d) The Contractor shall furnish all information and reports required by the contract compliance officer pursuant to the Code of Ordinances, and shall permit access to the books, records, and accounts of the Contractor during normal business hours by the contract compliance officer for the purpose of investigation so as to ascertain compliance with the program.
- e) The Contractor shall take such action with respect to any subcontractor as the city may direct as a means of enforcing the provisions of paragraphs (a) through (h) herein, including penalties and sanctions for noncompliance; provided, however, that in the event the Contractor becomes involved in or is threatened with litigation as a result of such direction by the city, the city will enter into such litigation as is necessary to protect the interest of the city and to effectuate the equal employment opportunity program of the city; and, in the case of contracts receiving federal assistance, the Contractor or the city may request the United States to enter into such litigation to protect the interests of the United States.
- f) The Contractor and its subcontractors, if any, shall file compliance reports at reasonable times and intervals with the city in the form and to the extent prescribed by the contract compliance officer. Compliance reports filed at such times directed shall contain information as to employment practices, policies, programs and statistics of the Contractor and its subcontractors.

- g) The Contractor shall include the provisions of paragraphs (a) through (h) of this equal employment opportunity clause in every subcontract or purchase order so that such provisions will be binding upon each subcontractor or vendor.
- h) A finding, as hereinafter provided, that a refusal by the Contractor or subcontractor to comply with any portion of this program, as herein provided and described, may subject the offending party to any or all of the following penalties:
 - (1) Withholding from the Contractor in violation all future payments under the involved contract until it is determined that the Contractor or subcontractor is in compliance with the provisions of the contract;
 - (2) Refusal of all future bids for any contract with the City of Atlanta or any of its departments or divisions until such time as the Contractor or subcontractor demonstrates that there has been established and there shall be carried out all of the provisions of the program as provided in the Code of Ordinances;
 - (3) Cancellation of the public contract;
 - (4) In a case in which there is substantial or material violation of the compliance procedure herein set forth or as may be provided for by the contract, appropriate proceedings may be brought to enforce those provisions, including the enjoining, within applicable law, of Contractors, subcontractors or other organizations, individuals or groups who prevent or seek to prevent directly or indirectly compliance with the policy as herein provided.

Prohibition on Kickbacks or Gratuities/Non-Gratuity. The undersigned acknowledges the following prohibitions on kickbacks and gratuities:

- a. It is unethical for any person to offer, give or agree to give any employee or former employee a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy or other particular matter pertaining to any program requirement or a contract or subcontract or to any solicitation or proposal therefor.
- b. It is unethical for any employee or former employee to solicit, demand, accept or agree to accept from another person a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy or other particular matter pertaining to any program requirement or a contract or subcontract or to any solicitation or proposal therefor.
- c. It is also unethical for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime Contractor or higher tier subcontractor or any person associated therewith as an inducement for the award of a subcontract or order.

Declaration

Under penalty of perjury, I declare that I have examined this Contractor Disclosure Form and all attachments to it, if applicable, and, to the best of my knowledge and belief all statements contained herein and in any attachments, if applicable, are true, correct and complete.

I certify that this offer is made without prior understanding, agreement, or connection with any corporation, firm, or person submitting an offer for the same supplies, services, construction, or professional or consultant services, and is in all respects fair and without collusion or fraud. I understand collusive bidding is a violation of city, state and federal law and can result in fines, prison sentences, and civil damages awards. I agree to abide by all conditions of this solicitation and offer and certify that I am authorized to sign for this Respondent.

For entities that are newly formed (formed within the last three years):

I certify that the Respondent is newly formed and does not have sufficient information to respond to Part C of this Form.

Sign here if you are an individual:

Printed Name: _____

Signature: _____

Date: _____

Subscribed and sworn to or affirmed by _____ **(name) this** ___ **day of** _____, **20**__.

Notary Public of _____(state)

My commission expires: _____

Sign here if you are an authorized representative of a responding entity or partnership:

Printed Name of Entity or Partnership: _____

Signature of authorized representative: _____

Title: _____

Date: _____, **20**__

Subscribed and sworn to or affirmed by _____ **(name), as the** _____ **(title) of** _____ **(entity or partnership name) this** ___ **day of** _____, **20**__.

Notary Public of _____(state)

My commission expires: _____

FORM 4

Proponent Financial Disclosure

Instructions: It is necessary for the City to evaluate, verify, and understand the Proponent's financial capability and stability to undertake and perform the Services contemplated in this Solicitation. To accomplish this task, the Proponent must provide accurate and legible financial disclosures to the City as requested below.

A "Proponent" is an individual, entity or partnership submitting a proposal or bid in response to a Solicitation.

1. If the Proponent is an individual, financial disclosures for that individual must be provided.
2. If the Proponent is an entity or partnership, financial disclosures for that entity or partnership must be provided.
3. If the Proponent is a newly formed entity or partnership (formed within the last three years), financial disclosures for that entity or partnership must be provided together with full financial disclosure from the entity's or partnership's owners. Financial Disclosure includes a full response to all questions and requests for documentation listed in this **Form 4**.

For example, if the Proponent is a newly formed entity (formed within the last three years) made up of two separate entities (e.g., a majority interest owner and a minority interest owner), then financial disclosure is required from the Proponent entity, and financial disclosure is also required from each of the two owners (majority entity owner and minority entity owner) as well.

The Proponent (and its owners, if applicable) must submit hard copies of all financial disclosures in response to this **Form 4**.

Part A - General Information:

Name of the Proponent: _____

Name of individual, entity or partnership completing this Form: _____

Relationship of individual, entity or partnership completing this Form to the Proponent: _____

Contact information of individual, entity or partnership completing this Form: _____

Address _____

Phone Number(s) _____

Email: _____

Part B: Financial Information:

1. The Proponent, and its owners, if applicable, should demonstrate its financial capability and stability by selecting and providing documentation from one of the following three groups of requests (see below). Please circle which group, (a), (b), or (c), is selected and provide the supporting documentation with the proposal/bid.
 - (a) Financial statements for the three (3) most recent consecutive fiscal years, audited by a Certified Public Accountant (“CPA”), including:
 - (i) Income Statement;
 - (ii) Balance Sheet; and
 - (iii) Statement of Cash Flows.
 - (b) Financial statements for the three (3) most recent consecutive fiscal years, either reviewed or compiled by a Certified Public Accountant (“CPA”), including:
 - (i) Income Statement;
 - (ii) Balance Sheet; and
 - (iii) Satisfactory proof of Proponent’s ability to obtain a Performance Bond for the amount described in **Exhibit D**, if applicable.
 - (c) Unaudited, self-prepared financial statements for the three (3) most recent consecutive fiscal years, including:
 - (i) Income Statement;
 - (ii) Balance Sheet;
 - (iii) Satisfactory proof of Proponent’s ability to obtain a Performance Bond for the amount described in **Exhibit D**, if applicable;
 - (iv) Two (2) banks or other institutional lenders’ references; and
 - (v) Dunn and Bradstreet report for the last two (2) years.

2. Fill in the blanks below to provide a summary of all of the Proponent's assets and liabilities for the three (3) most recent years (calculated from the date of the end of the fiscal year).

ALL FIGURES BELOW MUST BE REPRESENTED IN U.S. CURRENCY (\$).

Standard currency of Proponent's Financial Statements: _____

The exchange rate used: _____ = US \$ _____

Most recent three (3) years

	<u>Year: 20</u> (Thousands)	<u>Year: 20</u> (Thousands)	<u>Year: 20</u> (Thousands)
Current Assets	\$.....	\$.....	\$.....
Current Liabilities	\$.....	\$.....	\$.....
Property & Equip.	\$.....	\$.....	\$.....
Working Capital	\$.....	\$.....	\$.....
Sales/ Revenue	\$.....	\$.....	\$.....
Total Assets	\$.....	\$.....	\$.....
Total Liabilities	\$.....	\$.....	\$.....
Interest Charges	\$.....	\$.....	\$.....
Net Income	\$.....	\$.....	\$.....
Net-Worth	\$.....	\$.....	\$.....

3. Do you plan to use or require an open line of credit for the project? Yes or No.

If yes, the Proponent must provide the source of the line of credit on bank letterhead for the bank providing the line of credit. The bank contact information must include: contact name, title, address, telephone, fax and e-mail address.

Declaration

Under penalty of perjury, I declare that I have examined this Affidavit Disclosure form and all attachments to it, if applicable, and, to the best of my knowledge and belief, and all statements contained in it and all attachments, if applicable, are true, correct and complete.

Whether you are an individual executing this form or you are an authorized representative of an entity executing this form, the person signing below must sign or affirm in the presence of a Notary Public. The Notary Public's signature and seal must be provided, together with the date of the notarial act.

For entities that are newly formed (formed within the last three years):

- I certify that the Respondent is newly formed and does not have sufficient information to respond to Part B of this Form.

Sign here if you are an individual:

Printed Name: _____

Signature: _____

Date: _____, 20__

Subscribed and sworn to or affirmed by _____ (name) this ____ day of _____, 201__.

Notary Public of _____ (state)

My commission expires: _____

Sign here if you are an authorized representative of a responding entity:

Printed Name of Entity: _____

Signature of authorized representative: _____

Title: _____

Date: _____, 20__

Subscribed and sworn to or affirmed by _____ (name), as the _____ (title) of _____ (entity name) this ____ day of _____, 201__.

Notary Public of _____ (state)

My commission expires: _____

FORM 5

Acknowledgment of Insurance and Bonding Requirements

I, _____, on behalf of _____, Proponent, acknowledge that if selected as the successful Proponent for **FC-8725, Management and Maintenance Services for Candler Park City of Atlanta Golf Course**, Proponent shall comply completely and promptly with all insurance requirements contained in the Agreement attached to this Solicitation and appendices thereto, pertaining to insurance.

Proponent understands that it is expected to share these requirements with potential sureties and insurance brokers, agents, underwriters, etc. prior to any award of an Agreement and to take all necessary steps to ensure compliance with the applicable requirements without delay. Proponent understands, acknowledges and agrees that any failure to fully comply with these requirements within ten (10) days of the date Proponent receives a final Agreement document from the City may result in the forfeiture of the Proposal guarantee (if applicable) submitted with this Proposal and/or the disqualification of Proponent from further consideration for the Agreement.

By executing this Acknowledgement of Insurance Requirements, I represent that the Proponent understands and agrees to comply unconditionally with all requirements related to insurance contained in the Agreement attached to this Solicitation. Further, by signing below, I represent that I am authorized to make the representations contained herein on behalf of Proponent.

Dated this _____ day of _____, 201_.

Corporate Proponent: [Insert Corporate Name] _____	Non-Corporate Proponent: [Insert Proponent Name] _____
By: _____	By: _____
Print Name: _____	Print Name: _____
Title: _____	Title: _____
_____	_____
Corporate Secretary/Assistant Secretary (Seal)	Notary Public (Seal) My Commission Expires: _____

FORM 7

Acknowledgment of Addenda

Each Respondent must complete and submit and acknowledgement with its solicitation that it has received all Addenda issued for this solicitation. This form has been included and may be used to satisfy this requirement.

This is to acknowledge receipt of the following **Addenda** for **FC-8725, Management and Maintenance Services for Candler Park City of Atlanta Golf Course**:

None (Check if None)

1. _____;
2. _____;
3. _____; and
4. _____.

Dated the _____ day of _____, 20____.

Corporate Proponent:
[Insert Corporate Name]

By: _____

Name: _____

Title: _____

**Corporate Secretary/Assistant
Secretary (Seal)**

Non-Corporate Proponent:
[Insert Proponent Name]

By: _____

Name: _____

Title: _____

**Notary Public (Seal)
My Commission Expires:**

FORM 8

PROPONENT CONTACT DIRECTORY²

NAME	POSITION/TITLE	MAILING ADDRESS	PHONE NUMBER	FAX NUMBER	EMAIL ADDRESS

The purpose of the Proponent Contact Directory is to provide the City with a centralized, easily identified source of important contacts and other information regarding each of the business entities constituting a Proponent. This Proponent Contact Directory should include the names, positions/titles, firms, mailing addresses, phone and fax numbers and e-mail addresses for each of the following as it pertains to each of the firms in a Proponent's team:

1. At least two individuals, one primary the other(s) secondary, authorized to represent the firm for purposes of this RFP; and
2. Proponent Service Provider Key Personnel (as appropriate) listed in the Agreement included in this RFP.

FORM 9

Referral List

Each Proponent must provide a list of at least three (3) golf industry references as well as three (3) credit references with whom they have had a business partnership within the last three (3) years using the below-referenced format. The City is interested in reviewing references that are able to attest to a Proponent's performance ability and credibility in a particular industry or trade.

Reference: Name
 Address
 City, State, Zip
 Phone
 Fax

Project Title:

Contact Person: _____
Direct Telephone: _____
Email Address: _____

Date(s) of Project: _____

Description of Services:

Total Amount of Contract Including Change Orders:

Proponent's Role and Responsibilities:

Current Completion Status:

(Use the Same Format to Provide the Additional References)

AGREEMENT

FOR

MANAGEMENT AND MAINTENANCE SERVICES FOR CANDLER PARK
CITY OF ATLANTA GOLF COURSE

Atlanta, Georgia



Service Provider: _____

Contract No. FC-8725

Agreement

This Agreement is entered into and effective as of May 1, 2016 (the "Effective Date") between the City of Atlanta ("City") and the service provider ("Service Provider") set forth below.

Contract Name: MANAGEMENT AND MAINTENANCE SERVICES FOR CANDLER PARK CITY OF ATLANTA GOLF COURSE	Contract No.: FC-8725
Service Provider	City of Atlanta
Name:	Using Agency: Department of Parks and Recreation
Address:	Address: 233 Peachtree Street, NE, Suites 1600/1700 Atlanta, Georgia 30303
Phone:	Phone:
Fax:	Fax:
E-Mail:	E-Mail:
Authorized Representative:	Authorized Representative: Amy Phuong, Commissioner, Department of Parks and Recreation

1. Background.

- 1.1 City desires to obtain from Service Provider the services ("Services") described generally on **Exhibit A** attached.
- 1.2 The total not to exceed compensation amount payable by City during the five (5) year initial term of this Agreement is \$_____ ("Maximum Payment Amount"). More detailed terms concerning compensation payable under this Agreement are set forth on **Exhibit A**.

2. Term.

- 2.1 Initial Term. The initial term of this Agreement will be five (5) years. This Agreement shall commence on the Effective Date and end on [_____]. The initial term of the Agreement and any renewal term(s) are collectively referred to as the "Term."
- 2.2 Renewal Terms. City shall have the right in its sole discretion to renew this Agreement for two (2) additional two (2) year terms according to the following procedure:
- 2.2.1 If City desires to exercise an option to renew, it will submit legislation authorizing such renewal for consideration by City's Council and Mayor prior to the expiration of the prior term. The legislation will establish the maximum compensation amount to be paid during the renewal term. The legislation will also establish that the date of such renewal will be the day immediately following the expiration day of the prior term.
- 2.2.2 If such legislation is enacted, within ten (10) days of such enactment, City will notify Service Provider of such renewal, at which time Service Provider shall be bound to provide Services during such renewal Term, without the need for the Parties to execute any further documents evidencing such renewal, it being acknowledged by Service Provider that its initial execution of this Agreement is deemed its agreement to continue to provide Services during any renewal Term.

- 3. Interpretation.** All capitalized terms used in this Agreement shall have the meanings ascribed to them in the Contract Documents and on **Exhibit C** (Definitions) attached hereto.

- 4. Authorization.** This Agreement is authorized by legislation adopted by City which is attached as **Exhibit B**.

5. Services.

5.1 Description of Services. Service Provider agrees to provide to City the Services per this Agreement. **Exhibit A** sets forth the following: (a) the period of time during which the Services will be provided; (b) a description of the Services to be provided; (c) the amounts payable and payment schedule for the Services; and (d) any additional provisions applicable to the Services. If any services to be performed are not specifically included on **Exhibit A**, but are reasonably necessary to accomplish the purpose of this Agreement, they will be deemed to be implied in the scope of the Services to the same extent as if specifically described on **Exhibit A**.

5.2 Resources. Unless otherwise expressly provided in this Agreement, all equipment, software, Facilities and Service Provider Personnel required for the proper performance of Services shall be furnished by and be under the control of Service Provider. Service Provider shall be responsible, at its sole cost, for procuring and using such resources in proper and qualified and high quality working and performing order.

5.3 Change Documents.

5.3.1 This section will govern changes to the Agreement, whether such changes involve an increase in the Maximum Payment Amount or not. Changes in the Services or other aspects of this Agreement shall be made by written document ("Change Document" or "Unilateral Change Document").³ All changes shall be implemented pursuant to this subsection (the "Change Document Procedures") and any Applicable Law.

5.3.2 Potential Change Documents that may be issued concerning this Agreement include, but are not limited to:

(a) Change Documents to the Agreement involving an increase to the Maximum Payment Amount executed between City and Service Provider which may or may not require legislative approval under Code Section 2-1292;

(b) Change Documents to the Agreement involving no increase to the Maximum Payment Amount, changes in the value of the Charges or changes in the terms or amounts of compensation under the Maximum Payment Amount executed between City and Service Provider pursuant to Code Section 2-1292(d); and

(c) Unilateral Change Documents to the Agreement issued by City pursuant to Code Section 2-1292(d) involving no increase to the

³ Change Documents may assume numerous multiple forms and titles depending on the nature of the change involved (e.g. Change Order, Unilateral Change Order, Amendment, Contract Modification, Renewal, etc.).

Maximum Payment Amount, changes in the value of the Charges or changes in the terms or amounts of compensation under the Maximum Payment Amount.

4. (d) Change Documents that do not involve an increase in the Maximum Payment Amount will be executed pursuant to Code Section 2-1292(d) either bilaterally or unilaterally by City.

5.3.3 City may propose a change in the Services or other aspects of this Agreement by delivering written notice to Service Provider describing the requested change ("Change Request"). Within ten (10) days of receipt of City's Change Request, Service Provider shall evaluate it and submit a written response ("Proposed Change Document"). A Change Request which involves the reduction of Services shall be effective upon written notice to Service Provider.

5.3.4 Service Provider may, without receiving any Change Request, on its own submit a Proposed Change Document describing its own proposed requested change to the Agreement.

5.3.5 Each Proposed Change Document shall include the applicable schedule for implementing the proposed change, any applicable changes to the Charges (either increased or decreased) and all other information applicable to the proposed change. Each Proposed Change Document shall constitute an offer by Service Provider and shall be irrevocable for a period of sixty (60) days. City shall review and may provide Service Provider with comments regarding a Proposed Change Document, and Service Provider shall respond to such comments, if any. A Proposed Change Document from Service Provider will become effective only when executed by an authorized representative of City.

5.3.6 City may propose any changes to the Agreement, including, but not limited to, changes that it contends do not involve an increase to the Maximum Payment Amount, a change in the Charges or changes in the terms or amounts of compensation under the Maximum Payment Amount, and Service Provider shall, in good faith, evaluate such proposed Change Request. If City and Service Provider are able to reach agreement on such Change Request, each will execute a Change Document concerning such Change Request pursuant to Code Section 2-1292(d). Nothing in this Agreement shall, in the event of disagreement between City and Service Provider concerning a proposed Change Request, or otherwise, prohibit City from issuing a Unilateral Change Document to Service Provider, pursuant to Code Section 2-1292(d), and City and Service Provider agree to resolve their dispute pursuant to the Dispute Resolution Procedures set forth in **Exhibit E**. During the pendency of

such dispute, Service Provider shall continue to perform the Services, as changed by such Unilateral Change Document.

- 5.4 Suspension of Services. City may, by written notice to Service Provider, suspend at any time the performance of any or all of the Services to be performed under this Agreement. Upon receipt of a suspension notice, Service Provider must, unless the notice requires otherwise, (a) immediately discontinue suspended Services on the date and to the extent specified in the notice; (b) place no further orders or subcontracts for materials, services or facilities with respect to suspended Services, other than to the extent required in the notice; and (c) take any other reasonable steps to minimize costs associated with the suspension.

6. Service Provider's Obligations.

6.1 Service Provider Personnel. Service Provider shall be responsible, at its own cost, for all recruiting, hiring, training, educating and orienting of all Service Provider Personnel, all of whom shall be fully qualified and shall be authorized under Applicable Law to perform the Services.

6.2 Service Provider Authorized Representative. Service Provider designates the Service Provider Authorized Representative named on page 1 of this Agreement ("Service Provider Authorized Representative") and, such Person shall: (a) be a project executive and employee within Service Provider's organization, with the information, authority and resources available to properly coordinate Service Provider's responsibilities under this Agreement; (b) serve as primary interface and the single-point of communication for the provision of Services by Service Provider; (c) have day-to-day responsibility and authority to address issues relating to the Services; and (d) devote adequate time and efforts to managing and coordinating the Services.

6.3 Qualifications. Upon City's reasonable request, Service Provider will make available to City all relevant records of the education, training, experience, qualifications, work history and performance of Service Provider Personnel.

6.4 Removal of Personnel Assigned to City Contract. Within a reasonable period, but not later than seven (7) days after Service Provider's receipt of notice from City that the continued assignment to the City Contract of any Service Provider Personnel is not in the best interests of City, Service Provider shall remove such Service Provider Personnel from City's Contract. Service Provider will not be required to terminate the employment of such individual. Service Provider will assume all costs associated with the replacement of any Service Provider Personnel. In addition, Service Provider agrees to remove from City's Contract any Service Provider Personnel who has engaged in willful misconduct or has committed a material breach of this Agreement immediately after Service Provider becomes aware of such misconduct or breach.

6.5 Subcontracting. Unless specifically authorized in this Agreement, Service Provider will not enter into any agreement with or delegate or subcontract any Services to any Third Party without the prior written approval of City, which City may withhold in its sole discretion. If Service Provider subcontracts any of the Services (after having first obtained City's prior written approval, in its sole discretion), Service Provider shall: (i) be responsible for the performance of Services by the subcontractors; (ii) remain City's sole point of contact for the Services; and (iii) be responsible for the payment to any subcontractors.

6.6 Key Service Provider Personnel and Key Subcontractors.

6.6.1 The following Persons are identified by Service Provider as Key Service Provider Personnel under this Agreement:

- (a) _____;
- (b) _____; and
- (c) _____.

6.6.2 The following Persons are identified by Service Provider as Key Subcontractors under this Agreement:

- (a) _____;
- (b) _____; and
- (c) _____.

6.6.3 Service Provider shall not transfer, reassign or replace any Service Provider Key Personnel or Key Subcontractor, except as a result of retirement, voluntary resignation, involuntary termination for cause in Service Provider's sole discretion, illness, disability or death, during the term of this Agreement without prior written approval from City.

6.7 Conflicts of Interest.

6.7.1 Service Provider (and any owner of Service Provider) is foreclosed from performing any other service or services for the Airport or operating under a permit for ground transportation services at the Airport without first obtaining written approval from the Aviation General Manager.

6.7.2 Service Provider shall immediately notify City in writing, specifically disclosing any and all potential or actual conflicts of interests, which arise or may arise during the execution of its work in the fulfillment of the requirements of the Agreement. City shall make a written determination

as to whether a conflict of interest actually exists and the actions to be taken to resolve the conflict of interest.

6.8 Commercial Activities. Neither Service Provider nor any Service Provider Personnel shall establish any commercial activity, issue concessions, or permits of any kind to third Parties for establishing any activities on City property.

7. City's Authorized Representative.

7.1 Designation and Authority. City designates the City Authorized Representative named on page 1 of this Agreement (the "City Authorized Representative") who shall: (a) serve as primary interface and the single-point of communication for the provision of Services; (b) have day-to-day responsibility to address issues relating to this Agreement; and (c) to the extent provided under the Code, have the authority to execute any additional documents or changes on behalf of City.

7.2 City's Right to Review and Reject. Any Service or other document or item to be submitted or prepared by Service Provider hereunder shall be subject to the review of the City Authorized Representative. The City Authorized Representative may disapprove, if in the City Authorized Representative's sole opinion the Service, document or item is not in accordance with the requirements of this Agreement or sound professional service principles, or is impractical, uneconomical or unsuited in any way for the purposes for which the Service, document or item is intended. If any of the said items or any portion thereof are so disapproved, Service Provider shall revise the items until they meet the approval of the City Authorized Representative. However, Service Provider shall not be compensated under any provision of this Agreement for repeated performance of such disapproved items.

8. Payment Procedures.

8.1 General. City will not be obligated to pay Service Provider any amount in addition to the Charges for Service Provider's provision of the Services. Service Provider Personnel hourly rates, reimbursable expenses and other compensable items under this Agreement are set forth on **Exhibit A**.

8.2 Invoices. Service Provider shall prepare and submit to City invoices for payment of all Charges in accordance with **Exhibit A**. Each invoice shall be in such detail and in such format as City may reasonably require. To the extent not set forth on **Exhibit A**, Service Provider shall invoice City monthly for Services rendered.

8.3 Taxes. The Charges are inclusive of all taxes, levies, duties and assessments ("Taxes") of every nature due in connection with Service Provider's performance of the Services. Service Provider is responsible for payment of such Taxes to the appropriate governmental authority. If Service Provider is refunded any Tax payments made relating

to the Services, Service Provider shall remit the amount of such refund to City within forty-five (45) days of receipt of the refund.

8.4 Payment. City shall endeavor to pay all undisputed Charges within thirty (30) days of the date of the receipt by City of a properly rendered and delivered invoice. Notwithstanding the forgoing, unless otherwise provided on **Exhibit A**, all undisputed Charges on an invoice properly rendered and delivered shall be payable within forty-five (45) days of the date of receipt by City.

8.5 Disputed Charges. If City in good faith disputes any portion of an invoice, City may withhold such disputed amount and notify Service Provider in writing of the basis for any dispute within thirty (30) days of the later of: (a) receipt of the invoice; or (b) discovery of the basis for any such dispute. City and Service Provider agree to use all reasonable commercial efforts to resolve any disputed amount in any invoice within thirty (30) days of the date City notifies Service Provider of the disputed amount.

8.6 No Acceptance of Nonconforming Work. No payment of any invoice or any partial or entire use of the Services by City constitutes acceptance of any Services.

8.7 Payment of Other Persons. Prior to the issuance of final payment from City, Service Provider shall certify to City in writing, in a form satisfactory to City, that all subcontractors, material men, suppliers and similar firms or persons engaged by Service Provider in connection with this Agreement have been paid in full or will be paid in full utilizing the monies constituting final payment to Service Provider.

9. Service Provider Representations and Warranties. As of the Effective Date and continuing throughout the Term, Service Provider warrants to City as follows:

9.1 Authority. Service Provider is duly incorporated or formed, validly existing and is in good standing under the laws of the state in which it is incorporated or formed, and is in good standing in each other jurisdiction where the failure to be in good standing would have a material adverse affect on its business or its ability to perform its obligations under this Agreement. Service Provider has all necessary power and authority to enter into and perform its obligations under this Agreement, and the execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement have been duly authorized by all necessary actions on its part. This Agreement constitutes a legal, valid and binding obligation of Service Provider, enforceable against it in accordance with its terms. No action, suit or proceeding in which Service Provider is a party that may restrain or question this Agreement or the provision of Services by Service Provider is pending or threatened.

9.2 Standards. The Services will be performed in a workmanlike manner in accordance with the standards imposed by Applicable Law and the practices and standards used in well managed operations performing services similar to the Services.

9.3 Conformity. The development, creation, delivery, provision, implementation, testing, maintenance and support of all Services shall conform in all material respects to the description of such Services in the Contract Documents.

9.4 Materials and Equipment. Any equipment or materials provided by Service Provider shall be new, of clear title, not subject to any lien or encumbrance, of the most suitable grade of their respective kinds for their intended uses, shall be free of any defect in design or workmanship and shall be of merchantable quality and fit for the purposes for which they are intended.

10. Compliance with Laws.

10.1 General. Service Provider and its subcontractors will perform the Services in compliance with all Applicable Laws.

10.2 City's Socio-Economic Programs. Service Provider shall comply with **Appendix A** and any applicable City socio-economic programs, including, but not limited to, City's SBE, EBO and EEO Programs, and requirements set forth in the Code in the performance of the Services.

10.3 Consents, Licenses and Permits. Service Provider will be responsible for, and the Charges shall include the cost of, obtaining, maintaining and complying with, and paying all fees and taxes associated with, all applicable licenses, authorizations, consents, approvals and permits required of Service Provider in performing Services and complying with this Agreement.

11. Confidential Information.

11.1 General. Each Party agrees to preserve as strictly confidential all Confidential Information of the other Party for two (2) years following the expiration or termination of this Agreement; provided, however, that each Party's obligations for the other Party's Confidential Information that constitutes trade secrets pursuant to Applicable Laws will continue for so long as such Confidential Information continues to constitute a trade secret under Applicable Law. Any Confidential Information that may be deemed Sensitive Security Information by the Department of Homeland Security or any other similar Confidential Information related to security will be considered trade secrets. Upon request by City, Service Provider will return any trade secrets to City. Each Party agrees to hold the Confidential Information of the other in trust and confidence and will not disclose it to any Person, or use it (directly or indirectly) for its own benefit or the benefit of any other Person other than in the performance of its obligations under this Agreement.

11.2 Disclosure of Confidential Information or Information Other Party Deems to be Confidential Information. Each Party will be entitled to disclose any Confidential Information if compelled to do so pursuant to: (i) a subpoena; (ii) judicial or

administrative order; or (iii) any other requirement imposed upon it by Applicable Law. Prior to making such a disclosure, to the extent allowed pursuant to Applicable Law, each Party shall provide the other with thirty six (36) hours prior notice by facsimile of its intent to disclose, describing the content of the information to be disclosed and providing a copy of the pleading, instrument, document, communication or other written item compelling disclosure or, if not in writing, a detailed description of the nature of the communication compelling disclosure with the name, address, phone number and facsimile number of the Person requesting disclosure. Should the non-disclosing Party contest the disclosure, it must: a) seek a protective order preventing such disclosure; or b) intervene in such action compelling disclosure, as appropriate. This Section shall be applicable to information that one Party deems to be Confidential Information but the other Party does not.

11.3 Georgia Open Records Act. The provisions above notwithstanding, information provided to the City is subject to disclosure under the Georgia Open Records Act (“GORA”). Pursuant to O.C.G.A. § 50-18-72(a)(34), “[a]n entity submitting records containing trade secrets that wishes to keep such records confidential under this paragraph shall submit and attach to the records an affidavit affirmatively declaring that specific information in the records constitute trade secrets pursuant to Article 27 of Chapter 1 of Title 10 [O.C.G.A § 10-1-760 et seq.]”

12. Work Product.

12.1 Except as otherwise expressly provided in this Agreement, all reports, information, data, specifications, computer programs, technical reports, operating manuals and similar work or other documents, all deliverables, and other work product prepared or authored by Service Provider or any of its contractors exclusively for the City under this Agreement, and all intellectual property rights associated with the foregoing items (collectively, the “Work Product”) shall be and remain the sole and exclusive property of the City. Any of Service Provider’s or its contractors’ works of authorship comprised within the Work Product (whether created alone or in concert with City or Third Party) shall be deemed to be “works made for hire” and made in the course of services rendered and, whether pursuant to the provisions of Section 101 of the U.S. Copyright Act or other Applicable Law, such Work Product shall belong exclusively to City. Service Provider and its contractors grant the City a non-exclusive, perpetual, worldwide, fully paid up, royalty free license to all Work Product not exclusively developed for City under this Agreement.

12.2 If any of the Work Product is determined not to be a work made for hire, Service Provider assigns to City, worldwide and in perpetuity, all rights, including proprietary rights, copyrights, and related rights, and all extensions and renewals of those rights, in the Work Product. If Service Provider has any rights to the Work Product that cannot be assigned to City, Service Provider unconditionally and irrevocably waives the enforcement of such rights and irrevocably grants to City during the term of such

rights an exclusive, irrevocable, perpetual, transferable, worldwide, fully paid and royalty-free license, with rights to sublicense through multiple levels of sublicensees, to reproduce, make, have made, create derivate works of, distribute, publicly perform and publicly display by all means, now known or later developed, such rights.

12.3 City shall have the sole and exclusive right to apply for, obtain, register, hold and renew, in its own name or for its own benefit, all patents, copyrights, applications and registrations, renewals and continuations and all other appropriate protection.

12.4 To the extent exclusive title or complete and exclusive ownership rights in any Work Product created by Service Provider Personnel may not originally vest in City by operation of Applicable Law, Service Provider shall, immediately upon request, unconditionally and irrevocably assign, transfer and convey to City all rights, title and interest in the Work Product.

12.5 Without any additional cost to City, Service Provider Personnel shall promptly give City all reasonable assistance and execute all documents City may reasonably request to enable City to perfect, preserve, enforce, register and record its rights in all Work Product. Service Provider irrevocably designates City as Service Provider's agent and attorney-in-fact to execute, deliver and file, if necessary, any documents necessary to give effect to the provisions of this Section and to take all actions necessary, in Service Provider's name, with the same force and effect as if performed by Service Provider.

13. Audit and Inspection Rights.

13.1 General.

13.1.1 Service Provider will provide to City, and any Person designated by City, access to Service Provider Personnel and to Service Provider owned Facilities for the purpose of performing audits and inspections of Service Provider, Service Provider Personnel and/or any of the relevant information relating to the Services and this Agreement. Such audits, inspections and access may be conducted to: (a) verify the accuracy of Charges and invoices; (b) examine Service Provider's performance of the Services; (c) monitor compliance with the terms of this Agreement; and (d) any other matters reasonably requested by City. Service Provider shall provide full cooperation to City and its designated Persons in connection with audit functions and examinations by regulatory authorities.

13.1.2 All audits and inspections will be conducted during normal business hours (except with respect to Services that are performed during off-hours).

13.1.3 Service Provider shall promptly respond to and rectify the deficiencies identified in and implement changes suggested by any audit or inspection report.

13.1.4 If any audit or inspection of Charges or Services reveals that City has overpaid any amounts to Service Provider, Service Provider shall promptly refund such overpayment and Service Provider shall also pay to City interest on the overpayment amount at the rate of one-half percent (0.5%) per month (or such maximum rate permissible by Applicable Law, if lower) from the date the overpayment was made until the date the overpayment is refunded to City by Service Provider.

13.2 Records Retention. Until the later of: (a) six (6) years after expiration or termination of this Agreement; (b) the date that all pending matters relating to this Agreement (e.g., disputes) are closed or resolved by the Parties; or (c) the date such retention is no longer required to meet City's records retention policy or any record retention policy imposed by Applicable Law, if more stringent than City's policy, Service Provider will maintain and provide access upon request to the records, data, documents and other information required to fully and completely enable City to enforce its audit rights under this Agreement.

14. Indemnification by Service Provider.

14.1 General Indemnity. Service Provider shall indemnify and hold City, its agencies and its and their respective officers, directors, employees, advisors, and agents, successors and permitted assigns, harmless from any losses, liabilities, damages, demands and claims, and all related costs (including reasonable legal fees and costs of investigation, litigation, settlement, judgment, interest and penalties) arising from claims or actions based upon:

- (a) Service Provider's or Service Provider Personnel's performance, non-performance or breach of this Agreement;
- (b) compensation or benefits of any kind, by or on behalf of Service Provider Personnel, or any subcontractor, claiming an employment or other relationship with Service Provider or such subcontractor (or claiming that this Agreement creates an inherent, statutory or implied employment relationship with City or arising in any other manner out of this Agreement or the provision of Services by such Service Provider Personnel or subcontractor);
- (c) any actual, alleged, threatened or potential violation of any Applicable Laws by Service Provider or Service Provider Personnel, to the extent such claim is based on the act or omission of Service Provider or Service Provider Personnel, excluding acts or omissions by or at the direction of City;

(d) death of or injury to any individual caused, in whole or in part, by the tortious conduct of Service Provider or any Person acting for, in the name of, at the direction or supervision of or on behalf of Service Provider; and

(e) damage to, or loss or destruction of, any real or tangible personal property caused, in whole or in part, by the tortious conduct of Service Provider or any Person acting for, in the name of, at the direction or supervision of or on behalf of Service Provider.

14.2 Intellectual Property Indemnification by Service Provider. Service Provider shall indemnify and hold City Indemnitees, harmless from and against any losses, liabilities, damages, demands and claims, and all related costs (including reasonable legal fees and costs of investigation, litigation, settlement, judgment, interest and penalties) arising from claims or actions based upon any of the materials and methodologies used by Service Provider (or any Service Provider agent, contractor, subcontractor or representative), or City's use thereof (or access or other rights thereto) in connection with the Services infringes or misappropriates the Intellectual Property Rights of a Third Party. If any materials or methodologies provided by Service Provider hereunder is held to constitute, or in Service Provider's reasonable judgment is likely to constitute, an infringement or misappropriation, Service Provider will in addition to its indemnity obligations, at its expense and option, and after consultation with City regarding City's preference in such event, either: (A) procure the right for City Indemnitees to continue using such materials or methodologies; (B) replace such materials or methodologies with a non-infringing equivalent, provided that such replacement does not result in a degradation of the functionality, performance or quality of the Services; (C) modify such materials or methodologies, or have such materials or methodologies modified, to make them non-infringing, provided that such modification does not result in a degradation of the functionality, performance or quality of the materials or methodologies; or (D) create a feasible workaround that would not have any adverse impact on City.

15. Limitation of Liability.

15.1 General. The maximum aggregate liability of city hereunder is limited to the total of all charges actually paid during the current year under the agreement. Except for provider's indemnity obligations set forth in the Section entitled "**Indemnification By Service Provider**" and willful misconduct or gross negligence by provider, neither party shall be liable for any indirect, consequential, or punitive damages (or any comparable category or form of such damages, howsoever characterized in any jurisdiction), arising out of or resulting from the performance or nonperformance of its obligations under this agreement, regardless of the form of action, whether in contract, negligence, tort, strict liability, products liability or otherwise, and even if foreseeable or if such party has been advised of the possibility of such damages.

15.2 Exceptions to Limitations. The limitations set forth in the immediate subsection shall not apply to: (a) personal injury, wrongful death or tangible property damage; or (b) any claim involving a violation of any Applicable Law concerning homeland security, terrorist activity or security sensitive information, regardless of the manner in which such damages are characterized.

16. Insurance and Bonding Requirements. Service Provider shall comply with the insurance and bonding requirements set forth on **EXHIBIT D**.

17. Force Majeure. Neither Party will be liable for default or delay in the performance of its obligations under this Agreement to the extent such default or delay is caused by a Force Majeure Event. Upon the occurrence of a Force Majeure Event, the non-performing Party will be excused from performance or observance of affected obligations for as long as: (a) the Force Majeure Event continues; and (b) the Party continues to attempt to recommence performance or observance to the extent commercially reasonable without delay. If any Force Majeure Event continues for thirty (30) consecutive days, City may, at its option during such continuation, terminate this Agreement, in whole or in part, without penalty or further obligation or liability of City.

18. Termination.

18.1 Termination by City for Cause. City may at its option, by giving written notice to Service Provider, terminate this Agreement:

- (a) for a material breach of the Contract Documents by Service Provider that is not cured by Service Provider within seven (7) days of the date on which City provides written notice of such breach;
- (b) immediately for a material breach of the Contract Documents by Service Provider that is not reasonably curable within seven (7) days;
- (c) immediately upon written notice for numerous breaches of the Contract Documents by Service Provider that collectively constitute a material breach or reasonable grounds for insecurity concerning Service Provider's performance; or
- (d) immediately for engaging in behavior that is dishonest, fraudulent or constitutes a conflict of interest with Service Provider's obligations under this Agreement or is in violation of any City Ethics Ordinances.

18.2 Re-procurement Costs. In addition to all other rights and remedies City may have, if this Agreement is terminated by City pursuant to the above subsection entitled "**Termination by City for Cause,**" Service Provider will be liable for all costs in excess of the Charges for all terminated Services reasonably and necessarily incurred by City in the completion of the Services, including the cost of administration of any agreement awarded to other Persons for completion. If City improperly terminates this

Agreement for cause, the termination for cause will be considered a termination for convenience in accordance with the provisions of the Section entitled **“Termination by City for Convenience.”**

18.3 Termination by City for Insolvency. City may terminate this Agreement immediately by delivering written notice of such termination to Service Provider if Service Provider: (a) becomes insolvent, as that term may be defined under Applicable Law, or is unable to meet its debts as they mature; (b) files a voluntary petition in bankruptcy or seeks reorganization or to effect a plan or other arrangement with creditors; (c) is adjudicated bankrupt or makes an assignment for the benefit of its creditors generally; (d) fails to deny or contest the material allegations of an involuntary petition filed against it pursuant to any Applicable Law relating to bankruptcy, arrangement or reorganization, which is not dismissed within sixty (60) days; or (e) applies for or consents to the appointment of any receiver for all or any portion of its property.

18.4 Termination by City for Convenience. At any time during the Term of this Agreement, City may terminate this Agreement for convenience upon fourteen (14) days written notice of such termination. Upon a termination for convenience, Service Provider waives any claims for damages, including loss of anticipated profits. As Service Provider’s sole remedy and City’s sole liability, City will pay Charges for the Services properly performed prior to the notice of termination, plus all reasonable costs for Services performed after the termination, as specified in such notice, and reasonable administrative costs of settling and paying claims arising out of the termination of Services under purchase orders or subcontracts except to the extent any products under such purchase orders or subcontracts can be used by Service Provider in its business within the thirty (30) days following termination. If requested, Service Provider shall substantiate such costs with proof satisfactory to City.

18.5 Termination for Lack of Appropriations. If, during the Term of this Agreement, legislation establishing a Maximum Payment Amount for the following year is not enacted, this Agreement will terminate in its entirety on the last day of the annual term for which a Maximum Payment Amount has been legislatively authorized.

18.6 Effect of Termination. Unless otherwise provided herein, termination of this Agreement, in whole or in part and for any reason, shall not affect: (a) any liabilities or obligations of either Party arising before such termination or out of the events causing such termination; or (b) any remedies to which a Party may be entitled under this Agreement, at law or in equity. Upon termination of this Agreement, Service Provider shall immediately: (i) discontinue Services on the date and to the extent specified in the notice and place no further purchase orders or subcontracts to the extent that they relate to the performance of the terminated Services; (ii) inventory, maintain and turn over to City all work product, licenses, equipment, materials, plant, tools, and property furnished by Service Provider or provided by City for performance of

the terminated Services; (iii) promptly obtain cancellation, upon terms satisfactory to City, of all purchase orders, subcontracts, rentals or any other agreements existing for performance of the terminated Services, or assign those agreements, as directed by City; (iv) comply with all other reasonable requests from City regarding the terminated Services; and (v) continue to perform in accordance with all of the terms and conditions of this Agreement any portion of the Services that are not terminated.

19. Dispute Resolution.

19.1 All disputes under the Contract Documents or concerning Services shall be resolved under this Section and **Exhibit C**. Both Parties shall continue performing under this Agreement while the Parties are seeking to resolve any such dispute unless, during that time, this Agreement is terminated or expires. A dispute over payment will not be deemed to preclude performance by Service Provider.

19.2 Applicable Law. The Contract Documents shall be governed by and construed in accordance with the substantive laws of the State of Georgia without regard to its choice of law principles.

19.3 Jurisdiction and Venue. The Parties hereby submit and consent to the exclusive jurisdiction of the state courts of Fulton County, Georgia, or in the United States District Court for the Northern District of Georgia and irrevocably agree that all actions or proceedings relating to this Agreement will be litigated in such courts, and each of the Parties waives any objection which it may have based on improper venue or *forum non conveniens* to the conduct of any such action or proceeding in such court.

20. Generally.

20.1 Notices. Any notice under this Agreement shall be in writing and sent to the respective Party at the address on page 1 of this Agreement and shall be deemed delivered: (a) when delivered by hand or courier or by overnight delivery with signature receipt required; (b) when sent by confirmed facsimile with a copy sent by another means specified in this Section; or (c) three (3) days after the date of mailing by United States certified mail, return receipt requested, postage prepaid. Any Party may change its address for communications by notice in accordance with this Section.

20.2 Waiver. Any waiver by the Parties or failure to enforce their rights under this Agreement shall be deemed applicable only to the specific matter and shall not be deemed a waiver or failure to enforce any other rights under this Agreement, and this Agreement shall continue in full force and effect as though such previous waiver or failure to enforce any rights had not occurred. No supplement, modification, amendment or waiver of this Agreement will be binding on City unless executed in writing by the City's Authorized Representative.

20.3 Assignment. Neither this Agreement, nor any rights or obligations under it, are assignable in any manner without the prior written consent of the other Party and any attempt to do so without such written consent shall be *void ab initio*.

20.4 Publicity. Service Provider shall not make any public announcement, communication to the media, take any photographs or release any information concerning City, the Services or this Agreement without the prior written consent of Aviation General Manager.

20.5 Severability. In the event that any provision of this Agreement is declared invalid, unenforceable or unlawful, such provision shall be deemed omitted and the remainder of this Agreement shall not be affected and shall continue to be enforceable to the greatest extent under Applicable Law. Each covenant and agreement contained in this Agreement shall be construed to be a separate and independent covenant and agreement; the breach of any such covenant or agreement by City shall not discharge or relieve Service Provider from Service Provider's obligation to perform each and every covenant and agreement of this Agreement to be performed by Service Provider.

20.6 Further Assurances. Each Party shall provide such further documents or instruments required by the other Party as may be reasonably necessary to give effect to this Agreement.

20.7 No Drafting Presumption. No presumption of any Applicable Law relating to the interpretation of contracts against the drafter shall apply to this Agreement.

20.8 Survival. Any provision of this Agreement which contemplates performance or observance subsequent to any termination or expiration of this Agreement or which must survive in order to give effect to its meaning, shall survive the expiration or termination of this Agreement.

20.9 Independent Contractor. Service Provider is an independent contractor of City and nothing in this Agreement shall be deemed to constitute Service Provider and City as partners, joint venturers, or principal and agent, or be construed as requiring or permitting the sharing of profits or losses. Neither Party has the authority to represent or bind or create any legal obligations for or on behalf of the other Party.

20.10 Third Party Beneficiaries. This Agreement is not intended, expressly or implicitly, to confer on any other Person any rights, benefits, remedies, obligations or liabilities.

20.11 Cumulative Remedies. Except as otherwise provided herein, all rights and remedies under this Agreement are cumulative and are in addition to and not in lieu of any other remedies available under Applicable Law, in equity or otherwise.

20.12 Entire Agreement. The Contract Documents contain the entire Agreement of the Parties relating to their subject matter and supersede all previous communications, representations or agreements, oral or written, between the Parties with respect to such subject matter. This Agreement may only be amended or modified by a writing executed by each Party's authorized representative and each such writing shall be deemed to incorporate the Contract Documents, except to the extent that City is authorized under Applicable Law to issue Unilateral Change Documents. Service provider may not unilaterally amend or modify this agreement by including provisions in its invoices, or other business forms, which shall be deemed objected to by City and of no force or effect.

20.13 Unauthorized Goods or Services. Service Provider acknowledges that this Agreement and any changes to it by amendment, modification, change order or other similar document may have required or may require the legislative authorization of the City's Council and approval of the Mayor. Under Georgia law, Service Provider is deemed to possess knowledge concerning the City's ability to assume contractual obligations and the consequences of Service Provider's provision of goods or services to the City under an unauthorized contract, amendment, modification, change order or other similar document, including the possibility that the Service Provider may be precluded from recovering payment for such unauthorized goods or services. Accordingly, Service Provider agrees that if it provides goods or services to the City under a contract that has not received proper legislative authorization or if Service Provider provides goods or services to the City in excess of the any contractually authorized goods or services, as required by the City's Charter and Code, the City may withhold payment for any unauthorized goods or services provided by Service Provider. Service Provider assumes all risk of non-payment for the provision of any unauthorized goods or services to the City, and it waives all claims to payment or to other remedies for the provision of any unauthorized goods or services to the City, however characterized, including, without limitation, all remedies at law or equity.

20.14 Gender. Words of any gender used in this Agreement shall be held and construed to include any other gender and words in the singular number shall be held to include the plural, unless the context otherwise requires.

20.15 Exhibits and Attachments. All exhibits, appendices, attachments, riders and addenda referred to in this Agreement are incorporated into this Agreement and made a part hereof for all intents and purposes.

20.16 Time of the Essence: Time is of the essence with regard to each provision of this Agreement.

20.17 Evidence of Authority. If Service Provider is other than a natural person, Service Provider shall deliver to City such legal documentation as City may request to evidence the authority of those signing this Agreement to bind Service Provider.

20.18 Drug-Free Workplace Policy. Service Provider acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited on City property or in the performance of any of the Services.

20.19 Delegation of Authority. Any act(s), whether discretionary or ministerial, that the Aviation General Manager is authorized or required to perform under this Agreement may be performed by such person(s) as the Aviation General Manager shall designate in writing to perform such act(s).

20.20 Award and Execution of Agreement. The award and execution of this Agreement by the City is authorized by Resolution No. _____, which was adopted by City's Council on _____, 2015, and approved by City's Mayor on _____, 2015, a copy of which is attached to this Agreement as **Exhibit B**. This Agreement will not become binding on City and City will incur no liability under it until it has been duly executed by Service Provider, returned to City with all required submittals, including insurance and bonding, executed by the Mayor, attested to by the Municipal Clerk, approved by City Attorney as to form and delivered to Service Provider.

20.21 Usufruct. To the extent, the City granted Service Provider the right to use any real property owned by the City, all of Service Provider's rights hereunder constitute a usufruct, which is not subject to levy or sale. No estate shall pass out of City.

20.22 Attorneys' Fees. If City should bring any action under this Agreement or consult or place this Agreement, or any amount payable to City pursuant to this Agreement, with an attorney concerning or for enforcement of any of City's rights hereunder, then Service Provider agrees in each and any such case to pay to City all costs, including, but not limited to, court costs and reasonable attorneys' fees, incurred by City in connection therewith.

20.23 Section Headings. The section headings contained herein are for the convenience of City and Service Provider and are not to be used to construe the intent of this Agreement or any part thereof, nor to modify, amplify, or aid in the interpretation or construction of any of the provisions thereof.

20.24 Reference to Clause or Section Entitled "_____". When reference in this Agreement is made to a specific clause with a specific title set forth in a section heading or section number, such reference will include all sections and subsections of such clause.

20.25 Applicability of Code Provisions. All terms of this Agreement shall be governed by and shall be subject to all the provisions of the Code of Ordinances of City of Atlanta, Georgia, now and as may be amended from time to time.

21. State Law Requirements.

21.1 Illegal Immigration Reform and Enforcement Act. Pursuant to O.C.G.A. 13-10-91 et seq., Contractor is required to execute the Contractor Affidavit, attached hereto at **Appendix B** and by this reference incorporated herein. Compliance with this state law requirement is a material term of this contract.

22. City of Atlanta Code Requirements.

22.1 Contractor Required to Certify Prompt Payment of Subcontractors and Suppliers. If applicable, the Contractor shall certify in writing that all subcontractors and suppliers have been paid promptly for work and materials from previous progress payments received (less any retainage) by the Contractor prior to receipt of any further progress payments. Contractor is required to pay subcontractors or suppliers funds due from progress payments within three business days of receipt of such payment from the City.

22.2 Contractor Required to Certify Satisfaction of all Underlying Obligations. If applicable, before final payment is made to Contractor by the City, the Contractor shall certify to the City in writing, in a form satisfactory to the City, that all subcontractors, materialmen suppliers and similar firms or persons involved in the City contract have been paid in full at the time of final payment to the Contractor by the City or will be paid in full utilizing the monies constituting final payment to the Contractor.

22.3 Contingent Fees Prohibited. The Contractor warrants that it has not employed or retained any company or person, other than a bona fide employee working for the Contractor, to solicit or secure this contract; and that the Contractor has not paid or agreed to pay any person, company, association, corporation, individual or firm, other than a bona fide employee working for the Contractor, any fee, commission, percentage, gift or any other consideration contingent upon or resulting from the award or making of this agreement. For the breach or violation of the above warranty, and upon a finding after notice and hearing, the City shall have the right to terminate the contract without liability, and, at its discretion, to deduct from the contract, or otherwise recover the full amount of, such fee, commission, percentage, gift or consideration.

22.4 Prohibition against Contracting with Predatory or High Cost Lenders. By signing below, the Contractor, or its authorized agent, certifies, under penalty of perjury, that this Agreement is made by a person or business entity that is neither a predatory lender nor a high cost lender, nor is the Contractor an affiliate of a predatory lender or a high cost lender, as defined by City of Atlanta Code Section 58-102. The undersigned Contractor, or authorized agent, further certifies that he/she is an agent duly authorized to sign this certification on behalf of the Contractor.

22.5 Gratuities and Kickbacks. In accordance with the City of Atlanta's Code or Ordinances, § 2-1484, the Contractor acknowledges the following prohibitions on gratuities and kickbacks:

- (a) It is unethical for any person to offer, give or agree to give any employee or former employee a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy or other particular matter pertaining to any program requirement or a contract or subcontract or to any solicitation or proposal therefor.
- (b) It is unethical for any employee or former employee to solicit, demand, accept or agree to accept from another person a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy or other particular matter pertaining to any program requirement or a contract or subcontract or to any solicitation or proposal therefor.
- (c) It is also unethical for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith as an inducement for the award of a subcontract or order.

22.6 Fraud and Misrepresentation. Any written or oral information provided by Service Provider, directly or indirectly related to the performance of the services required by this Agreement, constitutes material representations upon which the City relies for the requirements of the Agreement and compliance with local, state and federal laws, rules and regulations. The Service Provider agrees to notify the City immediately of any information provided to the City that it knows and/or believes to be false and/or erroneous and immediately provide correct information to the City and take corrective action. The Service Provider further agrees to notify the City immediately of any actions or information that it believes would constitute fraud or misrepresentation to the City in performance of this Agreement, whether or not such information actually constitutes fraud and/or misrepresentations, by contacting the Integrity Line 1-800-884-0911. The Service Provider agrees to place signage provided by the City regarding the Integrity Line at the location to which The Service Provider

employees report to perform the services required by this Agreement. The Service Provider acknowledges and agrees that a finding of fraud or other impropriety on the part of the Service Provider or any of its [subcontractors] may result in suspension or debarment of the Service Provider; and the City may pursue any other actions or remedies that the City may deem appropriate. The Service Provider agrees to include this clause in its [subcontracts] and take appropriate measures to ensure compliance with this provision.

22.7 Equal Employment Opportunity (EEO) Provision. The contractor shall comply with sections 2-1200 and 2-1414 of the City of Atlanta Code of Ordinances, as follows: During the performance of the agreement, the contractor agrees as follows:

(a) The contractor shall not discriminate against any employee, or applicant for employment, because of race, color, creed, religion, sex, domestic relationship status, parental status, familial status, sexual orientation, national origin, gender identity, age, disability, or political affiliation. As used here, the words "shall not discriminate" shall mean and include without limitation the following:

Recruited, whether by advertising or other means; compensated, whether in the form of rates of pay, or other forms of compensation; selected for training, including apprenticeship; promoted; upgraded; demoted; downgraded; transferred; laid off; and terminated.

The contractor agrees to and shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officers setting forth the provisions of the EEO clause.

(b) The contractor shall, in all solicitations or advertisements for employees, placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, creed, religion, sex, domestic relationship status, parental status, familial status, sexual orientation, national origin, gender identity, age, disability, or political affiliation.

(c) The contractor shall send to each labor union or representative of workers with which the contractor may have a collective bargaining agreement or other contract or understanding a notice advising the labor union or workers' representative of the contractor's commitments under the equal employment opportunity program of the City of Atlanta and under the Code of Ordinances and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The contractor shall register all workers in the skilled trades who are below the journeyman level with the U.S. Bureau of Apprenticeship and Training.

(d) The contractor shall furnish all information and reports required by the contract compliance officer pursuant to the Code of Ordinances, and shall permit access to the books, records, and accounts of the contractor during normal business hours by the contract compliance officer for the purpose of investigation so as to ascertain compliance with the program.

(e) The contractor shall take such action with respect to any subcontractor as the city may direct as a means of enforcing the provisions of paragraphs (a) through (h) herein, including penalties and sanctions for noncompliance; provided, however, that in the event the contractor becomes involved in or is threatened with litigation as a result of such direction by the city, the city will enter into such litigation as is necessary to protect the interest of the city and to effectuate the equal employment opportunity program of the city; and, in the case of contracts receiving federal assistance, the contractor or the city may request the United States to enter into such litigation to protect the interests of the United States.

(f) The contractor and its subcontractors, if any, shall file compliance reports at reasonable times and intervals with the city in the form and to the extent prescribed by the contract compliance officer. Compliance reports filed at such times directed shall contain information as to employment practices, policies, programs and statistics of the contractor and its subcontractors.

(g) The contractor shall include the provisions of paragraphs (a) through (h) of this equal employment opportunity clause in every subcontract or purchase order so that such provisions will be binding upon each subcontractor or vendor.

(h) A finding, as hereinafter provided, that a refusal by the contractor or subcontractor to comply with any portion of this program, as herein provided and described, may subject the offending party to any or all of the following penalties:

- (1) Withholding from the contractor in violation all future payments under the involved contract until it is determined that the contractor or subcontractor is in compliance with the provisions of the contract;
- (2) Refusal of all future bids for any contract with the City of Atlanta or any of its departments or divisions until such time as the contractor or subcontractor demonstrates that there has been established and there shall be carried out all of the provisions of the program as provided in the Code of Ordinances;

- (3) Cancellation of the public contract;
- (4) In a case in which there is substantial or material violation of the compliance procedure herein set forth or as may be provided for by the contract, appropriate proceedings may be brought to enforce those provisions, including the enjoining, within applicable law, of contractors, subcontractors or other organizations, individuals or groups who prevent or seek to prevent directly or indirectly compliance with the policy as herein provided.

(Remainder of this page intentionally left blank.)

IN WITNESS WHEREOF, the Parties hereto, by authorized representatives, have executed this Agreement as of the Effective Date.

CITY

City of Atlanta, a municipal corporation of the State of Georgia

Mayor

Municipal Clerk (Seal)

Approved:

Commissioner, Department of Parks and Recreation

Chief Procurement Officer

Approved as to form:

Senior Assistant City Attorney

Signature Block Options for Service Provider:

SERVICE PROVIDER

Corporate signature:

[Insert Corporate Name]

By: _____

Name: _____

Title: _____

**Corporate Secretary/Assistant
Secretary (Seal)**

Limited Liability Company:

[Insert LLC Name]

By: _____

Name: _____

Title: _____

Notary Public (Seal)

My Commission Expires: _____

PART 5

AGREEMENT

EXHIBIT A	Scope of Services
EXHIBIT A.1	Cost Proposal
EXHIBIT A.2	Rounds Played (2006 - 2015)
EXHIBIT A.3	Operational Analysis and Strategic Business Plan Development
EXHIBIT B	City Council Resolution
EXHIBIT C	Definitions
EXHIBIT D	Insurance and Bonding Requirements
EXHIBIT E	Dispute Resolution Procedures
EXHIBIT G	Customer Service Standards
APPENDIX A	Office of Contract Compliance Requirements
APPENDIX B	Illegal Immigration Reform & Enforcement Act Affidavits

EXHIBIT A

SCOPE OF SERVICES

Intent of RFP & Golf Course Information

a. Intent:

It is the intent of this Request for Proposal (RFP) to solicit proposals from qualified organization(s) that have proven experience with high quality management and operations of public and/or private golf courses and facilities. The City of Atlanta’s vision is to have the highest quality, top-rated municipally owned golf courses in the Nation. The City of Atlanta Department of Parks & Recreation (“the City” “DPR”) is seeking interested, capable organization(s) (Proponent(s)) to provide management and maintenance services at the Candler Park Golf Course.

The City is seeking a partner (or partners) who can fully execute the management, customer experience, programming, marketing and maintenance of the Candler Park Golf Course, such that it further enhances the City’s quality of life, provides a rich recreational experience to residents and visitors, and increases the City’s economic vitality. Through this RFP, the City’s top priority is to improve this golf course while benefiting its patrons, the general public and communities served from an enhanced golfing experience.

b. Golf Course Asset Data, Descriptions & Schematics:

The City owned 9-Hole golf course represented under this RFP is Candler Park, which includes all facilities, equipment and amenities within the golf course. (This also includes all sidewalks, parking lots, cart paths, structures and waterlines).

The following sections include golf asset data, descriptions, layouts and photos of the City’s golf course. The City **strongly** recommends that Proponents attend scheduled site visits of the golf course to receive a more direct understanding of the course, amenities and the communities served. This understanding of the course should translate into Proponent’s submitted proposal.

Golf Course	Holes	Street Address	City	State	Zip
Candler Park	9	585 Candler Park Dr., NE	Atlanta	GA	30307

1. Golf Course Asset Data:

Dept	Course Name	Building Name	Street Address	Zip	Year Built	Number of Stories	Number of Buildings	Square Footage	Construction Description
DPRCA	CANDLER PARK	MAINT BLDG 1	585 CANDLER PARK DR, NE	30307	1950	1	1	760	JOISTED MASONRY
DPRCA	CANDLER PARK	GOLF CLUBHOUSE	585 CANDLER PARK DR, NE	30307	1928	1	1	1784	JOISTED MASONRY
DPRCA	CANDLER PARK	MAINT BLDG 2	585 CANDLER PARK DR, NE	30307	1980	1	1	684	FRAME

Course	Opened
Candler Park	1922

2. Candler Park

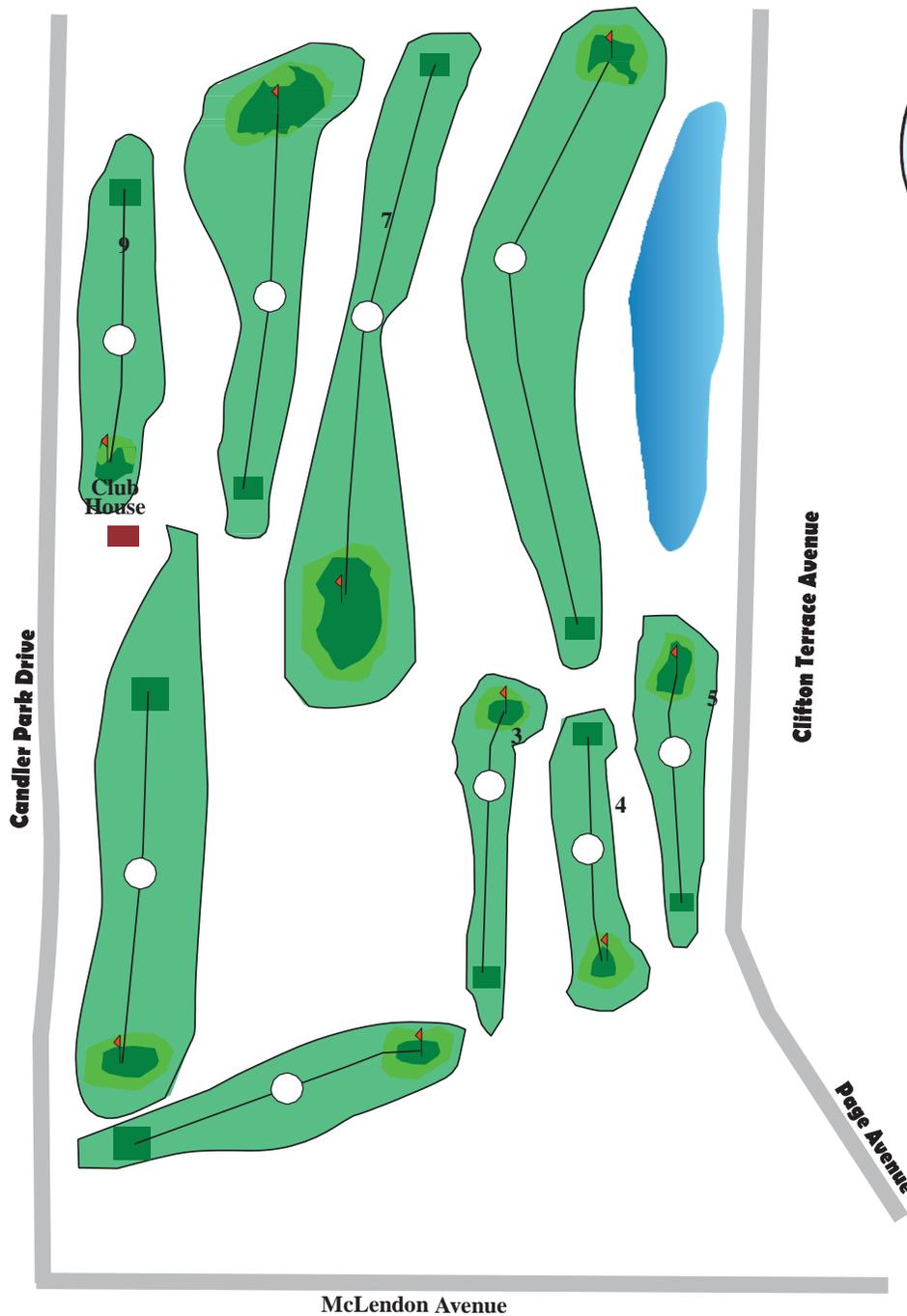
Candler Park is a 9-hole executive course located near the Virginia-Highland and Little Five Points neighborhoods. From the longest tees, the golf course presents 2,064 yards of golf for a par of 31. The course was designed by Helen Smith and opened in 1927. Recently, naturalization of the creek that splits the course has brought beavers, hawks, raccoons, ducks and herons back, and they are often visible while walking the course.

Amenities:

- Food & Beverage
- Pull Carts
- Rental Clubs
- Parking Areas







Candler Park

HOLE	1	2	3	4	5	6	7	8	9
Back	400	384	331	147	476	468	351	420	214
Par	4	4	4	3	5	5	4	4	3/4

c. Current Fee Structure:

[City of Atlanta Ordinance Code: Section 110-3. – Fee Schedule]

Green Fees/9-Hole Course	Monday - Thursday	Friday – Sunday and Holidays
Nonresident regular	\$5.50	\$6.50
Nonresident senior	4.50	5.00
Nonresident juniors (18 & under)	4.50	5.00
Nonresident college (with I.D.)	4.50	5.00
Nonresident twilight	N/A	N/A
Power cart surcharge (Candler only)	6.25	6.25
Reservation fee	0.75	0.75

Note: A \$1.00 surcharge fee has been established from the non-resident regular, non-resident twilight, resident regular and resident twilight fees which shall be deposited into the established City of Atlanta Trust Fund Account number 7701 (TRUST FUND) 140201 (PRC PARKS ADMINISTRATION) 3472003 (FEES, GOLF) 6210000 (PARK ADMINISTRATION) 100247 (GROUND & SITE IMPROVEMENTS, CITY WIDE) 91494 (TRUST FUND 9999) and expended from 7701 (TRUST FUND) 140201 (PRC PARKS ADMINISTRATION) 5311001 (SUPPLIES; CONSUMABLE) 6210000 (PARK ADMINISTRATION) 100247 (GROUND & SITE IMPROVEMENTS, CITY WIDE) 91494 (TRUST FUND 9999), and shall be eligible for use in funding support to the bureau of parks maintenance operations as determined by the Commissioner of the Department of Parks and Recreation and the City’s Chief Financial Officer and Department of Finance.

The operating entity at the golf courses from time to time may offer to the public special reduced promotional fees at variance with the fee schedule for promotions of limited duration with the written approval of the Commissioner. Such written approval shall be limited as to the duration, shall be specific in detail and a permanent log and file of such promotional approvals shall be kept as a public record in the Commissioner's office. With regard to participants of visiting conventions, a special weekday tournament fee \$1.00 higher than the regular fee and a special weekend tournament fee \$2.00 higher than the regular fee may be charged.

d. Maintenance, Sanitation and Repair Requirements.

Service Provider shall, at its sole cost and expense and to the reasonable satisfaction of the Commissioner, put, keep, repair, preserve, and maintain in good and professional order the premises and all amenities within, including the golf course, the interiors and exteriors of all buildings and structures, all building systems, fixtures, roofs, gutters, vaults, sewer systems and connections, lighting, benches, stairs, water fountains, cart pathways, golf netting, tee box, fairways, sidewalks, curbs, walkways, signage, trees, planting areas, gates and fencing so as to maintain the premises, including the

clubhouse and café/grill area. Maintenance, sanitation and repairs must be performed in a high quality and professional manner customary for public golf courses in the same segment of the market. Service Provider shall at all times keep the Premises clean, litter free, neat and, with respect to the food service operations, fumigated, disinfected, deodorized and in every respect sanitary. Service Provider shall provide regular cleaning and maintenance services for the Premises (up to and including the perimeter of the premises), and collect and remove all litter, debris and garbage.

Service Provider shall provide for the regular cleaning and maintenance of the perimeter of the Premises including but not limited to the timely removal of all litter and debris, garbage, tree pruning, dead tree and dead tree limb removal, perimeter sidewalk and perimeter fence maintenance and repair.

Service Provider agrees to provide to the Commissioner with a full Maintenance Plan for review and approval. Service Provider will also keep track of and notify the Commissioner, via monthly report, of all repairs made for said reporting period.

Service Provider will be required, quarterly, to conduct walkthroughs/inspections of golf course and all included facilities with the Commissioner. Quarterly walkthroughs/inspections will assess execution of maintenance plan and general quality check of golf course and facilities. Following assessment, any areas of concern will be communicated to Service Provider in official letter or email communication from the Commissioner. Service Provider must provide plan to resolve any listed concerns to the Commissioner no more than two weeks following receipt.

e. Equipment:

Service Provider shall, at its sole cost and expense and to the satisfaction of Commissioner, provide and replace if necessary, all equipment necessary for the operations of this agreement, and put, keep, repair, preserve and maintain in good order all equipment found on, placed in, installed in or affixed to the premises.

Service Provider understands that all equipment, transferred by the City to Service Provider and those purchased within the term of this agreement by Service Provider, are owned by and will be transferred to the City at the conclusion of agreement terms or termination of agreement. Service Provider shall have full use of all equipment on the Premises during active contract term.

f. City Authorized Special Events:

The City has full rights to reserve any golf course listed under this agreement for direct or third party use as approved by the Commissioner. The City agrees to provide Service Provider with thirty (30) day notification prior to any special event being scheduled by the City. The City agrees to work cooperatively with Service Provider to

identify and resolve any operational effects said special events may present. The City or third party will provide reasonable accommodations and work in tangent with Service Provider to collaborate regarding service needs prior to, during and at the conclusion of any City authorized special event.

EXHIBIT A.1

COST PROPOSAL

Respondent, by and through its authorized representative, offers to perform the Services in accordance with the terms and conditions of the Agreement at the hourly and annual rates set forth below:

YEAR ONE:

Management Fee: \$ _____

Maintenance Fee: \$ _____

Total Price Proposal (Annual Cost) \$ _____

YEAR TWO:

Management Fee: \$ _____

Maintenance Fee: \$ _____

Total Price Proposal (Annual Cost) \$ _____

YEAR THREE:

Management Fee: \$ _____

Maintenance Fee: \$ _____

Total Price Proposal (Annual Cost) \$ _____

YEAR FOUR:

Management Fee: \$ _____

Maintenance Fee: \$ _____

Total Price Proposal (Annual Cost) \$ _____

YEAR FIVE:

Management Fee: \$ _____

Maintenance Fee: \$ _____

Total Price Proposal (Annual Cost) \$ _____

RENEWAL YEAR SIX:

Management Fee: \$ _____

Maintenance Fee: \$ _____

Total Price Proposal (Annual Cost) \$ _____

RENEWAL YEAR SEVEN:

Management Fee: \$ _____

Maintenance Fee: \$ _____

Total Price Proposal (Annual Cost) \$ _____

RENEWAL YEAR EIGHT:

Management Fee: \$ _____

Maintenance Fee: \$ _____

Total Price Proposal (Annual Cost) \$ _____

RENEWAL YEAR NINE:

Management Fee: \$ _____

Maintenance Fee: \$ _____

Total Price Proposal (Annual Cost) \$ _____

Respondent:

By: _____

Printed Name: _____

Title: _____

Date: _____, 2016

EXHIBIT A.2

ROUNDS PLAYED (2006 - 2015)

**Department of Parks and Recreation - Golf Courses
Rounds As Reported By American Golf Corporation
Operating Year (April - May)**

Golf Course	Operating Year									
Names	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Candler Park	5,163	19,139	20,514	18,568	11,427	11,165	17,538	15,970	14,953	15,519

EXHIBIT A.3

OPERATIONAL ANALYSIS AND STRATEGIC BUSINESS PLAN DEVELOPMENT

City of Atlanta

Strategic Vision

FINAL REPORT

Submitted by:

Golf Convergence, Inc.
4215 Morningstar Drive
Castle Rock, CO 80108
(t) 303 283 8880
(f) 303 283 8884
www.golfconvergence.com



Golf Convergence



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Executive Summary - Golf Course Strategic Review

Background

Strategists are often retained because of the following scenarios: 1) when there is a change in management and those who are now accepting accountability seek to benchmark the current operation upon their entrance; 2) when the deterioration of the financial condition of the operation is clear to all; 3) when leadership is proactive in seeking to outperform the competition to ensure that the full potential of the golf courses is realized.

For this engagement, the leadership of the City of Atlanta sought to proactively measure the full potential of the golf courses to ensure that citizens were being properly served.

Revenues have fallen from \$4.77 million in 2009 to a projected \$4.28 million in 2012. Of growing concern are the losses at some facilities, ensuring the highest and best use of the real estate at each, and whether the increasing deferred capital expenditures to render the courses competitive are becoming dauntingly large. The fact that rounds have fallen from 176,111 in 2009 to a projected 146,360 in 2012 has created concern regarding whether the golf courses can be financially self-sustaining when considering the increasing capital investment requirements.

Notwithstanding these facts, the results of which are largely due to uncontrollable factors, such as the economic downturn and severely adverse weather in the local market during the past couple of years, the City of Atlanta's golf enterprise is vibrant and the envy of many other cities around the United States. With proper capital investment, citizens will benefit from a value-based recreational amenity.

Conclusion

There is a great opportunity for the City of Atlanta to provide a valued recreational golf experience to its citizens on a basis that is fiscally self-sustaining.

Three of the City's six golf courses—Bobby Jones, Browns Mill, and North Fulton—have the potential to be highly profitable and therefore support the other facilities whose economic prospects are dim. The full benefit of these facilities being in a central location with prized demographics hasn't been realized.

Infrastructure Needs

The infrastructure, the clubhouse, and the course, at each facility are in need of repair. The current cost to renovate an 18-hole golf course is \$2.9 million for irrigation systems, green complexes, tees and bunkers. Thus, for the City of Atlanta's golf courses, representing 90 holes, to be brought current, the capital reserve account should have a balance of \$14.5 million. In addition, the cost of clubhouse renovations could exceed, in the aggregate, an additional \$3.0 million. A lump-sum investment of that scale is neither physically practical nor financially prudent.

However, to ensure that the facilities will remain competitive and to optimize the City's golf assets, \$3.875 million should be invested within 36 months, as follows:

Facility	Investment Recommended	Course	Clubhouse	Total
Alfred Tup Holmes	Commission study to investigate merger of Alfred Tup Holmes and John A. White courses			
Bobby Jones	Proceeds allocated to Bobby Jones will correct the flood plain issues and restore the course and clubhouse to its former luster	\$1,250,000	\$250,000	\$1,500,000
Browns Mill	Minor course restoration and clubhouse renovation.	250,000	250,000	500,000
Candler Park	Additional equipment to ensure adequate playing conditions	75,000	0	75,000
North Fulton	Minor course restoration and clubhouse renovation	1,250,000	250,000	1,500,000
John A. White	Course renovations, driving range extension and upgrade of practice facilities	250,000	50,000	300,000
Total		\$3,075,000	800,000	\$3,875,000

The Value on Investment

The annual revenues at Bobby Jones and North Fulton are likely to increase at each facility by \$300,000, as these courses are performing at 70% of potential.

The return on investment will be less at Browns Mill, though there is a case to be made that the Browns Mill course, with a \$2.0 million renovation, could be a jewel on the south side of Atlanta. In the golfer survey completed, this course has the highest loyalty rating of the City's golf courses.

Candler Park, as a prized community asset, should acquire equipment to restore the golf course to an adequate playable condition. If, after two years, the course is not operating at a profit, it should be converted to open park space. A committee called "The Friends of Candler Park," to which we presented this plan, concurred with this recommendation, including raising the green fee and season pass rates for 2012. The concept of changing the facility to a driving range will not produce the hoped-for return on investment.

John A. White, a First Tee facility, serves an important role in the community as an introduction to the game of golf and its life-lessons. The role of municipal golf as the entry door to the game should be reinforced.

Alfred Tup Holmes, a course that commemorates Atlanta's rich civil rights history and leadership, is projected to continue being financially challenged. That said, the potential synergies between John A. White and Alfred Tup Holmes need to be investigated.

Funding Capital Improvements

Funding \$3.875 million is not a trivial undertaking. Over the next 36 months, funds can be derived from the following sources:

1. The City of Atlanta receives from American Golf Corporation, which leases of the City's golf operation, 16% gross rent representing \$675,000. Upwards of \$500,000 from this revenue source should be reinvested annually in the golf courses.
2. Pursuant to the golf course lease, approximately 2% of revenue (\$90,000) is invested by American Golf in annual capital improvements.
3. The balance of capital improvements (\$2.105 million) could be funded by a loan from the City's PRCA capital reserve account or private sources such as conservancies.

The golf courses are "living organisms" that require constant investment, but they have been allowed to depreciate excessively, creating the "death spiral" in which the golf courses find themselves.

The Ownership of the Intellectual Property Is a Prized Asset

The City of Atlanta's golf course customer database (customer names, spending patterns, email addresses) is valued at \$600,000. The 1986, 2000, 2006, and 2010 lease agreements and their amendments were "silent" with respect to ownership of this intellectual property. American Golf Corporation has taken the position that they have leased the "economics" of the golf course and that such assets inure to their sole and exclusive benefit.

It is essential that the ownership of the golf course database inure to the benefit of the City. This issue needs to be clarified.

Return on Investment

While the City of Atlanta could generate in excess of \$6.0 million in revenue if the courses were brought current, with a cash flow exceeding \$1.0 million after the three year capital investment program, the ultimate goal for a parks and recreation department must be the ability to answer annually the following question:

"Has the City provided value to its citizens in operating a recreational forum welcoming to all that enhances the quality of their lives and is fiscally self-sustaining, with adequate capital generated from reinvestment to preserve the City's treasured assets?"

To the extent that the answer to that question is "Yes," then it could be debated if a further financial return is mandated.

Why? A municipal golf course serves a vital role in a City, providing value-based recreation and leisure entertainment to its citizens.

It serves as the entry door to the game as it introduces individuals to the game, its rules, and its defining culture. It is the only sport in which professionals are role models who demonstrate that referees are not necessary for an event to be fair and fun.

For families and friends, golf is an opportunity to enjoy each other's company via a walk through nature's preserve. For the competitive athlete, it is an arena to demonstrate one's ability. For business men and women, it is an office, and for those who are retired, it serves as a place to meet, exercise, and enjoy the reward for a life of diligent effort.

Thus, the goal of management cannot be merely be a quantitative return on money invested. It must also include in that goal the intangible value of enhancing the quality of its citizens' lives.

Formal procedural steps

In drafting a strategic vision, it is common to create a never-ending list of strategic goals, tactical plans, and operational revisions that must be reviewed and debated, with citizen input included, before approval is ultimately forthcoming. Such a method serves little purpose.

For this strategic review, it is recommended that the City adopt the following philosophy with respect to the operation of its golf courses, and that this philosophy be implemented consistently by its management team:

- 1) Prices established will be based on the value provided. Historically, uniform pricing has been provided at each facility. The prices at Alfred Holmes could be decreased by \$2 per 18-hole prime time round. The prices at Bobby Jones, Browns Mill, Candler Park, and North Fulton might be raised \$2, \$1, \$2, and \$3 respectively, after the proposed capital investment is completed. A slight majority of Atlanta's golfers support a tiered price structure based on value provided.
- 2) The golf course is a living organism that requires continual investment in order to provide value-based recreation to the citizens. First, \$3.875 million from the Department of Parks, Recreation & Cultural Affairs (DPRCA) capital fund should be invested in the golf courses over the next three years. The incremental earnings from this investment should be placed in a capital reserve to preserve, protect and enhance these valued City assets.
- 3) The City will protect its real and intangible property equally. With the advent of computer technology during the term of the existing third-party lease, the names, addresses, spending frequency, and social media handles of each customer are the intellectual property of the City.
- 4) The City should actively support the operation of its golf courses through the City's web site with direct links to the existing online reservation systems provided by American Golf Corporation.

Strategic Vision for Golf – City of Atlanta

Analysis of regional and local trends in public golf including supply and demand

Geographic Local Market Analysis

For this business plan, we conducted intensive research of the demographic trends, the local golfer base, supply levels, current supply/demand balance, and the impact of historical supply dilution. This analysis is undertaken because, in conducting strategic analysis for over 200 golf courses, certain characteristics, as highlighted below, are predictable:

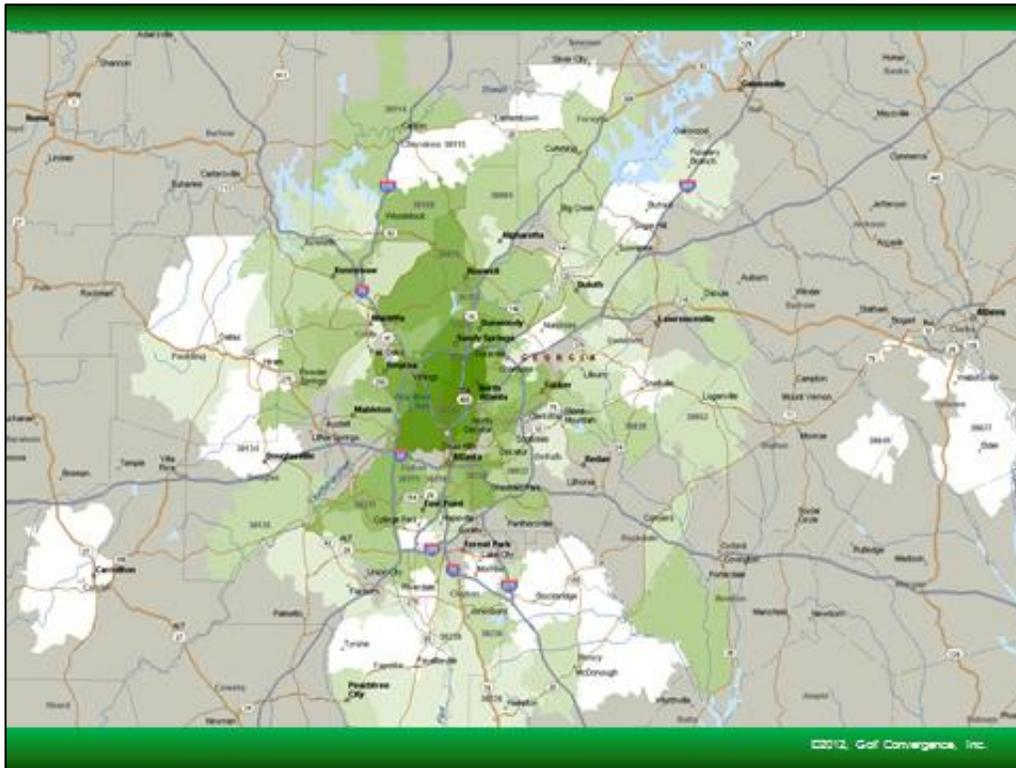
Just the Facts: Industry

- 90% of rounds are played by golfers who work/live within 30 minutes of course
- 12% of golfers generate 60% of revenue
- A golf course hosts 4,000 distinct customers annually who play 4 to 7 different courses
- Time is a golfer's biggest barrier to playing more frequently
- 50% of golfers who play a course one year do not return and play that course the next year
- The majority of golfers are Caucasian, with a household income exceeding \$75,000, and a median age of 43

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As an integral part of crafting this strategic vision, a 25-question electronic survey was emailed to 20,000 Atlanta golfers. 1,201 responses were received, and 94% of the respondents answered all questions. Thus, we are 90% confident of the results, plus/minus 5%.

Respondents were from the following areas:

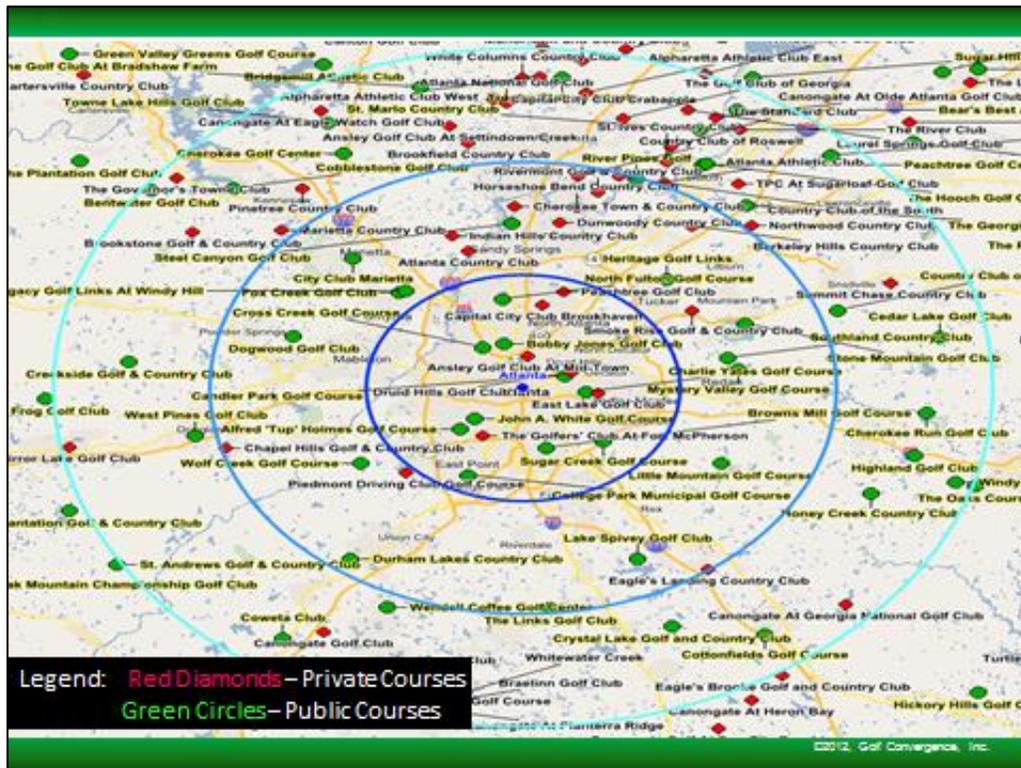


Based on the survey of Atlanta's golfers, it was enlightening to compare their responses and the statistics they represent to the responses and statistics gathered nationally.

Nationally, 90% of all golf rounds originate from customers who live or work within 30 minutes of the golf course. For the City of Atlanta, golfers indicated that they were willing to drive 21 miles to play a championship golf course. Nationally, golfers play 4 to 7 different courses. Atlanta golfers play 8.6 courses annually.

Consequently, in determining the competitive forces surrounding the Parks, Recreation and Cultural Affairs facilities, golf courses that are located within a 10/20/30-minute drive from the City of Atlanta were evaluated. Because the City of Atlanta has many "micro climates," we also evaluated the demographics within a 5/10/15-minute drive from the facilities.

The competitive map outlines the golf courses within 30 miles of downtown Atlanta.



Demand

The City of Atlanta golf market is very unique. The Interstate highway system, I-20 (east to west), and I-285 loop perimeter divides the area into two distinct markets, each with widely different investment potential for a golf course. In the metropolitan area, the population of Atlanta is younger with lower household income and is far more economically diverse when contrasted to the population of the United States or the top 100 cities.

The golf market is “under-supplied” inside of the I-285 loop and north of I-20. Conversely, the market is “oversupplied inside the I-285 loop and south of I-20. Why? The financial potential for a golf course north of I-20 is over two times greater than it is south of I-20, due to the median household income to the north exceeding \$70,000 and contrasting to a median household income of \$32,000 south of I-20. (See Step 1 for a detailed demographic analysis of each golf course.)

To create a viable strategic vision for the City of Atlanta’s golf courses, it is necessary to first measure the potential for each course individually, and second, to consolidate those financial projections to create a concentric perspective for the enterprise.

Presented below are the geographic local market demographics for the City of Atlanta:

Golfer Demographics - Summary	US	Core Based Statistical Area (CBSA): (Largest 100 US Metropolitan Areas)	Atlanta
Age (Median)	37	36	35
Age (Index)	100	98	95
Income (Med Hhld)	53,908	59,178	50,267
Income (Median)	100	110	93
Disposable Income (Med Household)	45,301	49,128	42,648
Disposable Income (Median)	100	108	94
Ethnicity (% Caucasian.)	74%	68%	39%
Ethnicity Index	100	91	53

Note: The index is based on a comparison to the demographic characteristics of the United States. For example, an age index of 95 represents that the population is 5% younger than the U.S. population.

The need to analyze the market by individual clusters is evident by the geographic local market analysis for the City of Atlanta's golf courses when centered on five-mile radii around the facilities, as evidenced below:

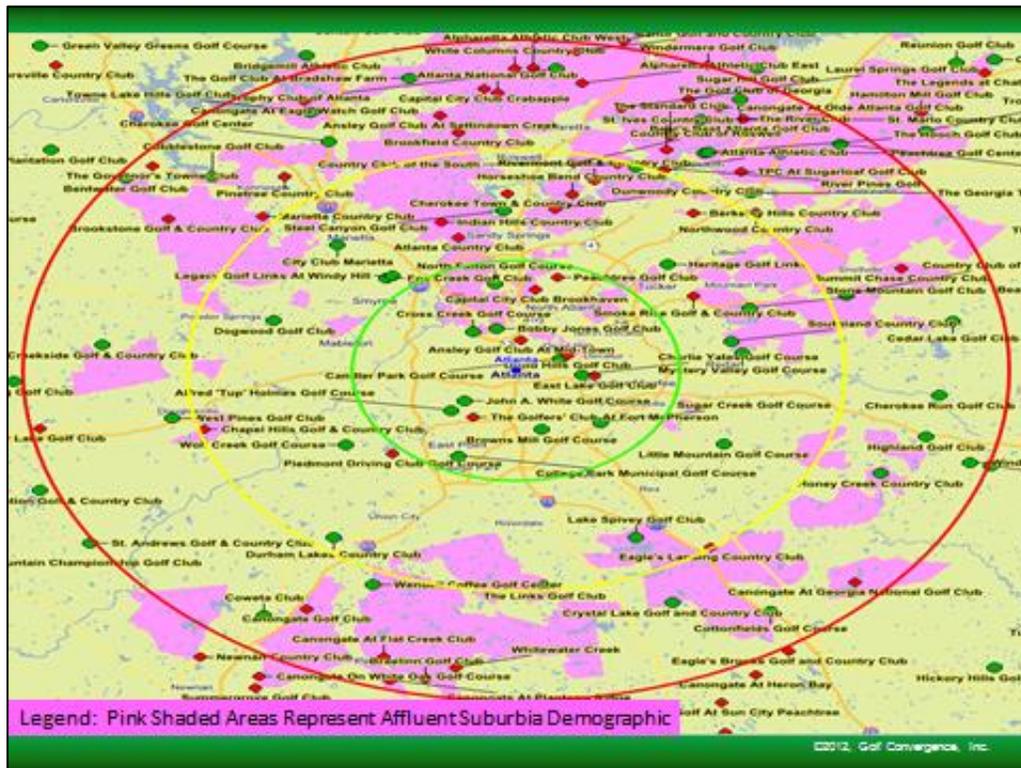
Golfer Demographics - Detailed	Tup Holmes /White	Bobby Jones/North Fulton	Browns Mill	Candler
Age (Median)	35	36	35	36
Age (Index)	94	96	93	96
Income (Med Hhld)	32,397	72,951	34,651	54,868
Income (Median)	60	135	64	102
Disposable Income (Med Hhld)	28,281	59,041	30,670	45,928
Disposable Income (Median)	62	130	68	101
Ethnicity (% Cauc.)	8%	69%	20%	51%
Ethnicity Index	11	96	28	70

These statistics measure demand. The demand for golf at Tup Holmes and Browns Mill is low. It's moderate at Candler and very strong for the Bobby Jones/North Fulton golf courses.

The unique nature of the Atlanta market is seen from an analysis of the MOSAIC® lifestyle database. MOSAIC is a geo-demographic segmentation system developed by Experian and marketed in more than 20 countries worldwide. Block groups are classified into 12 segments on a wide range of demographic characteristics.

The basic premise of geo-demographic segmentation is that people tend to gravitate towards communities with other people of similar backgrounds, interests, and means.

The vast majority of golfers are part of the affluent suburbia and upscale American segments. There are 12 segments including: affluent suburbia, upscale American, small-town contentment, blue-collar backbone, American Diversity, Metro Fringe, Remote American, Aspiring Contemporaries, Rural Villages and Farms, Struggling Societies, Urban Essence and Varying Lifestyles. For the City of Atlanta, the affluent suburbia groups were located as follows:



You will note that Bobby Jones and North Fulton fall within the segments defined; hence, their economic potential. None of the City of Atlanta's other golf courses are found within the leading demographics supportive of golf.

A final measurement of demand in a market is the avid intensity index. It calculates the number of avid golfers within a geographic local market and compares that number to the national average. The core-based statistical areas of the Top 100 largest cities were utilized. For the City of Atlanta, the facts are very positive, as evidenced below:

Avid Intensity Index

Intensity Index - Atlanta	10 miles	20 miles	30 miles	Georgia	US
Golf Intensity Index – CBSA	223	210	127	75	100
Avid Golfers per 18 Holes	1,388	1,310	791	465	623
Public Golf Intensity Index	238	250	180	77	100
Avid Golfers per Public 18	2,286	2,396	1,733	743	960
Private Golf Intensity Index	195	155	81	69	100
Avid Golfers per Private 18	3,533	2,808	1,456	1,240	1,808

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The avid golf intensity index is more than 100% higher within the 10-mile radii of the golf courses than in the nation. This fact demonstrates that if diverse golf experiences are created, they are likely to be very successful financially.

The deduction is that segments in the City of Atlanta are vibrant, in contrast to the rest of the United States. In conclusion, the City of Atlanta is well situated to offer enjoyable, value-based entertainment to golfers while keeping its golf operations financially self-sustaining.

Supply

When considering price, quality, proximity, and accessibility Atlanta’s Department of Parks, Recreation & Cultural Affairs golf courses, golfers have many viable courses to play. However, proximity from work/home to the golf course is a determining factor in measuring the viability of a golf course and its tendency to prosper. A detailed list of these courses, as well as all research deliverables, is listed in the Table of Contents.

Presented below is a summary of the supply of golf courses in the Atlanta metroplex.

Supply of Golf Courses

Supply of Golf Courses	US	CBSA 100	Atlanta	Alfred Holmes /White	Bobby Jones /North Fulton	Browns Mills	Candler
18-Hole Equivalents	14,882.0	7,370.5	14.0	4.0	6.0	3.5	5.0
Public 18-Hole Equiv.	10,593.5	4,777.5	8.5	2.0	3.0	2.5	2.5
Private 18-Hole Equiv.	4,288.5	2,537.4	5.5	2.0	3.0	1.0	2.5

Source: Teetjens and National Golf Foundation

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Note: The City of Atlanta was defined as having a 30-mile radius, while the competing courses for the City's facilities were measured within a 5-mile radius.

While the above chart reflects the number of 18-hole equivalents, a standard measure of golf course supply within a local market, the segmentation of those courses by price point and public/private status allows for greater insight as to the potential of an individual facility. For the Atlanta market, these statistics are presented below:

Profile of Atlanta Courses

Private/Public Mix	US	CBSA 100	Atlanta	Alfred Holmes /White	Bobby Jones /North Fulton	Browns Mills	Candler
Private/Public Mix	27%	33%	38%	40%	50%	25%	50%
Premium/Value Mix%	25%	25%	0%	0%	0%	0%	0%
Premium >\$71 %	11%	8%	0%	0%	0%	0%	0%
Value \$40-\$70 %	33%	42%	60%	33%	67%	67%	67%
Price <\$40 %	56%	44%	40%	67%	33%	33%	33%

Source: Tactician

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This chart reflects that the market for golf in City of Atlanta has a lack of high-end daily fee courses comparable to the Top 100 Metropolitan Areas and the Nation. Conversely, the market for courses under \$40 is under-supplied. The price is based on a weekend green fee, inclusive of cart. The real opportunity this analysis presents is for the Browns Mill, Bobby Jones, Candler Park, and North Fulton courses.

Demand versus Supply – Is the Market in Balance?

To evaluate the economic potential of a golf course, it is appropriate to examine the demand demographics within a 5-mile radius from each facility, measuring the number of avid golfers, total participation, golfing fees and golf fees per round. These statistics for Atlanta are presented below:

City of Atlanta – Golf Participation

Demand	US	Atlanta	Top Holmes /White	Bobby Jones /North Fulton	Browns Mills	Candler
Avid Golfers	5,830,900	19,433	4,286	5,911	3,531	7,222
Total Golfers	26,322,000	72,511	15,994	22,055	13,175	26,948
Rounds Played	498,326,240	1,389,529	284,111	462,111	233,343	499,431
Rounds Played Locally	279,190,432	804,566	146,153	287,758	120,455	294,316
% of Rounds Played Locally	56.03%	57.90%	51.44%	62.27%	51.62%	58.93%
Rounds Played Per Golfer	18.93	19.16	17.76	20.95	17.71	18.53
Population	307,156,296	859,842	195,898	224,892	170,697	328,431
Golfing Households	21,219,240	58,952	13,003	17,931	10,711	21,909
Golfing Fees	\$20,179,122,176	\$52,473,132	\$11,109,601	\$17,273,122	\$8,963,143	\$19,357,632
Golfing Fees Per Household	\$950.98	\$890.10	\$854.39	\$963.31	\$836.82	\$883.55
Golf Fees Per Round	\$40.49	\$37.76	\$39.10	\$37.38	\$38.41	\$38.76
Avid Golfers/Total Participation	1.90%	2.26%	2.19%	2.63%	2.07%	2.20%
Golf Participation	8.57%	8.43%	8.16%	10.0%	7.72%	8.21%

Source: Tecloran and National Golf Foundation ©2012, Golf Convergence, Inc.

These demand statistics are measured against the supply of golf courses to determine the relative balance of demand versus supply.

Demand versus Supply

	10 miles	20 miles	30 miles	Georgia	CBSA (Top 100 Cities)	US
Supply						
Total Facilities	16	41	102	397	7,303	15,869
If Market In Balance	14	43	110	402	7,315	14,882
Public Facilities	10	23	50	259	4,863	11,603
If Market In Balance	9	24	50	251	4,778	10,594
Private Facilities	6	18	52	138	2,440	4,266
If Market In Balance	6	20	60	151	2,537	4,288

Source: Tecloran and National Golf Foundation ©2012, Golf Convergence, Inc.

Despite the woes of many operators that insist the Atlanta market is vastly oversupplied with golf courses, that is not the case. While within 10 miles of downtown, the market is slightly oversupplied with golf courses, the market is actually undersupplied within a 30-mile radius.

However, if the focus is narrowed to within a 5-mile radius of each facility, the weaknesses in the City of Atlanta’s golf franchise are seen:

Supply	Alfred Holmes/White	Bobby Jones/North Fulton	Browns Mills	Candler
Total Facilities	5	6	4	6
Adjusted Market based on Age / Income/ Ethnicity	1	15	1	10

Note 1: this calculation is meant to measure the **relative strength and potential** within 5 miles of each golf course. Because the calculation is based on the number of avid golfers and doesn’t weigh the relative importance of age, income, ethnicity or general population density, it would be inappropriate to conclude an actual number of courses that should be built or closed.

Note 2: Total facilities counts 9-hole and 18-hole courses as separate entities and represents a different measurement than 18-hole equivalents.

The supply versus demand figures presented reflect that there is only a need for one golf course within five miles of Tup Holmes and Browns Mill. The market is similarly oversupplied nearby. However, the competitive analysis for Bobby Jones, North Fulton and Candler Park suggests that there is a great financial opportunity to be had by providing value-based recreation that is fiscally self-sustaining.

On a consolidated basis, there is a great opportunity for the City of Atlanta to provide a valued recreational golf experience to its citizens.

Such opportunity will arise from investing in the golf courses with the highest potential investment return and reallocating the positive cash flow from those courses to support those facilities that, regardless of the investment made, are unlikely to generate net profits in the short-term (less than 2 years) or in the intermediate term (2 to 5 years).

To optimize the City’s golf assets, \$3.0 million should be invested within 36 months at Bobby Jones and North Fulton. Proceeds allocated to Bobby Jones will correct the flood plain issues and restore the course and clubhouse to its former luster. North Fulton will benefit from a minor course restoration and clubhouse renovation. The annual revenues are likely to increase by \$300,000 at each facility, as these courses are performing at 70% of potential. The full benefit of these facilities being in a central location with prized demographics isn’t being realized.

Alfred (Tup) Holmes holds a special place in Atlanta history. Dr. Hamilton M. Holmes Sr., his sons Alfred (Tup) and Oliver Wendell, and family friend Charles T. Bell Jr., took on the white establishment and won one of the first integration victories in the South. *Holmes v. Atlanta*, 350 U.S. 879 (1955), was a per curiam order by the Supreme Court of the United States that summarily reversed an order by the Georgia Court of Appeals that permitted the city of Atlanta to allocate a municipal golf course to different races on different days. It's no wonder, then, that a golf course in Atlanta is named in honor of Tup.

While the Holmes family holds a special and properly revered place in Atlanta history, the golf course named in Tup's honor only generates \$400,000 in revenue, is losing significant money, has a significant deferred capital investment, and is located in section of Atlanta that is oversupplied with golf courses. Therefore, it is recommended that a study be commissioned to determine the highest and best use of this golf course but that preserves the legacy of the Holmes family. The consolidation of John A. White and Alfred Tup Holmes is an option, based on proximity.

Should that study identify a higher and better use other than a golf course, the property should continue to honor the Holmes legacy. Capital currently covering the annual loss might then be reallocated to John A. White and Browns Mill. John A. White, as a First Tee facility, serves an important role in the community by introducing the game of golf and the life-lessons associated with the sport. The role of municipal golf as the entry door to the game should be reinforced. There is a case to be made that Browns Mill, with a \$2.0 million renovation, could be a valuable jewel on the south side of Atlanta because it has the appropriate acreage for an 18-hole golf course, clubhouse, driving range, and adequate parking.

Candler Park, as a prized community asset, should acquire equipment to restore the golf course to an adequate playable condition. If, after two years, the course is not operating at a profit, it should be converted to open park space. The concept of changing the facility to a driving range will not produce the hoped-for return on investment

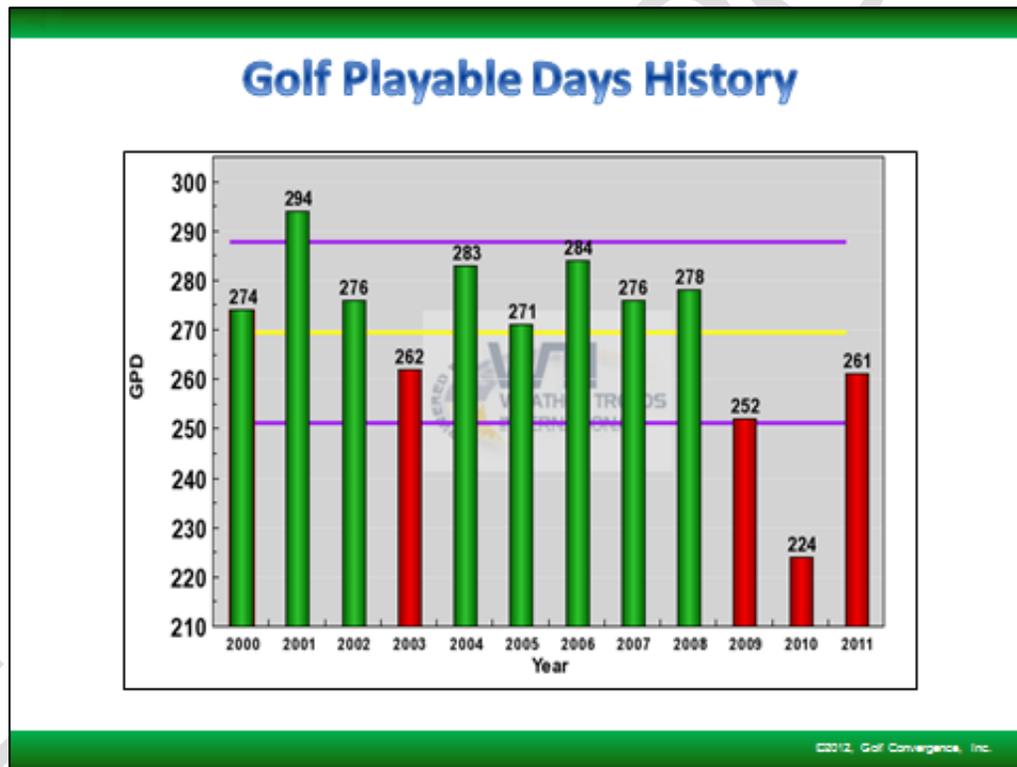
Weather Impact Study

The axiom that “if rounds are up, it’s because of good management and if rounds are down, it’s because of bad weather” is a standard joke, but golf is an outdoor sport. Experts estimate that over 90% of rounds are played when the temperature is between 55 and 90 degrees.

Monitoring the number of playable golf days in a year compared to a 10-year trend allows an analyst the opportunity to filter the financial information to clearly differentiate between the impact of weather and the impact of management on a course’s performance.

Annual Golf Playable Days

From 2009 through 2011, the amount of playable days at the City of Atlanta’s golf courses was significantly below Atlanta’s 10-year average. That is very comforting and provides insight as to an uncontrollable factor in the decline in golf course gross revenue, one that shouldn’t continue on a regular basis. On average, there are 270 playable golf days per year in Atlanta, as illustrated below:



Based on this chart, and the knowledge that weather to date for 2012 has been very favorable, it would be reasonable to expect a resurgence of revenue in 2012. This forecast would support a capital investment to enhance the players’ experiences, further accelerating revenue growth.

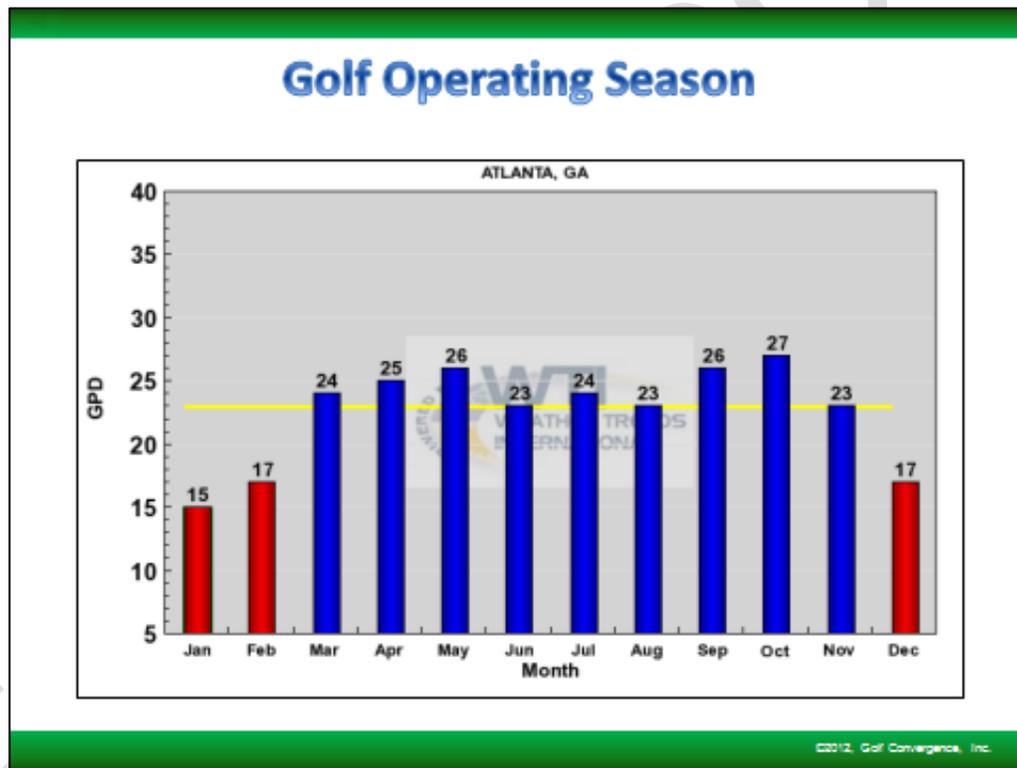
If the weather pattern returned to “normal,” what could be expected in revenue growth? The answer is impressive, as charted below:

Description	Amount
10 Year Average Playable Days	270
2008 - 2011 Playable Days	254
Unfavorable Weather Last 4 Years Measured in Days Per Year	16
Revenue Per Playable Day	16,765
Potential Incremental Revenue from Normal Weather	268,238

It would not be unexpected if revenue increased from \$4.2 million achieved in 2011 to over \$4.5 million in 2012, if the weather pattern followed the 10-year historical average.

Viabale Operating Season

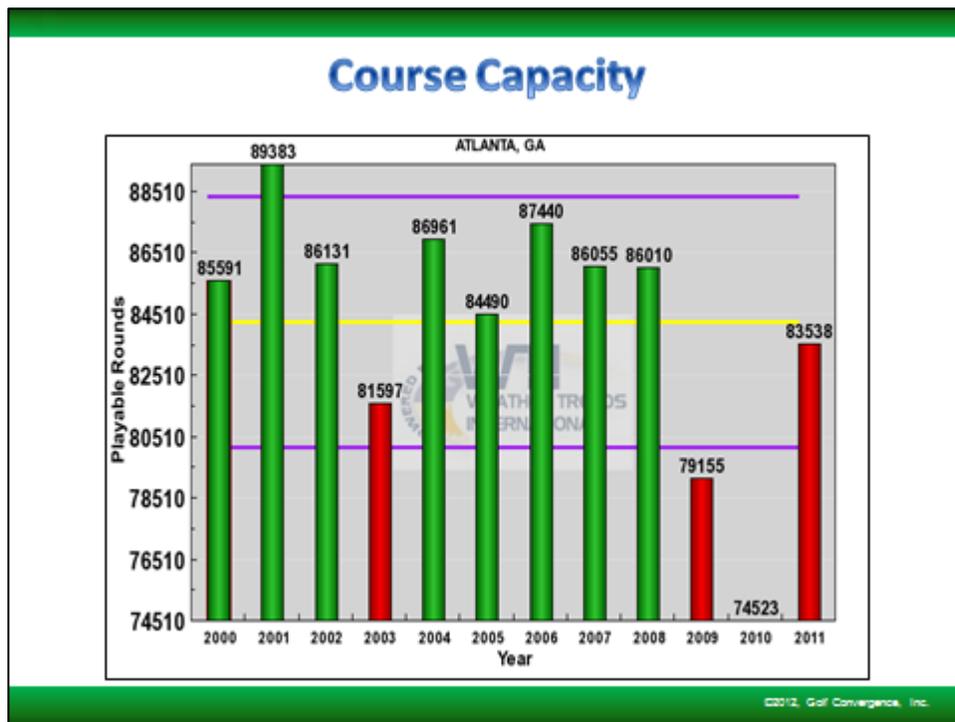
A second analysis of weather playable days concludes that the City of Atlanta effectively has a 12-month golf season, as illustrated below:



A golf facility that is open 12 months per year, while it provides the greatest revenue potential, comes with the limitation of limiting the use of seasonal workers who can be paid lower wages.

Yearly Playable Rounds

A third analysis was undertaken to determine the efficiency of management by comparing actual rounds played to the course's theoretical capacity based on weather patterns.



The capacity of a golf course is defined by its potential number of starts from sunrise to two hours before sundown on the number of playable days available, presuming a starting interval of 8 minutes.

In contrast to the airline and hotel industry, in which 2011 utilization exceeded 70%, the utilization of the golf course industry was measured at 52% utilization. The utilization for the City of Atlanta's courses is summarized below:

Capacity	84,510	100.00%
Alfred Tup Holmes	19,335	22.88%
Bobby Jones	44,615	52.79%
Browns Mill	32,357	38.29%
Candler Park	13,720	32.47%
North Fulton	51,262	60.66%
John A. White	8,871	20.94%

Note: Candler Park and John A. White are 9-hole golf courses and utilization was adjusted accordingly.

Thus, the utilization at Alfred Tup Holmes, Browns Mill, Candler Park, and John A. White were significantly below industry averages, further confirming the recommendation made based on the geographic local market research; an alternative use should be considered for Tup Holmes, and if, after two years, there is not a resurgence at Candler Park, that course should be re-purposed.

The Physical Assets – Resources on Which to Grow

The City of Atlanta’s six facilities provide a diverse array of golf experiences, from alternative facilities to potential championship golf courses.

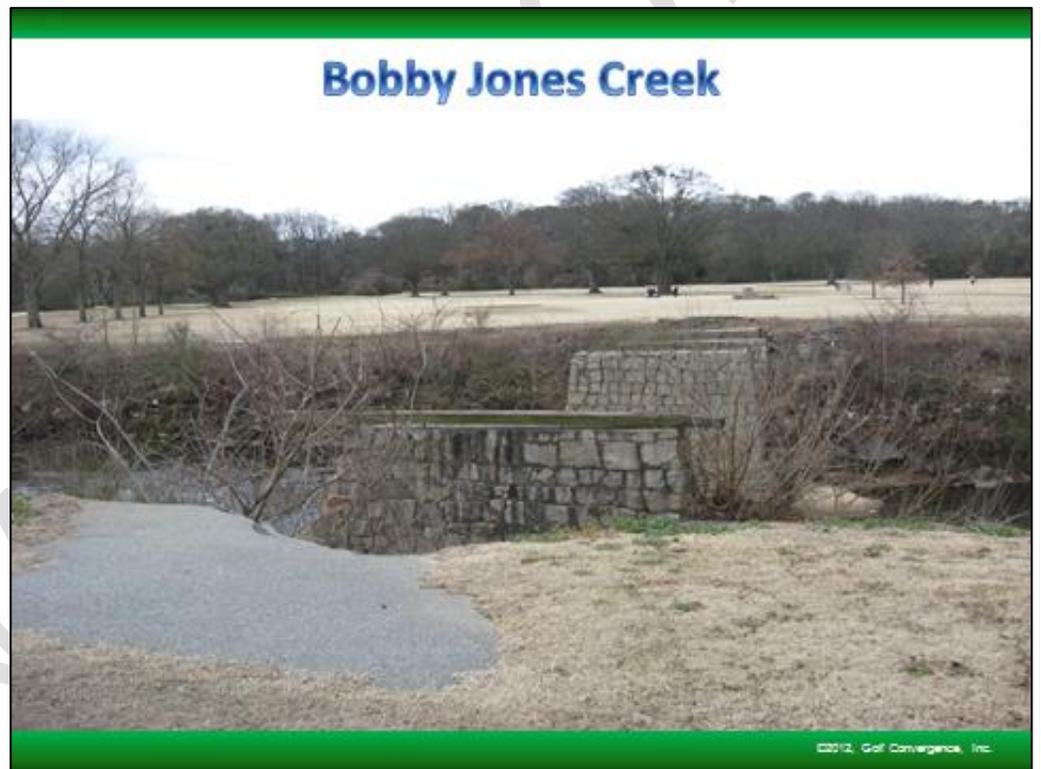
As an integral part of this strategic review, an on-site review of each facility was conducted. See Steps 6A – 6F for a photo essay reflecting the current conditions observed.

While we observed deferred capital investment requirements at each facility, the requirements at two drew our attention for further detailed analysis; Bobby Jones and Candler Park.

Golf Courses in Flood Plains – The Financial Impact

The Bobby Jones golf course lies within a flood plain. Frequently, the golf course is required to close because of heavy rains. Presented below is a picture of the creek, the bridge that washed out from one of the floods, and the low-lying area for holes 1-3, 9-11, and 13-18.

Each time the north side of Atlanta receives more than two inches of rain within a 24-hour period, the course is likely to flood. Therefore, as part of this strategic review, Golf Convergence retained Bob Cupp, a prominent national architect, current President of the American Society of Golf Course Architects, and Atlanta resident to review the golf course to determine cost-effective options to correct this problem.



During the past 20 years, as shown on the next page, it rained more than 2 inches on 104 days, on 29 days it rained more than 3 inches, and on 12 days it rained more than 4 inches. A total of 192 playable days were lost; 2 days of play because of a 2-inch rain, 4 days of play with a 3-inch rain, and 6 days of play with 6 inches of rain.

While these estimates create some illusion of precision, what can’t be measured precisely is the deterioration of the turf conditions during each flood, the amount of silt deposited, and the time it takes each time for the grass to regrow consistent with the standards of a golf course.

Below is the 20-year analysis of rainfall in Atlanta.

Time-frame	More than 2"	More than 3"	More than 4"	Lost Days
1992	6	2	0	20
1993	0	0	0	0
1994	4	2	0	16
1995	2	1	1	14
1996	3	0	0	6
1997	2	1	0	8
1998	3	1	0	10
1999	0	0	0	0
2000	0	0	0	0
2001	1	0	0	2
2002	2	0	0	4
2003	2	0	0	4
2004	4	2	2	28
2005	5	2	2	30
2006	4	1	0	12
2007	0	0	0	0
2008	1	0	0	2
2009	6	2	1	26
2010	5	0	0	10
2011	0	0	0	0
Total Occurrences	50	14	6	192
Days Lost	2	4	6	
	100	56	36	192

Note: that rain exceeding 2" or more may result in multiple days lost days per occurrence.

The historical average of revenue per day for Bobby Jones is \$5,361. Considering that it lost 192 days during the past 20 years, it is estimated that the failure to implement a corrective solution has cost \$1,029,312 in lost revenue. While a comprehensive solution directed by the engineers might cost upwards of \$1 million, an interim solution proposed by Bob Cupp might cost only an estimated \$300,000, as detailed below:

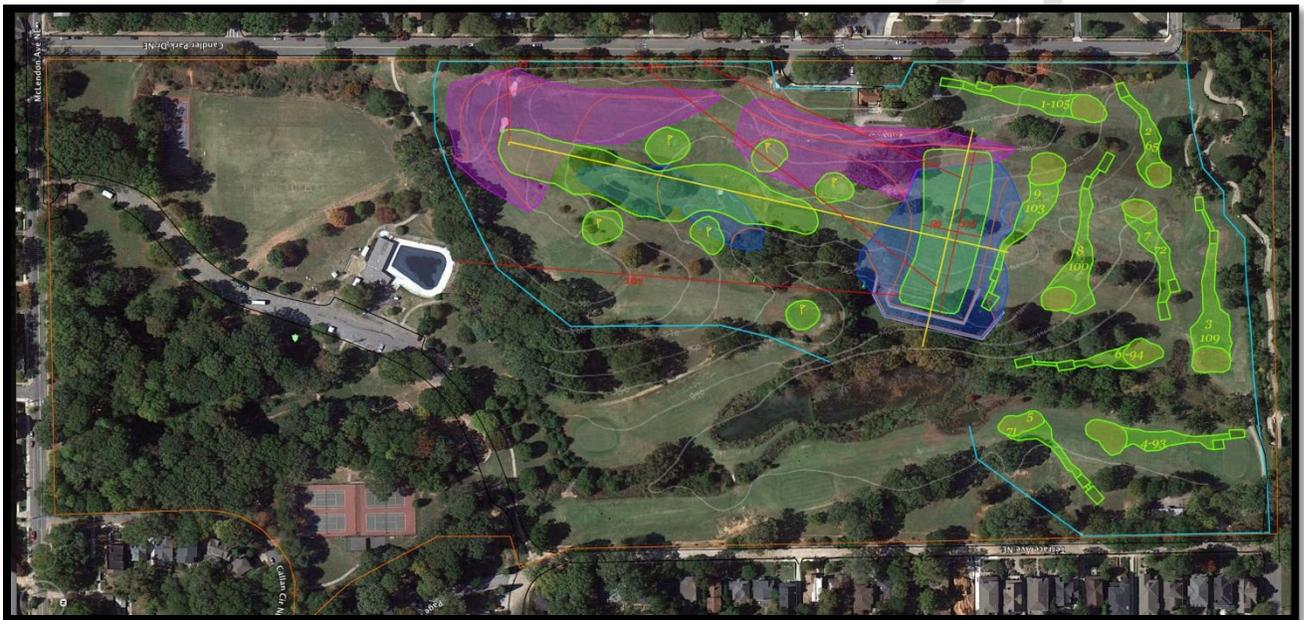
Project Description	Cost
Cut all trees and shrubs to the roots and remove bridge abandoned. This would eliminate the unsightly debris currently hanging and increase water flow.	\$50,000
Expand width of creek based on engineer's recommendation by 15' on each side.	150,000
Sod creek banks with zoysia to create stable creekside bed similar to other Atlanta courses designed by Bob Cupp	100,000
	\$300,000

Based on the projected investment compared to the potential return, undertaking this capital improvement project, using the capital reserves of the City of Atlanta, is advocated.

Candler Park – A 9-Hole Golf Course, Driving Range or Open Park Space

At the outset of this engagement, a priority assigned was the determination of the highest and best use of this facility. With the lack of a competitive driving range or short-game facility within the I-285 loop, it was speculated that the conversion of Candler Park would fulfill this need.

Currently, Candler Park is losing \$70,000 per annum, is in poor condition, and lacks the requisite equipment to maintain the golf course properly. Bob Cupp evaluated Candler Park and determined it was physically feasible to convert the facility to a driving range and a short 9-hole par-3 golf course. Presented below is the routing plan:



Key:

- ◆ Green - new golf
- ◆ Red - critical dimensions
- ◆ Light blue - proposed fence
- ◆ Orange – proposed contours
- ◆ Faded white - existing contours from map
- ◆ Gray - concrete abutment walls
- ◆ Purple - cut area
- ◆ Dark blue - fill area
- ◆ The orange line on the perimeter is the boundary, according to the map.
- ◆ The maximum wall height is 13' in one spot, mostly about 10'.
- ◆ There are two walls. Top wall is 10' from end to end around the east end of the range tee.
- ◆ There would be a strip of synthetic on the range tee, and the par-3 holes should also have synthetic tees because there is not enough space for tees large enough to keep turf.

While the driving range is physically possible, the larger question is whether it would be economically viable and politically popular.

The driving range would cost about \$500,000 to construct. The par-3 course would add an additional \$500,000. Neither is likely to generate a satisfactory return on investment.

Politically, the thought of converting to anything other than a 9-hole golf course would be highly debated. “The Friends of Candler Park” had already posted signs within the neighborhood advocating saving the golf course, as illustrated here.



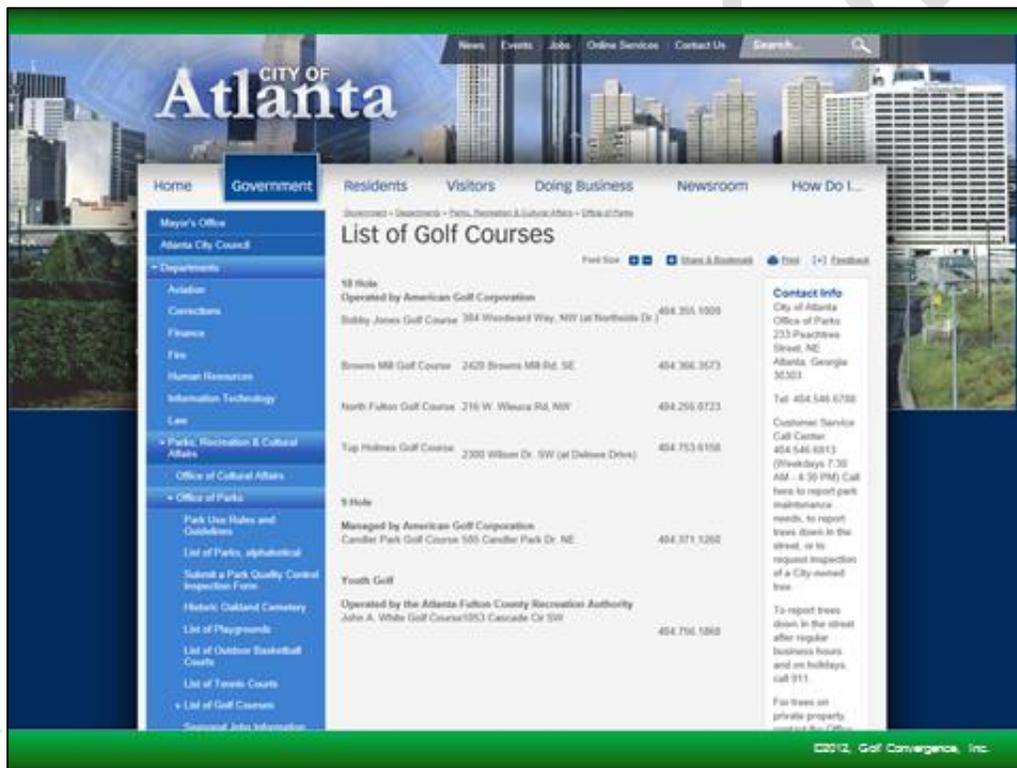
Market Positioning

Ineffective Use of Technology Dilutes Brand

A fundamental test for any business is identifying who its customers are and what they are spending. Thus, we reviewed the use of technology by analyzing the golf course's internet use, the integration of tee time reservations with the POS, and the deployment of email-based communication.

The third-party management company, American Golf Corporation, utilizes a superior golf management software program provided by the Chicago-based firm, EZ Links. Their call center and yield market system are without peer in the golf industry. They recently launched a new POS system that will correct a weakness in their POS solution.

The City of Atlanta's Web site has a listing for its golf courses, as shown below:



This site serves little purpose and is very ineffective. At a minimum, the City's golf Web site should include links to each of the golf course Web sites created by the third-party management companies.

The key to market positioning is establishing strong, exclusive brand recognition. This is not occurring for the City of Atlanta's golf courses. While one might address the ineffective use of title and meta tags in promoting the City's golf courses or their weak positioning in Google searches, presented below are two different entities, www.golfatlanta.com operated by Full Swing Marketing and <https://bookteetimes.ezlinks.com/TeeTimeSearch.asp?1=americangolf2>. Both promote the City's golf courses:

The Golf Atlanta web site is a division of Full Swing Marketing.
An Atlanta based golf marketing company established in 1992.

Atlanta Golf Courses	Location & Contact Info
The Golf Club at Braselton Farm (4000) Visit www.TeeTimesATL.com for details on our great membership program! The Golf Club at Braselton Farm is set against the backdrop of the North Georgia Mountains and is one of Atlanta's finest golf experiences. This unique 2 (18) golf in Woodstock, GA.	3038 Braselton Club Drive Woodstock, GA 30188 Phone: 770.582.2222 www.theclubatbraselton.com
Trophy Club of Atlanta (2000 /90) Visit www.TeeTimesATL.com for details on our great membership program! The Trophy Club of Atlanta Golf Course is located in the beautiful, wooded (18) golf in Alpharetta, GA.	15195 Hopewell Road Alpharetta, GA 30004 Phone: 770.343.8700
Trophy Club of Apalachee (2000) Visit www.TeeTimesATL.com for details on our great membership program! The Trophy Club of Apalachee was carved out of heavily wooded and rolling terrain and is set along the Apalachee River in Decatur, Georgia. The journey 1 (18) golf in Decatur, GA.	1005 Decatur Road Decatur, GA 30019 Phone: 770.822.9200 www.trophyclubofapalachee.com
North Fulton Golf Course (public) North Fulton Course was first designed in 1937 by Charles Egton in collaboration with Walter Hagen and Atlanta's greatest golfer, Bobby Jones. Located in the heart of Chastain Park, Atlanta's largest park, North Fulton Golf C (18) golf in Atlanta, GA.	216 W. Wieuca Road Atlanta, GA 30342 Phone: 404.255.0723 ext. 3
Bobby Jones Golf Course (public) Bobby Jones Golf Course, recently renovated with new Champion Bermuda greens, is an 18 hole public golf course that sits in the heart of Woodstock and just 10 minutes from downtown Atlanta. Built in 1932, the John Van (18) golf in Atlanta, GA.	384 Woodward Way Atlanta, GA 30305 Phone: 404.355.1009
Browns Mill Golf Course (public) Browns Mill Golf Course was originally designed by George Cobb, who designed the par three course at Augusta National. Conveniently located, Browns Mill is only 10 minutes from downtown Atlanta. The 18 hole, open design cov (18) golf in Atlanta, GA.	480 Cleveland Avenue Atlanta, GA 30354 Phone: 404.366.3573
Alfred Tup Holmes Golf Course (public) Alfred Tup Holmes Golf Course is a historical golf site with rolling hills and many elevation changes. The site of a Civil War battlefield, the course is named after the civil rights pioneer who paved the way to desegregating (18) golf in Atlanta, GA.	2300 Wilson Drive SW Atlanta, GA 30311 Phone: 404.753.6150 alfredtup.holmesatgolf.com

The fact that the City of Atlanta's courses are not listed exclusively on a proprietary Web site causes great concern, and we believe this missing Web site is diminishing the value of the City's golf franchise. The current positioning raises the following questions:

- 1) Who owns the City of Atlanta's customer information –the City or the third-party provider? In a recent national survey conducted by Golf Convergence, the value of a customer's database was valued at 12% of gross revenue. Is the City willing to forfeit intangible property worth in excess of \$600,000 to American Golf Corporation merely because they assert ownership to the City's golfer information?

The lease signed with American Golf Corporation is silent regarding customer database ownership in this landlord/tenant relationship.

- 2) To what extent can the third-party provider use that database to market other golf courses they manage in the local marketplace?
- 3) Is the City's revenue being maximized if a golfer is provided a choice, beyond booking the City's courses, to conveniently book, perhaps at a more value-based rate, other courses such as Bradshaw Farm, Trophy Club of Apalachee, or Trophy Club of Atlanta?

Intellectual Property Threatened

These questions need to be answered. The lack of control of the intangible property threatens the City's strategic position with respect to the operation of its golf courses.

Course owners who enter into a management agreement do so to optimize their investment return from the operation of that facility, recognizing their own organizational strengths and weaknesses. They are providing a third party the opportunity, through that firm's expertise, to profit, but not at the long-term expense or detriment of the owner. The golf course owner hopes the relationship is mutually beneficial.

Upon termination of the current lease, it is likely that the City of Atlanta will lack any demographic information regarding their customers and will have no ability to contact them via email. In essence, the City will be placed at serious disadvantage in continuing to operate that golf course in any way, whether through internal management or the retention of another firm.

The unintended consequence of the evolution of technology is that the City of Atlanta actually placed itself at a significant disadvantage by using a third-party management company.

We believe that the City of Atlanta has a unilateral ownership of not only its tangible assets (courses, clubhouses, etc.) but also its intellectual property and intangible assets (customer database information, brand image, etc.).

The City of Atlanta would be well-served to retain legal counsel for addressing comprehensively the ownership of intellectual property prior to entering into any management agreement. It is therefore recommended that the City's internal counsel be engaged to resolve this matter in 2012.

Customer Survey

In creating a strategic plan, it is vital to understand the golf industry and the unique characteristics that define the sport.

Presented below are some statistics regarding golf in the United States provided by the National Golf Foundation:

- There are 26.2 million golfers in the United States.
- 36.7 million Americans are golf participants, defined as anyone ages 5 and above who either played a round of golf, visited a golf practice facility, or a driving range.
- More than 45 percent of golfers (11.9 million) are between the ages of 18 and 39. Seniors (ages 50 and over) comprise another 33 percent, or 8.6 million.
- There are 5.76 million female golfers, which is 22 percent of all golfers. There are 6.1 million juniors.

There are 15,869 facilities, 11,603 of which are open to the public.

- Only 22 percent of all golfers regularly score better than 90 for 18 holes on a regulation-length course. For females, the percentage is just 7 percent, and for males it is 25 percent.
- The average 18-hole score is 97 for men and 114 for women. It's an even 100 for all golfers.
- The average scores have changed very little over the years.

In conducting an operational analysis, obtaining a current perspective of the customer database by identifying customers' ages, genders, net incomes, ethnicity, playing frequency, favorite golf courses, and price point barriers is valuable. The key point being measured is the opportunity to increase current market share.

We conducted a survey of the golfers in the City of Atlanta

The survey remained open for 14 days, generated 1,201 responses, and provided a 90% confidence factor and a margin of error on the results of 1% +/- . The completion rate for those starting the survey was 94%, an acceptable average that suggests the survey was well-constructed.

Who Is the Atlanta Golfer?

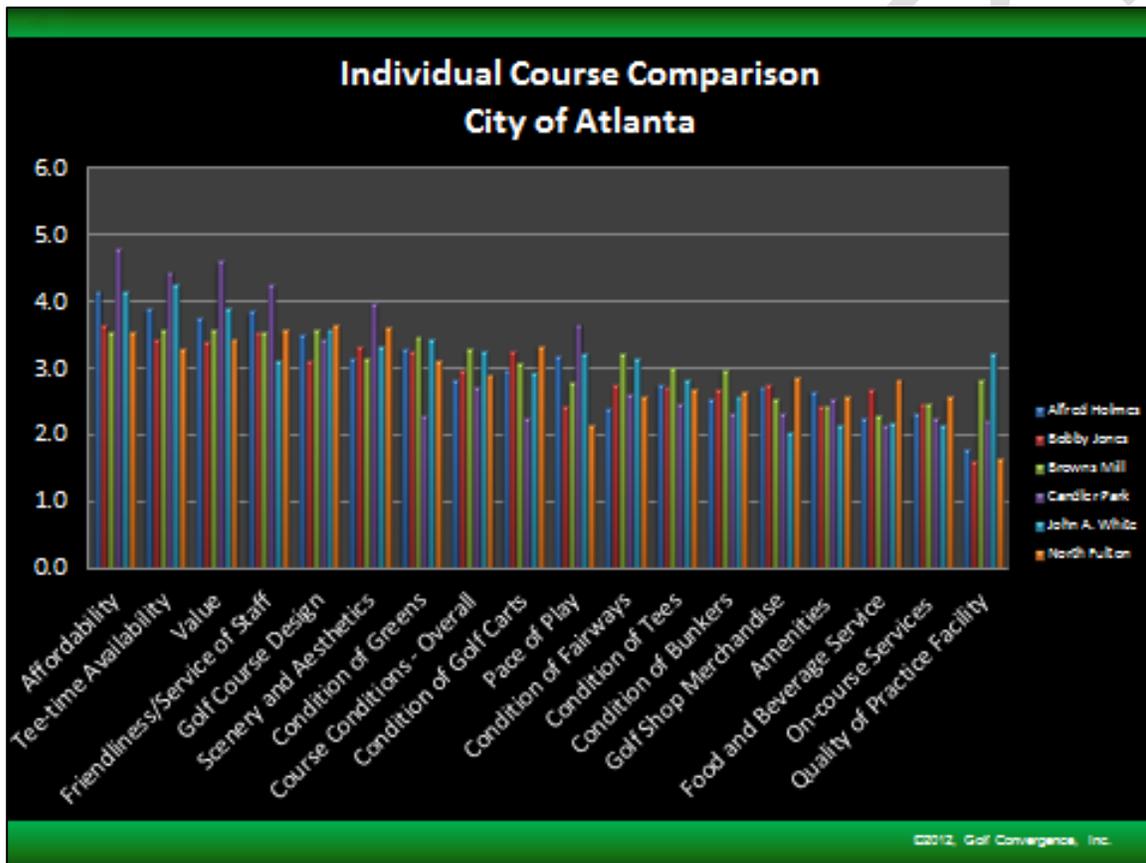
The geographic local market analysis performed in Step 1 of the Golf Convergence WIN™ formula indicated that the City of Atlanta's golfers were likely to be Caucasian, slightly older, and of above-average income. The survey confirmed that fact.

The respondents averaged 45.8 years of age, had median household income of \$137,135, were 95% male and 78% Caucasian, and played 35.1 rounds annually.

Three factors stand out. Nationally, 78% of golfers are male, and the median household income of golfers is \$81,157. Locally, golfers frequenting the City’s courses were 78% Caucasian, compared to a general population of 39% Caucasian in Atlanta.

What Do They Like about the City of Atlanta’s Golf Courses?

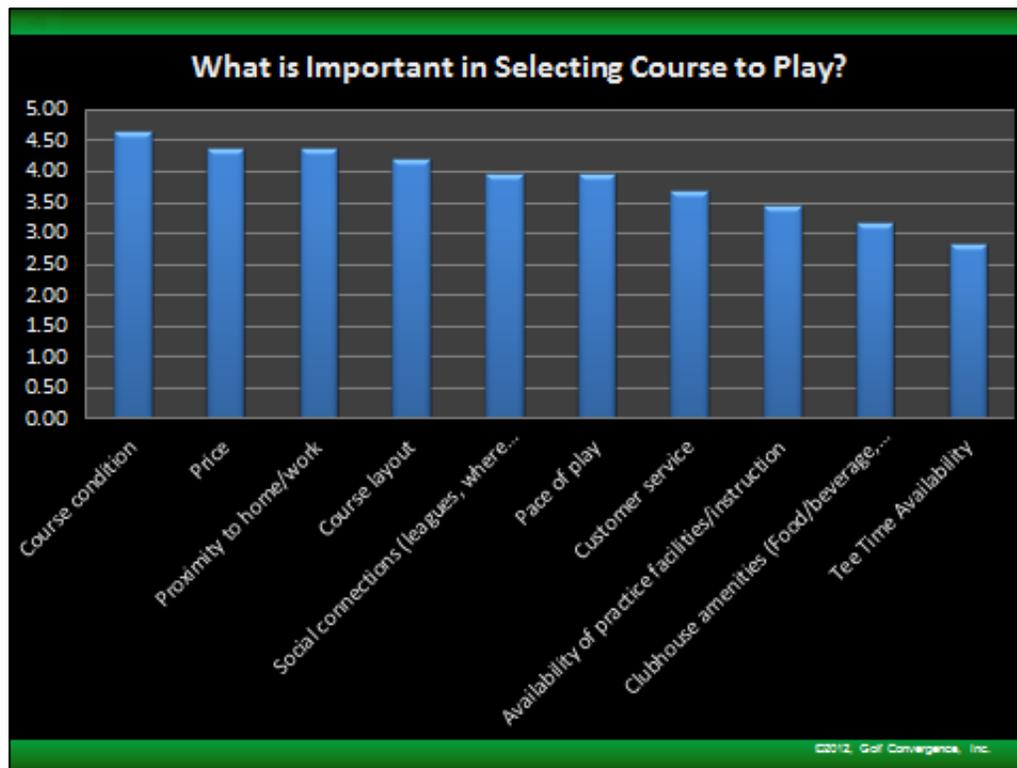
The golfers were asked to rate 21 attributes of the City’s golf courses. What always surprises us about these surveys is the golfers always get it right. Presented below is a comparison of each course based on these factors:



Affordability and accessibility were rated high. Course conditions, driving ranges and practice facilities, clubhouse renovations and food quality were cited as deficient.

What Is Important?

When asked, “What factors are important to you in selecting one course over another, the results of the City of Atlanta survey was consistent with other surveys conducted by Golf Convergence and by leading trade organizations such as the Golf Course Superintendents Association of America. Conditioning and value (price/experience delivered) predict success as shown below:



Since a large part of the "experience" equation is the conditioning of the golf course, this should be no surprise. Of concern is the fact that the survey respondents ranked "price" as the most important criterion for choosing what course to play.

Golfers often maintain that if the prices were lowered, the increase in rounds would offset the lower fees. Such a trade-off is perilous, as noted in the chart below:

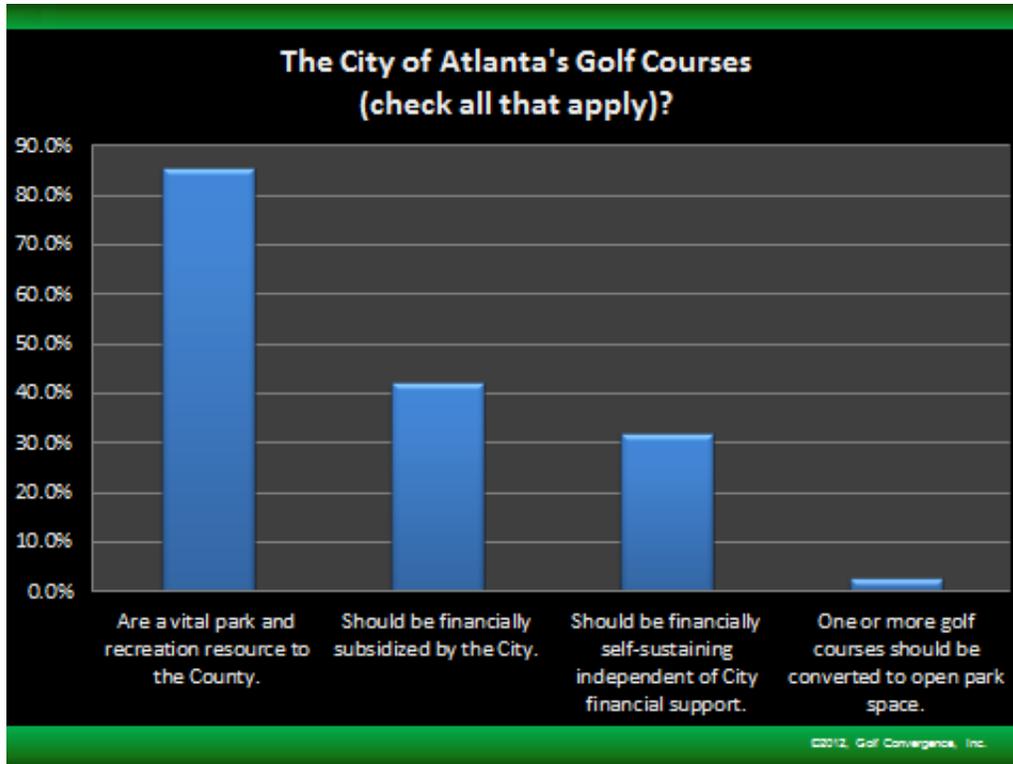
Decrease in Price	Number of Additional Rounds Required to Offset Discount
5%	5.26%
10%	11.11%
15%	17.65%
20%	25.00%
25%	33.33%
30%	42.86%
35%	53.85%
40%	66.67%
45%	81.82%
50%	100.00%

It would make no economic sense to discount the already low green fees charged at the City of Atlanta's golf courses. Considering that the median household income reported is \$137,135, a rate increase could easily be absorbed by the constituents.

One of the most interesting insights was the answer to the question, "Should the greens + cart fee be the same for Alfred Holmes, Bobby Jones, Browns Mill, and North Fulton? Fifty-one

percent responded, “No.” In the supplemental narrative responses provided, golfers felt that the green fee should be established primarily based on value received.

Interestingly, though the golfers felt the City’s courses offered value, were affordable, and are vital park resources, more golfers felt that the facilities should be financially supported by the City rather than self-sustaining, as noted below:



Clearly, the golfers are seeking to transfer the financial responsibility for their entertainment to the City.

Value is made up of many components, and the value formula is straightforward. To the extent that the customer experience exceeds price, loyalty is created. When the price exceeds customer experience, loyalty is lost.

Thus, while conditioning remains a dominant factor, being able to play quickly on the day and time desired continues to highlight the fact that we function within a time-crunched society. The City of Atlanta has the opportunity to profit by focusing on affordability as well as tee time availability based on the central location of its facilities.

Key Benchmarks

Knowing who your customers are, their spending preferences, and their playing frequency is fundamental to maximizing your net income, increasing your operational efficiency, and enhancing your customer service. This knowledge is the essential foundation for a meaningful marketing program. Without this information, most golf courses greatly minimize their revenue opportunities.

A leading golf course management company¹ that serves more than 100 public golf courses has identified certain predictable characteristics:

- 1) A golf course, on average, has 8,000 distinct customers, from a minimum of 3,500 to a maximum of 11,000.
- 2) 10% to 20% of those customers are “initiators” and make the tee time.
- 3) 50% of those customers play the course merely once per year.
- 4) 50% of those who play will not return next year.
- 5) Only 13% will play six or more times.
- 6) Customers average six rounds played at a specific course per year.
- 7) A golf course will have a 20% wallet share of core golfers who play 40 rounds per year.
- 8) Customers become at risk of not returning when they haven’t played your course in 90 days.
- 9) The response rate from customers offered a 20% off coupon, a 10% off coupon, or merely receiving acknowledgement that they are missed is nearly the same.

It is fair to conjecture that golfers at the City of Atlanta have comparable profiles. However, without access to the golf management system used by American Golf Corporation, measuring any of these key metrics is not possible at this time.

Customer Franchise Analysis

The customer franchise analysis (CFA) provides operators with the first tool to win the share-of-golfer battle caused by the current oversupply environment in many markets. The CFA leverages information in the operator’s point-of-sale (POS) or electronic tee sheet system to understand and target key customer groups regarding financial metrics. The CFA measures customer franchise health, such as the number of unique guests acquired, retained, and lost, as well as the spending level of each group and even each customer.

In crafting this strategic vision, a golf course must identify core customers, spending patterns, customer retention, turnover frequency of golfers, zip code distribution, course utilization, revenue per available tee time, and revenue per tee time purchased. These critical metrics were not provided by American Golf Corporation.

However, we were able to ascertain those factors that are vital to golfers in the City of Atlanta. With a national average being 26, these courses received loyalty scores from 38 to -43, as noted below:

¹ Peter Hill, Billy Casper Golf Management, “Programming for Profit,” February 4, 2009 presented at NGCOA Multi-Users Conference.



Note: The “Promoter Score” is a measure of the loyalty of customers to a facility. The Promoter Score answers the question, “Are they ‘promoters’ of that enterprise.” The national average is 26. A negative score indicates that the facility has more detractors than loyal customers.

Browns Mill is the highest-rated Atlanta golf course with respect to golfer loyalty. Not surprisingly, Alfred Tup Holmes and Candler Park were the lowest-rated of the City’s facilities.

Why are those loyalty share numbers important? Loyalty correlates to wallet share, and the percentage of wallet share a course receives is a very accurate predictor of its success or failure. Higher wallet share equals higher revenue equals higher net income. Wallet share represents the percentage of a golfer’s money spent at each golf course versus the total amount spent annually by the golfer.

It is much easier to attract a greater wallet share of an existing customer through building loyalty than it is to attract a new customer to the golf course. Promoters refer five golfers per year to the facility, while strong detractors can provide up to five negative references.

The insights provided from this survey reinforced the recommendation contained here regarding the allocation of capital resources.

Financial Analysis

While the geographic local market analysis and weather impact study evaluate the strategic investment opportunity from a macroeconomic perspective, a financial analysis and market review looks at the micro-economic perspective of each golf course as a stand-alone entity.

The financial prospects, as self-sustaining golf courses, for Alfred Tup Holmes, Browns Mill (without renovation), Candler Park and John A. White are dim. Conversely, Bobby Jones and North Fulton offer great potential upside with an appropriate investment to revitalize these worn and dated facilities.

Historical Financial Performance

The historical financial performance of the golf courses managed by American Golf Corporation is estimated as follows:

Three-Year Average	Alfred Holmes	Bobby Jones	Browns Mill	North Fulton	Total (4)
Revenue*	425,149	1,356,760	862,298	1,548,289	4,192,497
Rounds*	19,335	44,615	32,357	51,262	147,568
Yield Per Round*	21.99	30.41	26.65	30.20	28.41
Cost of Goods Sold	45,543	243,810	45,543	243,731	578,627
Net Operating Income	379,606	1,112,951	816,755	1,304,558	3,613,869
Golf Shop	125,000	175,000	150,000	200,000	650,000
Maintenance	300,000	400,000	350,000	425,000	1,475,000
Administration	20,000	40,000	37,500	40,000	137,500
Total Operating Expenses	445,000	615,000	537,500	665,000	2,262,500
EBITDAR	-65,394	497,951	279,255	639,558	1,351,369
Total Property Rent	68,020	217,068	137,959	247,711	670,757
EBITBA	-133,413	280,883	141,296	391,847	680,612
Capital Expenditures	7,500	45,000	21,250	67,530	141,280
Capital Contribution	0	0	0	0	0
Cash Flow	-140,913	235,883	120,046	324,317	539,332

*Based on data provided. All other line items **estimated** based on 2010 PGA PerformanceTrak financial profiles for municipal golf courses.

We estimate that the third-party vendor historical earnings for 2009 through 2011 have been \$539,332 annually from its operating of the City of Atlanta's golf courses. In contrast, the City earned \$670,757.

It should be emphasized that the third-party management company declined to provide us its expense information with respect to the City of Atlanta's golf courses. We have estimated expenses likely to be incurred based on 2010 PGA PerformanceTrak financial profiles for municipal golf courses and the 2011 National Golf Foundation Operating and Operating and Financial Profiles report.

While it is rumored that American Golf Corporation earns over 50% of net operating income on some leases, which would represent \$1,806,934 in annual earnings, we believe that level of earnings is unlikely due to the challenged revenue potential of Alfred Holmes and Browns Mill and the deferred capital investment throughout the enterprise, which is greatly compromising the value experienced by the City of Atlanta's golfers.

Interestingly, the rounds played at Alfred Holmes and John A. White (1.6 miles apart) are almost exclusively played by residents who live within five miles of those facilities. Only Bobby Jones and North Fulton are profitable, despite significant deferred capital expenditures needed, particularly with respect to the clubhouses.

The historical financial performance for all of the City of Atlanta's golf courses is estimated as follows:

Three Year Average	AGC Leased Facilities	Candler Park – Managed by AGC	John A. White – Managed by Atlanta-Fulton County Recreation Authority	Total
Revenue	4,192,497	154,935	179,084	4,526,515
Rounds	147,568	13,720	8,871	170,159
Yield Per Round	28.41	11.29	20.19	26.60
Cost of Goods Sold	578,627	5,971	3,551	0
Net Operating Income	3,613,869	146,973	174,349	3,935,191
Golf Shop	650,000	36,354	0	686,354
Maintenance	1,475,000	425,000	0	1,900,000
Administration	137,500	69,797	0	207,297
Total Operating Expenses	2,262,500	193,446	464,605	2,920,551
EBITDAR	1,351,369	-46,473	-290,257	1,014,640
Total Property Rent	670,757	0	0	670,757
EBITBA	680,612	-46,473	-290,257	343,883
Capital Expenditures	141,280	0	0	141,280
Capital Contribution	0	0	281,382	281,382
Cash Flow	539,332	-46,473	-8,874	483,985

The low rounds at Candler Park and John A. White render neither sustainable without financial subsidy.

Change in the Composition and Role of the Golf Courses

The role of municipal golf, from its early historical vestiges, is to be the entry door to the game, providing citizens an affordable opportunity to enjoy this form of recreation.

It is important that the City provide golfers convenient access to a facility. Fortunately, as highlighted below, each of the facilities are geographically close to each other:

**The City of Atlanta's Golf Courses
In Close Proximity to Each Other**

Matrix	Alfred Holmes	Bobby Jones	Browns Mills	Candler Park	John A. White	North Fulton
Alfred Holmes	X	12.64 - 24 minutes	7.80 - 15 minutes	9.70 - 20 Minutes	1.63 - 4 minutes	16.64 - 34 Minutes
Bobby Jones	12.64 - 24 minutes	X	13.56 - 22 Minutes	8.22 - 16 Minutes	11.17 - 20 Minutes	5.04 - 12 Minutes
Browns Mills	7.80 - 15 minutes	13.56 - 22 Minutes	X	8.01 - 18 Minutes	8.26 - 16 Minutes	18.47 - 29 Minutes
Candler Park	9.70 - 20 Minutes	8.22 - 16 Minutes	8.01 - 18 Minutes	X	8.24 - 17 Minutes	9.12 - 23 Minutes
John A. White	1.63 - 4 minutes	11.17 - 20 Minutes	8.26 - 16 Minutes	8.24 - 17 Minutes	X	16.25 - 27 Minutes
North Fulton	16.64 - 34 Minutes	5.04 - 12 Minutes	18.47 - 29 Minutes	9.12 - 23 Minutes	16.25 - 27 Minutes	X

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In full consideration of the role of municipal golf in the life of Atlanta's citizens, it is our professional opinion that **John A. White**, as a First Tee facility, provides a valuable contribution to the citizens of Atlanta. The ability to introduce minorities and under-privileged youth to the game is a very worthwhile enterprise. We recommend that to further support the current outstanding programs, an investment be made in this facility to extend the driving range and to reclaim cart paths that have degraded.

John A. White would benefit from the expansion of the driving range, the capping of a culvert, and the replacement of cart paths.

A study should be commissioned to investigate the merger of the **Alfred Tup Holmes** course with the **John A. White** course.

While a complete course renovation of **Browns Mill** could be justified based on the condition, character, and ample acreage of the course, the demographics suggest that an aggressive incremental approach of a \$150,000 annual commitment over the next five years would be

more prudent and generate positive cash flow that could be further reinvested to make this a superior asset for the City of Atlanta on the south side of I-20. Thus, the City's financial commitment to the south side will remain consistent and be supportive of and convenient to these citizens who want to enjoy the game of golf.

Candler Park, a nine-hole, 1,981-yard facility, caters to an eclectic group of neighbors. The losses incurred there are a function of this "alternative facility" (as defined by the National Golf Foundation), which is poorly maintained and lacks proper equipment.

One of the tasks which this review was to study was the feasibility of converting the property into a driving range. While such use is physically possible, the financial return on investment is likely to be negative due to the lack of parking and poor access to the facility from the Interstate highway system.

The biggest hurdle the City would face in converting Candler Park would be a political quagmire involving local residents. Therefore, an investment in equipment in 2012 to determine if the course's financial future can be revitalized is suggested. As agreed to by a citizen's group we met with, if the course is not profitable by 2014, additional options regarding the facility will be explored at that time. The citizens were very cognizant of the City's responsibility to ensure that the facility is not a financial drain on other vital City projects.

The key benchmark to measure is, "Is the operating loss from Candler Park less than the cost to maintain open park space." To the extent the answer is yes, continuing Candler Park as a golf course is advised. Conversion of the facility to a driving range, at an estimated cost of \$500,000, is unlikely to produce a positive return on investment.

Bobby Jones and **North Fulton**, because of their prime locations, are prized assets. Investments in each property, nearing \$2.0 million in course and clubhouse improvements, will generate a positive return on investment. Currently, each facility is operating at an estimated 70% of its gross revenue potential. For Bobby Jones, the dated clubhouse and the creek which frequently floods are significant deterrents. North Fulton, with modernization and expansion of the clubhouse and with a sympathetic renovation of the golf course, would be an attractive facility drawing public golfers from north of I-20 inside of I-285. It is forecast that the return on these investments would occur within seven years.

Fee Structure: Same Price – Vastly Different Value

The price of a green fee can vary based on the time of the day, day of the week, time of the year, the age of the golfer, how the tee time was booked, and how good the customer is at scouring out value-based rates.

The greens fee schedule for Alfred Holmes, Bobby Jones, Browns Mill and North Fulton are identical; the same price for each golf course: \$23 for 18 holes on the weekend plus \$14 for a cart.

Usually, the prices charged by municipal golf courses serve as the "buoy" from which all other area golf courses determine their fees. Such is not the case in Atlanta.

Atlanta is a unique market because the downward pressure from daily fee golf courses is suppressing prices. For the same fee charged by the City of Atlanta, the golfer could elect to play many other golf courses that offer a superior experience, as noted below:



The image shows a promotional graphic for Stone Mountain Golf Club. At the top is the club's logo, which includes a stylized mountain and a golf club. Below the logo, the text reads "NOW AVAILABLE: 2012 Golf Memberships & Preferred Player Passes". Underneath this is a table titled "Golf Rates" with three columns: "Dec-Feb", "Mon-Fri", and "Sat-Sun". The table lists various membership and pass options with their corresponding rates. At the bottom right of the graphic, there is a small copyright notice: "©2012, Golf Convergence, Inc."

	Dec-Feb	Mon-Fri	Sat-Sun
18 Holes		\$39	\$49
9 Holes/Twilight		27	37
Walk for Health		25	25 (Twlt)
Senior (60 & up)		29	n/a
Junior (17 & under)		20	29
Replay		20	29

Stone Mountain offers an impressive clubhouse overlooking a lake and the “mountain,” a scenic location inside a State Park, a 36-hole championship layout that will test the accomplished golfer, and turf conditions that are usually superior to those provided by the City of Atlanta.

Why is the price of competitive courses so low? Golf course owners are experts in citing uncontrollable factors for their financial woes. The economy, weather, third-party intermediaries, the perceived excess supply of golf courses, over-demand—all are cited as contributing causes to the artificially low prices posted in the Atlanta metroplex.

The current market hangs in favor of the golfer. Since the ratio of golfers to courses has declined during the past 20+ years, the competitive environment is allowing today's players to secure unprecedented values in terms of the quality of golf they can get for their money. Golf courses are using these factors as justification for delaying necessary capital investment.

However, the prime tee time fees posted within the state slightly exceed national averages. Presented below are statistics comparing courses in the United States to those in Georgia:

Type of Course	United States		Georgia		Holes	Median Age	Average Age	Median Fee	Average Fee
	Courses	% of Total Courses	Courses	% of Total Courses					
Daily Fee	9,210	58.10%	212	52.22%					
Municipal	2,393	15.06%	52	12.81%					
Private Equity	2,602	16.40%	67	16.50%					
Private Non-Equity	1,632	10.28%	73	17.98%					
Private – Other	32	0.20%	2	0.49%					
Total Private	4,266	26.84%	142	34.98%					
Total Georgia			406	100.00%	7,371	1989	1978	44.00	54.65
Total US	15,869	100.00%			268,254	1969	1965	41.00	52.05

Note 1: Average fee defined as 18 holes and cart during prime time on weekends.

Note that the State of Georgia has far fewer daily fee and municipal golf courses. Conversely, Georgia has far more private non-equity clubs. The fact that 74% more private non-equity clubs exist in Georgia than nationally contributes to the slightly higher posted median fee for golf.

Surprisingly, there are no high-end daily fee courses within the Atlanta I-285 loop. The posted prices for the best courses, Bear's Best (\$114), Cobblestone (\$69), Heritage Links (\$55), and Stone Mountain (\$55), are geographically inconvenient for metropolitan residents to access.

All of these have their unique challenges: The potential of Cobblestone and Bear's Best are constrained by remote locations more than 25 miles away from downtown. Heritage Links is a very difficult golf course that is being managed by a receiver, Affiniti Group. They have met with strong price resistance and believe \$39 (including cart) is the current fair market value for the experience. Stone Mountain's location, rumored poor agronomic conditions, and the perceived need to buy a State Park Pass have constrained that course's potential. (See Steps 6G – 6L, for a comprehensive pictorial essay on the Atlanta metropolitan golf courses).

Why would a golfer play the City of Atlanta's golf courses when superior alternatives at comparable prices exist? The central location of the City's golf courses provides a viable alternative to the golfer in the time-crunched society in which we live. If the City invested in these courses, the central location would ensure a fiscally self-sustaining enterprise.

What is the proper price for the City of Atlanta's courses? The proper price is determined by the value offered to the golfer. To the extent the price charged exceeds the experience, customer attrition occurs.

The City of Atlanta charges the same price for each golf course, so the assumption is that each course offers a similar experience. Such is not the case. The experience, and in turn, the value, at each course varies quite significantly.

The green fee at Alfred Tup Holmes should be decreased by \$2. The prices at Bobby Jones, Browns Mill, and North Fulton should be raised by \$2 concurrent with the completion of the deferred capital investment. The season unlimited-play pass at Candler Park should be increased from \$400 to \$500. The daily 9-hole green fee for residents should be raised from \$9 to \$11 with the improvement in course conditions. When the prices are comparable to the experience provided, a golf course will thrive.

FINAL REPORT

Summary – A Neglected Franchise with Great Potential

The creation of a strategic vision for the City of Atlanta’s golf courses necessitated the evaluation of the potential of the facilities, the future investment required, the highest and best use of each property, and if the experience offered to golfers was consistent; all of these were evaluated with the goal of creating financially self-sustaining entities where possible.

Our evaluation of the City of Atlanta’s golf courses concluded that challenges exist as noted below:

Project	Tup Holmes	Bobby Jones	Browns Mill	Candler Park	North Fulton	John A. White
Strategic						
Vision - Competitive Mix	Red	Yellow	Yellow	Red	Green	Yellow
Demographics	Red	Green	Red	Yellow	Green	Red
Weather - Recent	Red	Red	Red	Red	Red	Red
Tactical						
POS/TTRS	Green	Green	Green	Red	Green	Red
Web Site	Yellow	Yellow	Yellow	Red	Yellow	Red
Financial	Red	Green	Yellow	Red	Green	Red
Operational						
Course Layout	Yellow	Red	Green	Red	Green	Yellow
Agronomic	Yellow	Red	Yellow	Red	Red	Yellow
Deferred Capital	Yellow	Yellow	Yellow	Red	Yellow	Yellow
Clubhouse	Yellow	Red	Yellow	Red	Red	Red
Range/Short Game	Red	Red	Green	Red	Red	Green
Food and Beverage	Red	Red	Red	Red	Red	Red
Tournament/Outing Site	Yellow	Yellow	Yellow	Red	Yellow	Red
Parking	Yellow	Yellow	Green	Red	Yellow	Red
Golf Playing Preferences	Yellow	Yellow	Green	Red	Yellow	Red
Customer Loyalty	Yellow	Yellow	Green	Red	Yellow	Yellow

Key: Red – negative
 Yellow – neutral
 Green – positive

Alfred Tup Holmes, a storied course with a competitive layout for a municipal golf course, has long been financially challenged. The course’s location, its lack of a driving range, and its dated clubhouse in need of repair has all contributed to its financial woes. Unfortunately, the capital investment required to bring current this fine facility isn’t likely to create a positive return on investment. Thus, commissioning a study to determine the highest and best use of the facility is recommended.

Bobby Jones, named after the famed Atlanta East Lake golfer whose storied golf career included winning the Grand Slam of Golf, is centrally located and offers potential.

Lying in a flood plain, the course's turf quality and agronomic conditions have suffered, as noted here. Though the architectural integrity of the course has been compromised, the course still performs in the top 25% of municipal golf courses.

To optimize this City's golf assets, \$1.250 million should be invested within 24 months to correct the flood plain issues and restore the course and clubhouse to its former luster. In the perfect world, an additional \$800,000 would be invested in an irrigation system. Currently, only the greens and tees are watered. If this investment was made, the annual revenues would likely increase



by \$300,000, as this course is performing at 70% of potential. The full benefit of this facility's central location and prized demographics isn't being fully realized.

Browns Mill, based on the availability of land and the existing course design, offers the City of Atlanta perhaps the best opportunity to create a championship golf course experience for its citizens that would be an attractive venue for corporate tournaments and outings. A two-million dollar renovation could create a jewel on the south side of Atlanta.

Candler Park is a prized community asset, and its quirky 9-hole golf course should acquire equipment to restore it to adequate playable condition. If, after two years, the course is not operating at a profit, it should be converted to open park space. A meeting with a "citizen's committee" confirmed their concurrence with this recommendation.

While a driving range is physically possible, it is unlikely to produce a desired return on investment, as access to the facility from the freeway is challenging. The projected cost of \$500,000 would likely be a sunk cost, as operating profits are unlikely. Some municipal driving ranges with superior locations generate \$300,000 in revenue, but the average facility only produces \$75,000 in gross income. The political rancor that would have to be absorbed to change the purpose of this facility further supports the conclusion to use it to provide open park space if the facility is not breaking even within two years.

North Fulton offers the greatest financial potential of any facility, based on its superior location in a neighborhood with median household income exceeding \$75,000 and with no competitive facilities in close proximity. To realize that potential, Fulton will benefit from a minor course restoration, parking lot expansion, and clubhouse renovation in order to be able to sponsor tournaments and corporate outings.

Currently, the clubhouse is in dire need of repair, as evidenced here.

Though the golf course is performing in the top 25% of municipal golf courses nationally, it is operating at only 70% of its potential. An investment of \$1.0 million will aid this golf course in reaching its full potential of serving citizens on a basis that is financially self-sustaining.



John A. White is a prized asset of the City of Atlanta, serving a vital role as the entry door to the game. John A. White, as a First Tee facility, serves an important role in the community, introducing the game of golf and the life-lessons associated with the sport.

An investment in this facility is recommended. The culvert at the end of the driving range should be covered, some trees judiciously removed and possible lighting added. This facility has a fabulous potential to meet an underserved niche within the community; the role of municipal golf as the entry door to the game should be reinforced.

APPENDIX A

Research Performed

These conclusions have been reached based on the evaluation of:

- ◆ Financial statements
- ◆ Physical layout and condition of each site
- ◆ Fee structures
- ◆ Capital improvement needs
- ◆ Lease agreements
- ◆ Management structures and alternatives

The analysis also included a review of the market and financial performance of each course as well as analysis of national, regional and local trends in public golf including supply and demand.

Attached to this report are the research and data that supports the conclusions presented.

The chart below summarizes the research performed from which the conclusions and recommendations in this report were formed. This data was presented to the City of Atlanta as a supplement to this report:

Task	Document	Date
Step 1 - City of Atlanta - Geographic Local Market Analysis	Power Point	2/15/2012
Step 1 - City of Atlanta - Statistical Analysis and Competitive Market Review	Excel	2/15/2012
Step 2 - Weather Playable Days	Adobe Acrobat	2/15/2012
Step 2 - Playable Day Analysis vs. Management Performance	Excel	3/15/2012
Step 4 - Financial Comparison to National - State Benchmarks	Excel	3/16/2012
Step 4 - 2009 - 2011 Operating Statistics Review	Excel	3/16/2012
Step 5A - Bob Cupp Architectural Report - Bobby Jones	Adobe Acrobat	3/16/2012
Step 5B - Bob Cupp Architectural Report - Candler Park	Adobe Acrobat	3/16/2012
Step 5C - Capital Investment - Tiering Priorities	Microsoft Excel	3/16/2012
Step 6A - Competitive Course Review : Alfred Tup Holmes	Adobe Acrobat	2/25/2011
Step 6B - Competitive Course Review : Bobby Jones	Adobe Acrobat	2/26/2012
Step 6C - Competitive Course Review : Browns Mill	Adobe Acrobat	2/25/2012
Step 6D - Competitive Course Review: Candler Park	Adobe Acrobat	2/26/2012
Step 6D - Competitive Course Review: North Fulton	Adobe Acrobat	2/26/2012
Step 6E - Competitive Course Review: John A. White	Adobe Acrobat	2/25/2012
Step 6F - Atlanta Metroplex Competitive Secret Shopper Review - Photo Essay	Adobe Acrobat	2/26/2012
Step 6G - Competitive Course Review: Charles Yates	Adobe Acrobat	2/26/2012
Step 6H - Competitive Course Review: City Club of Marietta	Adobe Acrobat	2/26/2012
Step 6I - Competitive Course Review: College Park	Adobe Acrobat	2/26/2012
Step 6J - Competitive Course Review: Fox Creek	Adobe Acrobat	2/26/2012
Step 6K - Competitive Course Review: Heritage Links	Adobe Acrobat	2/26/2012
Step 6K - Competitive Course Review: Legacy	Adobe Acrobat	2/26/2012
Step 6K - Competitive Course Review: Little Mountain	Adobe Acrobat	2/26/2012
Step 6K - Competitive Course Review: Mystery Valley	Adobe Acrobat	2/26/2012
Step 6K - Competitive Course Review: Stone Mountain	Adobe Acrobat	2/26/2012
Step 6L - Competitive Course Review: Sugar Creek	Adobe Acrobat	2/26/2012
Step 7A - City of Atlanta Customer Survey	Adobe Acrobat	3/31/2012
Step 7B - City of Atlanta Raw Data Files - - Survey Summary 3 31 2011	Microsoft Excel	3/31/2012
Step 8 - City of Atlanta Patron Customer Loyalty Analysis	Power Point	3/31/2012

Limitations of Study and Caveats

This engagement, like many, has taken many twists and turns, creating some unanticipated challenges, including the following:

- ◆ Lack of access to the expense data at Alfred Holmes, Bobby Jones, Browns Mill, and North Fulton; thus, a complete review of the financial statements with benchmarking to key industry statistics was not possible.
- ◆ The inability to conduct a comprehensive golfer survey asking key strategic questions based on political and economic factors. Questions include the future

economic viability of Alfred Tup Holmes and whether Candler Park should be converted to a driving range. Thus, the public acceptance of our forthcoming recommendations is unknown.

- ◆ The uncertainty regarding the ownership of intellectual property necessary to properly manage the golf courses, i.e., the customer database including names, spending, etc. For purposes of this review, we have “assumed” that the intellectual property is an asset of the City of Atlanta under a “landlord/tenant” relationship. Should the City of Atlanta not prevail in the assertion of its intangible property rights, that result would have dire consequences on the projected return on investment forecast within this report.
- ◆ In conducting a public survey, we were not provided information regarding size of database contacted, open rates, bounces, unsubscribes, etc. precluding our ability to precisely determine the strength of the City’s golf franchise.

What Is a Strategic Plan?

A strategic plan is a written document that defines a golf course’s future direction. It is a beacon with which elected officials, Department of Parks, Recreation & Cultural Affairs management, the Golf Enterprise Fund, staff, golfers, and taxpayers can see the value proposition for the enterprise. A strategic plan provides a consensus for future direction, one that can be measured and evaluated.

Without a defined strategic vision, effective tactical plans cannot be developed. Without tactical plans, efficient operational execution cannot occur.

This guidepost for the implementation of the strategic vision is founded with an understanding of the value provided to the customer. To the extent that the experience exceeds the price, value is created and customer loyalty developed. Conversely, to the extent that the price exceeds the experience created, value is squandered and customer attrition occurs.

Value in golf derives from two basic components shared by all golf courses: the physical infrastructure - property, plant, and equipment (the course, the clubhouse, and maintenance equipment); and secondly, the human element - the personnel.

How these resources, as depicted below, are applied determines the experience created.



The Goal

The DPRCA was seeking to conduct a high-level operational audit and market feasibility study to assess the operational and financial viability of each City-owned golf course. Additionally, the goal was to develop a business plan and implementation strategy for the plan to improve financial performance and citizen satisfaction. This strategic review was to include:

- 1) National, regional and local trends in public golf
- 2) The market and financial performance of each course.
- 3) A critical review of current operations at the Courses, including, but not limited to:
 - Financial statements
 - Physical layout and condition at each site
 - Fee structures
 - Capital improvement needs
 - Lease agreements
 - Management structures and alternatives

Golf Convergence employs a precise methodology of eight steps involving the above tasks and more to craft a strategic vision. These steps and the knowledge gained from each are summarized:

Step	Function	Description	Knowledge Gained
1	Strategic	Geographic Local Market Analysis	Is there sufficient demand with appropriate demographics to meet the available supply? Are the age, income, ethnicity, and population density sufficient to sustain a golf course?
2		Weather Impact Analysis	What impact has weather played on rounds versus management policies?
3	Tactical	Technology	How effectively has an integrated golf management solution been deployed to create the aggregation of data required to properly manage?
4a		Key Metrics	How does the operational performance compare to the 15 industry benchmarks that measure strengths and weaknesses?
Step	Function	Description	Knowledge Gained
+4b		Financial Modeling/ Revenue Management	Have accurate financial models that support proactive decision-making been developed? What debt service can the golf course cover? What is the current utilization and REVPAR? Is there a gap between the fees charged and the value experienced?
5	Operational	Golf Operation and Course Agronomic Review	The golf course design, agronomic and turf practices, and equipment levels are evaluated against best practices. What is the highest and best use for the property?
6		Management, Marketing, and Operational Review	Does the value provided equal or exceed the associated fees? Are the proper operating procedures consistently deployed through each step of the "assembly line of golf"? The entrance to the clubhouse, staffing, organizational structure, merchandising, food and beverage, advertising, and marketing are evaluated and compared to the industry's best practices.
7		Customer Preferences	Who are your core customers and how much do they spend? What is the annual retention of golfers?
8		Customer Loyalty	What are the barriers to increased play, what is the golfer's perceived value, and what is the primary reason one course is selected over another? How loyal are your customers?

These questions have a single purpose – to align the common interest of City Council, Course Management and Staff, Golfers, and Taxpayers. The conflict of these questions is noted below:

- The City Commission wants a self-supporting golf course that serves a local community need.
- The Staff wants to work in an environment where they have the tools, equipment, and financial support to maximize the value of the golf course. They want to provide a great service to golfers, and be recognized and rewarded for working hard to achieve everyone's expectations.

- Golfers want great course conditions and good customer service for a fair price.
- Taxpayers don't want to subsidize golfers.

Melding the varied interests and contributions of several entities to achieve a positive outcome is paramount in this strategic plan.



It is our hope that this strategic plan achieves this goal of aligning common interests.

Service-Level Targets

In crafting a strategic plan, the selection of the vision and mission of the golf course is determined by many factors, including financial assets, personnel resources, and the market demand for a specific product. It is important to understand the possible financial goal for a municipal course.

Golf courses and their associated service standards can be classified as follows: platinum, gold, silver, and steel, as reflected in the chart below:

Municipal Golf Courses What's Possible

	Platinum Top 10%	Gold Top 25%	Silver Median	Steel - Bottom 25%
Rounds Played	55,000	43,000	31,957	23,260
Full Time Employees	22	13	8	4
Total Revenues	\$2,050,619	\$1,500,000	\$994,720	\$650,000
Green Fees	\$1,200,000	\$793,000	\$476,204	\$231,958
Cart Fees	\$387,000	\$300,000	\$200,962	\$120,000
Merchandise	\$247,222	\$150,000	\$90,000	\$51,500
Golf Shop	\$736,000	\$464,514	\$284,329	\$160,225
Maintenance Salaries	\$587,000	\$400,000	\$251,085	\$167,000
Total Maintenance Costs	\$1,594,081	\$1,063,320	\$620,347	\$387,000
EBITDA	\$1,069,716	\$600,000	\$197,500	\$70,000

Source: 2011 PGA Performance Trak
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Based on the financial performance of other municipal golf courses, Bobby Jones and North Fulton would be classified as gold, Browns Mill as silver and Alfred Tup Holmes, Candler Park, and John A. White as steel.

Another method to differentiate between golf courses and the experiences they provide is based on the length of the golf course and the associated service standards, such as dress standards, whether carts are required, smoking regulations, tipping and gift policies, and other activities offered.

Why is this relevant for the City of Atlanta?

The City of Atlanta sought a “recommendation for the appropriate market positioning for City Courses in the future.”

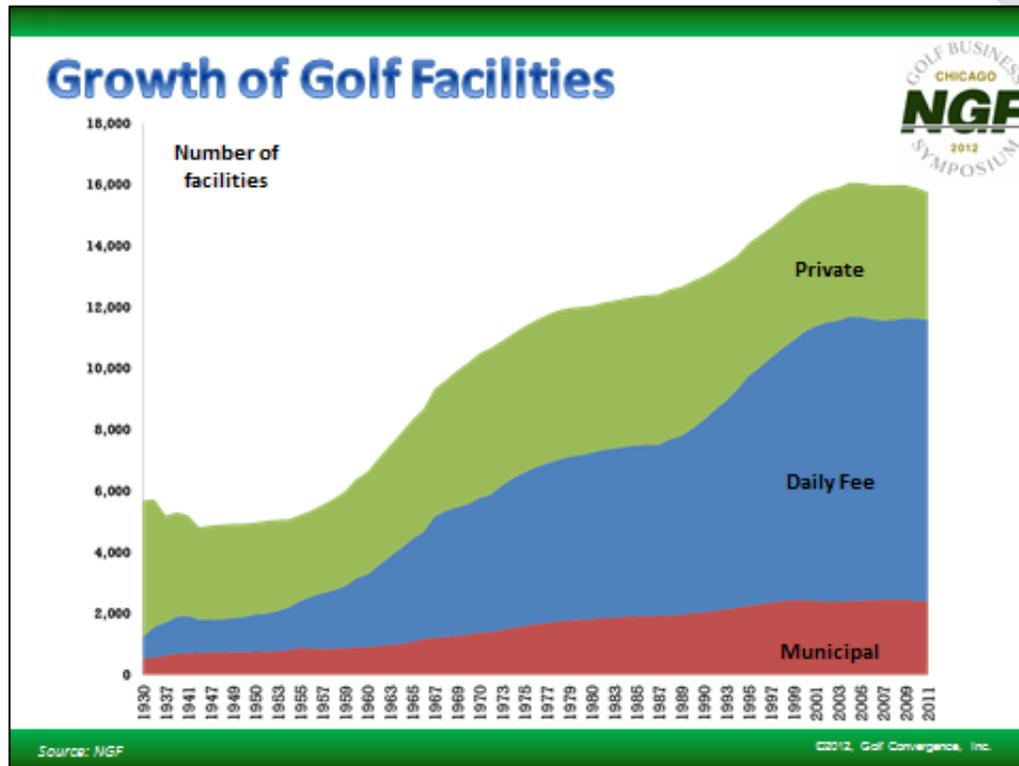
With investment, Bobby Jones and North Fulton have the potential to achieve the financial performance of the top 10% of municipal golf courses. Browns Mill could achieve “gold” while unfortunately, Alfred Tup Holmes, Candler Park and John A. White are likely to be mired in the bottom 25% of municipal financial performance for the foreseeable future.

The customer attrition that is occurring at the City of Atlanta’s golf courses is simply because the price charged exceeds the experience. Unfortunately, due to the inherent cost structure in operating the golf courses, they are caught in a death spiral that without investment is unlikely to reverse.

The Role of Government in Golf

Golf started in North America in the late 1880's. Access was largely through private country clubs.

Because of the origins of the game within America as private and club-based, municipalities filled the void for the public by building golf courses as part of their Parks and Recreation programs. The need for municipalities to continue to operate golf courses has been largely eliminated by the evolution of daily fee golf courses – those open to the public via private enterprise—which became a significant factor starting in the 1960's, as illustrated below:



The current debate: Is providing golf to citizens an essential function of government?

The role of government is to provide those essential services to a society that could not otherwise be provided efficiently or effectively by private enterprise. Hence, police, fire, water, sanitation, and highways are usually within the bailiwick of government. But if a need of the citizens is adequately met by private enterprise, should the government provide that service if it is not essential to the health and welfare of its citizens?

It is the finding of this report (as presented later in detail in Step 1, Geographic Local Market Analysis) that supply from private enterprise and other municipal entities nearly meets the needs of the citizens of the City of Atlanta for golf as a recreational sport.

The Organizational Structure of Municipal Golf

Municipal golf courses serve various constituencies, including: City of Atlanta City Commission, Management/Staff, Golfers, and ultimately, Residents.

The mission statement of a municipal golf course can range from generating the largest possible return on investment, to merely creating a value-based recreational opportunity, or alternatively, catering to the perceived needs of niche groups. Some golf courses also emphasize the value of teaching core values to young golfers.

The national brand image of municipal golf courses often gets a bad rap, especially those facilities viewed as an entry door to the game; they often are downtrodden and degrading. Such is not the case in the City of Atlanta. The management and staff is dedicated, hardworking, and passionate about creating value for their constituency. But decision making in response to the uncontrollable factors reported, as well as the lack of resources, often impairs their ability to execute.

With that considered, the real organization chart for a municipal golf course is as follows:



With this understanding of the macroeconomic factors prevalent in our nation, the microeconomic influences affecting the local golf courses, and the current political, economic, and financial environment observed in City of Atlanta, this much is clear— if the Department of Parks, Recreation & Cultural Affairs is to provide golf, it must do so in a way that ensures that the golf courses are financially self-sustaining and free from general fund support.

Two beacons of hope indicate that this can be achieved.

First, on November 16, 2011, the National Golf Foundation reported that there are positive developments that suggest the golf industry has reached some balance:



National Golf Foundation Reports
November 16, 2011

- Latent demand – millions of non-golfers interested in taking up the game
- Dedicated PGA of America Golf 2.0 initiatives to help activate interested non-golfers
- Economic recovery should aid increases in rounds played and spending
- The expected net closure of golf facilities over the next decade should help improve the dilution of demand at the golf course level
- We expect the combined result of these factors to reverse the trend and provide a rise in golfers and rounds per 18 holes.

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Second, municipalities recognizing that labor expenses and the associated fringe benefits are the source of many of their financial challenges in operating golf courses are seeking privatization of those operations.

By December, 2011, 43% of all municipal golf courses have privatized. This trend is accelerating, as 15% of municipalities have privatized their golf operation during the past 12 months. Wisely, the City of Atlanta began utilizing a third-party management company in 1986. Thus, this liability that is faced by many other municipalities currently is a non-issue for the City. Therefore, the continued use of a third-party management company is advocated as part of this strategic report.

The Role of Municipal Golf

During the past few years, and specifically since 9/11, the decision for the allocation of municipal funds has been to provide police and fire with the highest financial priority, while other municipal services compete for the remaining resources.

A substantial number of citizens believe that golf, like tennis and swimming pools, should be supported by the taxpayers, and that a profit focus for golf is inappropriate. If taxpayers subsidize the golf operations, the benefit will be for approximately 12.4% of the taxpayers.

In the current economic environment, that proposition is not popular, especially considering the fact that the golfers tend to be older and have greater discretionary financial resources.

To craft a strategic plan, it is first essential to understand the organizational framework in which the golf course operates.

The City of Atlanta's golf courses operate within an Enterprise Fund. An enterprise fund is one established by a government to account for activities, similar to private business operations.

The intent is that fees to users will generate sufficient revenue to provide goods or services to the public, such that the enterprise fund is fiscally self-sustaining without support from the City's General Fund. By definition, an enterprise fund can only receive taxpayer support annually to the extent of the agency's policy.

This form of governance provides conflict in addressing fundamental questions of operation:

- 1) Is the Enterprise Fund required to provide a golf experience to golfers at every level of playing ability or only those who are financially self-sustaining?
- 2) Should the Enterprise Fund be obligated to make short-term investments in programs such as junior golf, in which the financial return is at best long-term and perhaps largely unknown? While the support of junior golf is a "feel-good story," it requires a significant investment to serve a narrow customer niche, requiring the allocation of resources from a larger customer base whose financial support provides the economic sustainability for the Enterprise Fund.
- 3) What influence should the Mayor or City Commission have on the daily operation of the golf courses?

The answers to these questions can be debated.

The City of Atlanta's golf courses are managed by the Department of Parks, Recreation & Cultural Affairs.

This report was crafted with the perspective that the Golf Division should only engage in those goods and services that are fiscally self-sustaining. To the extent that the Mayor or City Commission wants to implement programs or activities that aren't self-sustaining, the source for such funding should arise from the general fund.

Parks and Recreation systems across this country provide three types of services:



- **Core Essential Services:** These are services the city must provide in managing parks. They would include providing parks and open space for no cost, park maintenance, security, administration, and essential parks-related duties that are considered totally public good services. These types of services are typically supported by tax dollars.
- **Important Services:** These are services where there is public good and private good involved in the same service. Examples of Important Services would include programs such as swim lessons, summer day camps, and after-school programs.
- **Value-Added/Discretionary Services:** These are services that are nice to provide if money is available to support the services and if the community is willing to invest in them through user fees. These services would include **golf**, senior trips, fitness programs, and individual instructional classes and lessons.

With golf clearly a value-added/discretionary service, the investment in this asset needs to be judicious and appropriate, especially since private enterprise can adequately fulfill this need for the citizens.

It is with this understanding that this Strategic Vision was crafted.

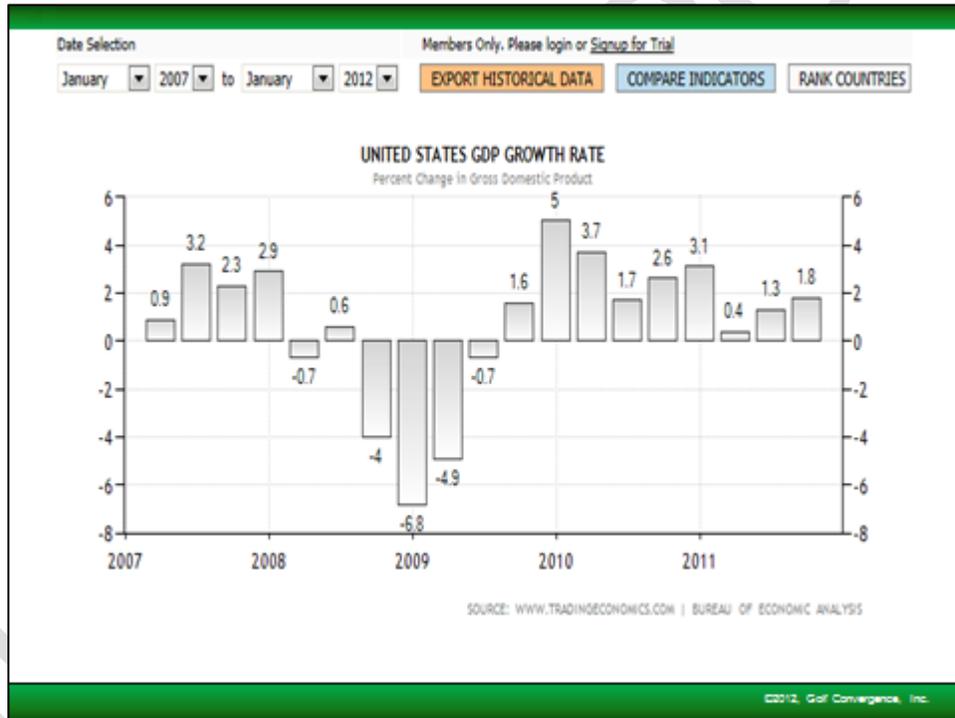
Global Perspectives – Current Economic Outlook

Golf is a recreational sport that consumes the disposable income of its patrons. Golf competes for the entertainment dollars of its consumers.

The financial prosperity of golf is indirectly correlated to the world economy. To measure the impact of the current economic conditions on the golf industry, in April, 2010, the National Golf Foundation (NGF) included at its annual symposium a presentation titled, “Economic and Capital Markets at Home and Overseas.”²

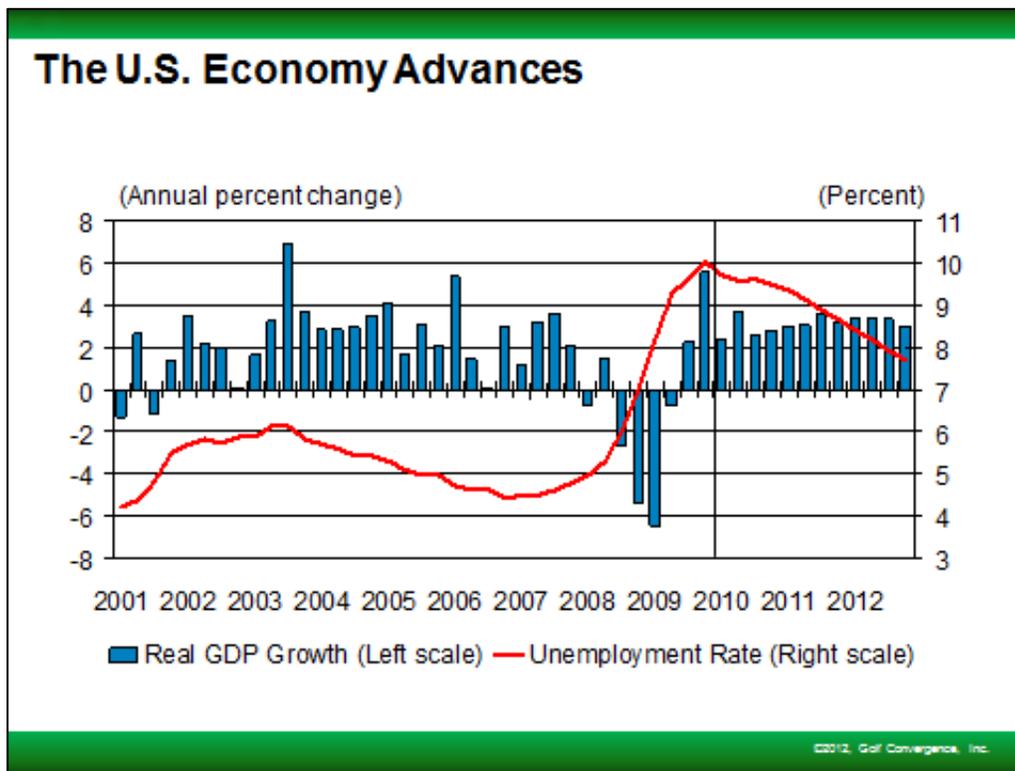
The speaker, Chris Holling, Vice President of IHS Global Insight, presented the case that the U.S. economy was at a crossroads. Negative factors included high unemployment, reduced asset values, tight credit, and high debt burdens. Countering those factors are real income growth, low inflation, low interest rates, and the stock market rally.

The net result of those factors becomes reflected in the U.S. GDP growth rate, as highlighted below:

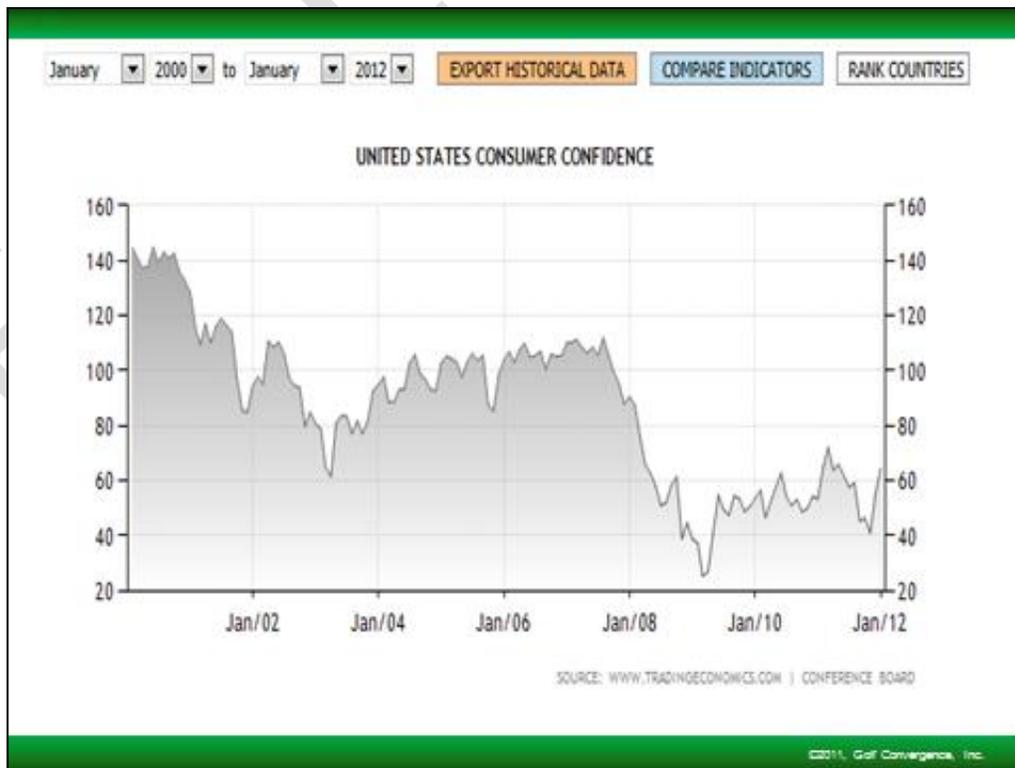


² IHS Global Insight, “Economic and Capital Markets and Homes and Overseas,” April 29, 2010, Slide 4

Of great concern is that the economy is considered at full employment when unemployment is 4%. Unemployment is expected to exceed 7.5% for the next three years. That factor alone has a significant impact on consumer confidence and on the average disposable income available for recreation and entertainment.



Another important economic measure is the Consumer Confidence Index. Presented below is the U.S. Consumer Confidence Index sourced from the Conference Board:



After two months of considerable gains in November and December, the Consumer Confidence Index is now back to levels seen in April 2011.

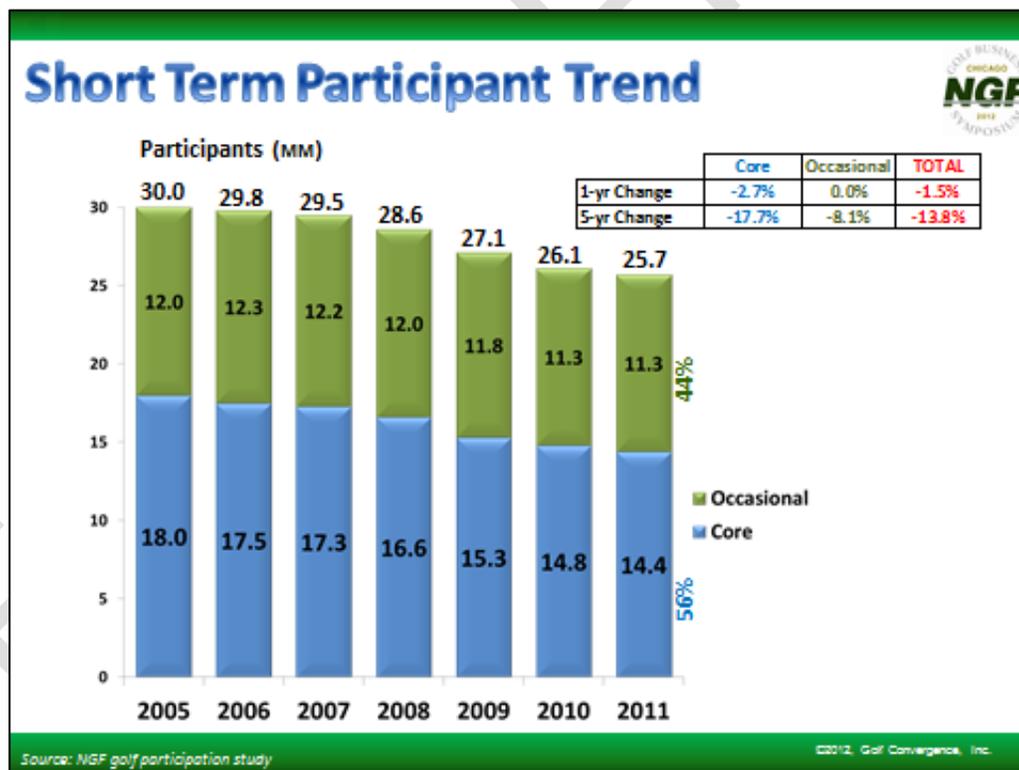
Looking ahead, consumers are more optimistic that business conditions, employment prospects, and their financial situations will continue to get better. While consumers are in a somewhat more upbeat mood, it is too soon to tell if this is a rebound from earlier declines or a sustainable shift in attitudes. While consumer confidence improves, it remains far below the levels achieved a decade ago.

Why is consumer confidence important to this business plan? Golf is a recreational activity that consumes disposable per capita income. The higher consumer confidence is, the greater is the probability that entertainment activities, such as golf, will be sustainable.

Analysis of National Trends in Public Golf including Supply and Demand

All economic forecasts from leading industry research groups forecast a “flat industry” for the foreseeable future. For the next decade, the sport is likely to remain at 25 to 30 million participants, and revenue growth will only come from market share increases (stealing your competitors’ customers) or price increases.

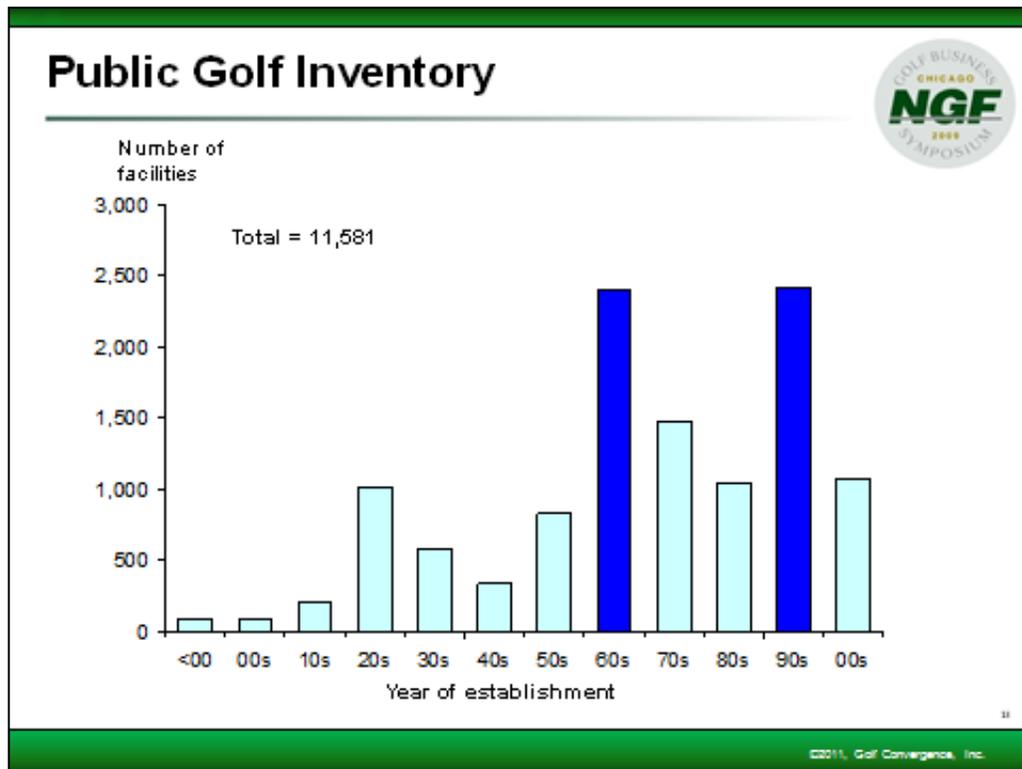
Those conclusions are reached based on overall golfer trends, as reflected below:



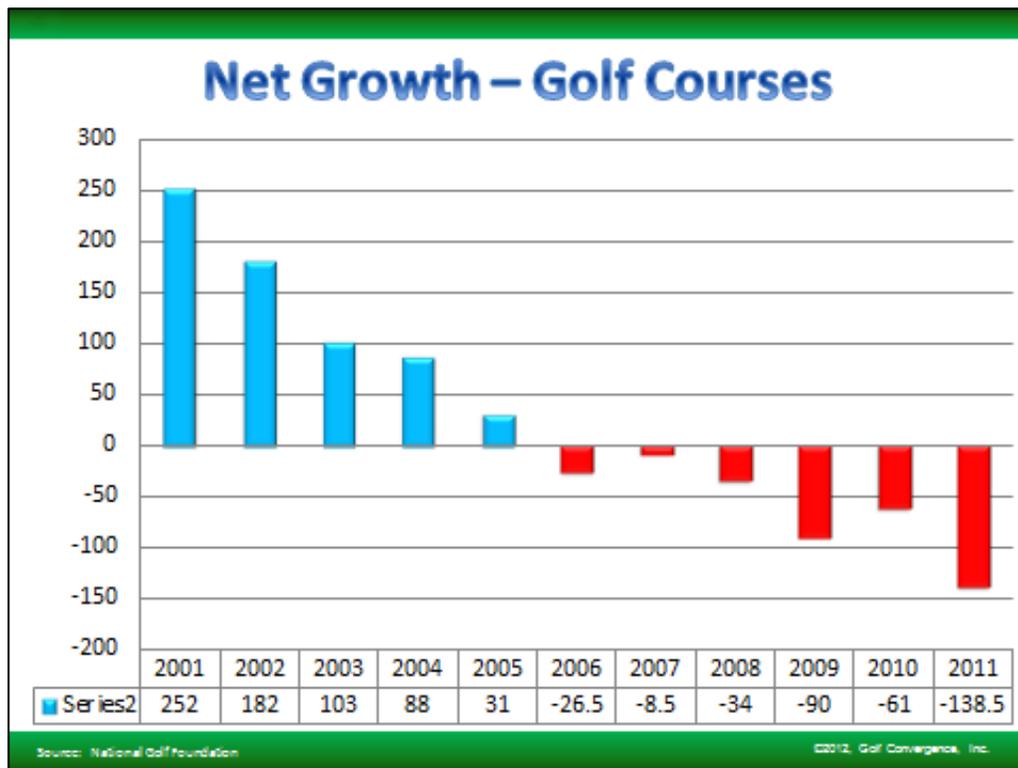
The net decrease of 1.5 million golfers from 2009 to 2010 included 5.2 million golfers who left the game; their numbers were not offset by the 1.7 million beginners and the 2.0 million former golfers who returned to the sport.

Since 1990, the growth in the number of golf courses is up 24%, while the number of golfers has increased only 16%. As a result, rounds played at each golf course have fallen from 40,400 in 1990 to 32,640 today. During this same period, while the number of golfers has fallen 9.2%, rounds volume has fallen 2.7%.

Today's supply imbalance is attributable to the golf courses opened during the 60's and the 90's, as reflected below:



For the past five years and for the first time in history, more U.S. courses have closed than opened, as evidenced in the following chart:



Thus, the largest contributing influences are “uncontrollable factors” at a national level, and a quick reversal is not likely. Therefore, there are no foreseeable changes which will provide the City of Atlanta the opportunity to grow based on a surge in demand or a dramatic restriction of supply.

Fortunately, the City of Atlanta’s golf courses are located within the I-285 loop. While the market is oversupplied nationally, within the City of Atlanta, the market is actually undersupplied. Sixty-five percent of the golfers reside within the Top 100 CBSA (core based statistical areas, i.e., large cities) but only 46% reside within city limits. As a nation, there is an undersupply of golf courses within the Top 100 CBSA.

The National Golf Foundation in 2009 published an extensive study on “The Future of Public Golf in America,”³ which cited that 15% of golf courses rated their financial health as extremely poor. Of those golf courses, 56% of daily fee golf courses were considering closing and selling, and 26% of municipal golf courses were evaluating the same alternatives. Uniformly, with rounds and revenue off, losses had increased, maintenance standards were deteriorating, capital investments were deferred, and discounting practices were being used to boost rounds. Atlanta’s Department of Parks, Recreation & Cultural Affairs has experienced the same situations.

As a result, the NGF concluded the golf courses most at risk⁴ were:

³ National Golf Foundation, “The Future of Public Golf in America,” April 22, 2009, Slides 1 -43.

⁴ National Golf Foundation, “The Future of Public Golf in America,” April 22, 2009, Slide 21.

- Facilities with lower price points
- Alternative facilities
- Facilities in less-populated areas

The price points of all the City of Atlanta golf courses are low. Candler Park and John A. White could be deemed by some to be alternative facilities. Fortunately, the location of the golf courses in a major metropolitan area mitigates some of the risk, presuming the demographics near each facility can support such a course.

The NGF study further revealed significant differences between how successful golf courses were operating in contrast to those courses that were financially challenged. These differences are reflected below:⁵

The Right Things		
	Success (7-10)	At-Risk (0-3)
Customer service emphasis	73%	52%
Have strategic plan	69%	48%
Structured player development	59%	41%
Customer surveys	49%	36%
Promote other revenue centers	43%	26%
Pace of play	43%	24%

Source: National Golf Foundation
©2012, Golf Convergence, Inc.

Maintaining customer databases, engaging in email marketing, and publishing newsletters are additional traits of successful facilities that have been widely recognized over the years. While the City of Atlanta, via its relationship with a third-party management company, does engage in such activities, the use of these tools could be significantly expanded. Fortunately, Information Systems Technology is in place at all courses except for Candler Park, so these deficiencies are correctable.

⁵ National Golf Foundation, "The Future of Public Golf in America," April 22, 2009, Slide 26.

The Business of Golf – Balancing Demand and Supply

In theory, business is actually very simple. It is simply balancing supply against demand. By establishing the price that correctly balances the value delivered commensurate with market demand, net income is maximized.

Business can be made very complicated. The permutations of operating a successful golf course exponentially increase quickly when one considers the factors that impact supply (the number of golf courses) or those factors that affect demand (course conditioning, price, weather, service, and customer demographics and preferences).

In a perfect market, customers purchase products that satisfy their needs or desires for prices they determine to be the best value. Golfers purchase a round of golf for the price that creates the social status they seek, for the networking they want to achieve, for convenience to home or business, and for the recreational and leisure experience.

Unfortunately, capitalism is not about perfect markets. Inadequate information, undisciplined decision making, and government intervention can create aggregate failure. The essence of capitalism is for the successful entrepreneur to gain a strategic advantage over competitors within an imperfect market.

The goal of the golf course owner should be to blend the following triad:

- 1) Superlative information
- 2) Disciplined decision making
- 3) Crisp execution

But that first component, superlative information, starts with an understanding of the breadth and depth of the golf industry.

An understanding of macroeconomics as it relates to supply and demand and the underlying performance, structure, and behavior of the golf industry creates the essential perspective necessary to craft a strategic plan as part of an operational analysis for which this study was commissioned. In the previous pages, we have examined macroeconomic supply and demand changes, but it is necessary to take a microeconomic perspective regarding demand.

A Closer Look at Demand – What Is the Profile of a Golfer?

In 1899, when 307 golf courses existed in the United States, Thorstein Veblen, the author of *The Theory of the Leisure Class*, expressed his opinion that golf was a game in which individuals participated to demonstrate their conspicuous consumption of leisure⁶. In essence, individuals were attracted to the sport to demonstrate their superior financial position and to

⁶ Thorstein Veblen, *Theory of the Leisure Class* (Oxford, Oxford University Press), 1899. http://en.wikipedia.org/wiki/The_Theory_of_the_Leisure_Class.

flaunt their lack of need for work as America transitioned from an agrarian to an industrial society.

From that meager beginning, golf in the United States has grown to a \$24.8 billion industry in which 26 million golfers play 460 million rounds while frequenting 15,882 facilities.

Despite that growth, more than 110 years later, golf has not lost its elitist brand. Two-thirds of the rounds played are played by those with a household income of at least \$85,500, and their median age is 41.9. The national median household income is \$51,618, with a median age of 37.1. For every round played in America by someone who is Hispanic or African American, Caucasians play seven rounds. For every round played by a female, men play 5.1 rounds. With Generation Y playing 58% less than Baby Boomers, this is hardly the foundation for an industry hoping for dynamic growth.

The harsh economic environment combined with adverse weather during the past several years, particularly in Atlanta, has contributed to the fact that golf is a struggling industry in which the supply of facilities exceeds demand. Over the past six years, 257 more U.S. courses have closed than opened. To balance the industry, we forecast that 1,659 facilities should close in the United States.

The financial health of the business of golf can be measured by many numbers. Three of the most effective are the relationship between the number of golf courses, the number of golfers, and the number of rounds played. Many factors influence those three components.

In order to compute the number of golfers and the number of rounds, we first need to define “golfer.” The National Golf Foundation defines a “golfer” as an individual, age 6 or older, who played at least one round in the past year. “Core golfers” are defined as those adults 18 or older who play between eight and 24 rounds per year. The term “avid golfer” is used for those golfers who play more than 24 rounds per year. Other industry research groups use 12 years or older as the benchmark for what constitutes a golfer. Again, the golf industry’s methods of gathering statistics are not standardized.

Another term that causes much debate is “round.” When you play a “round,” have you played nine or 18 holes? The most common use of the word “round” merely means “a start.” In other words, a golfer teed off on at least one hole.

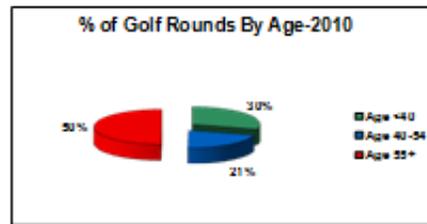
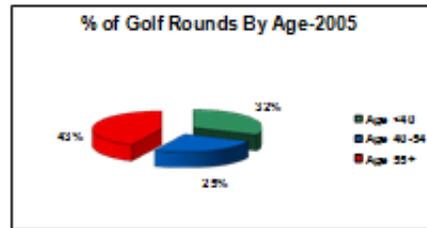
With the term golfer now defined, a further analysis reveals that the game of golf is all of the following:

- 1) Golf is a game of the aging population.
- 2) Golf is a game of the wealthy.
- 3) Golf’s growth is constrained by the time-crunched nature of our society.

As has been demonstrated in economic surveys conducted throughout the world, golf thrives in cities where the population is aging. Over 68% of all golf rounds are played by those older than 43 years of age, as reflected below:

Factor 1: Demographic Changes

- ◆ Most of the new demand is going to come from golfers over 55
- ◆ Over 50% of all golf in the US will be played by golfers over 55 by 2010.
- ◆ That is up from 36% in 1986 and 43% in 2005
- ◆ This is a very important shift in terms of how to price golf (manage senior discounts)



Data Source: 2007 Pollcid Corp.

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The City of Atlanta's population is younger than national averages.

Not only is golf a game whose participants are aging, golf is also a game of the wealthy, and the sport is clearly losing its middle-class appeal, as reflected below:

Factor 2: Golf is Expensive

Inc. Group	'00 % Golfers	'00 % HHs	Index	'05 % Golfers	'05 % HHs	Index
Upper Class \$75K+	27%	23%	115	49%	34%	144
Middle Class \$35-\$74.9K	43%	36%	119	35%	35%	100
Working Class <\$35K	30%	41%	73	16%	31%	52

Data Source: 2007 Pollcid Corp.

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This chart reflects that using a baseline index of 100, the upper class constitutes a greater portion of golf's participants, while the relative frequency of participation by the middle class and the working class is decreasing.

The fact that golf is an elitist game is clearly demonstrated with the statistic that indicates that those with incomes of less than \$34,999 play only 3.45 rounds per year, while those with incomes greater than \$75,000 play 431% more, or 14.89 rounds per year. Golf is clearly losing its middle-class appeal.

The median household income within five miles of Alfred Tup Holmes, Browns Mill, and John A. White is less than \$34,999. The median household income within five miles of Candler Park is \$54,868. The median household income within five miles of Bobby Jones and North Fulton exceeds \$75,000. Those statistics define the market potential for each golf course.

All of this begs the question as to why golf is not more popular among the young, middle, and working classes.

First, the game is difficult to learn, and if you're not very good at it, it isn't a lot of fun. Second, the cost to even begin playing is high—clubs, shoes, golf balls. It's not uncommon to invest at least \$500 to more than \$3,000 to start. Third, a round of golf consumes the better part of a day. Fourth, the attitude present in many male-dominated pro shops creates a harsh and unfriendly environment for many women. Finally, many golf course personnel believe that they are "members" of the club, not "workers" at the club.

While the demand/supply imbalance bodes poorly for golf, such imbalance masks a more subtle and pervading problem that is retarding the growth of the game. That problem is the significant change in the demographics of how our society functions in the United States. Sociologists track seven major categories to determine the nature of a society, some of which are technology (medicine, computers), social trends (reduced social conformity), and demographics (baby boomers and Gen X).

Within the seven categories, when three or more become altered significantly, society changes. That is what has occurred during the past seven years. Some of the societal changes of our time-crunched society are listed below:

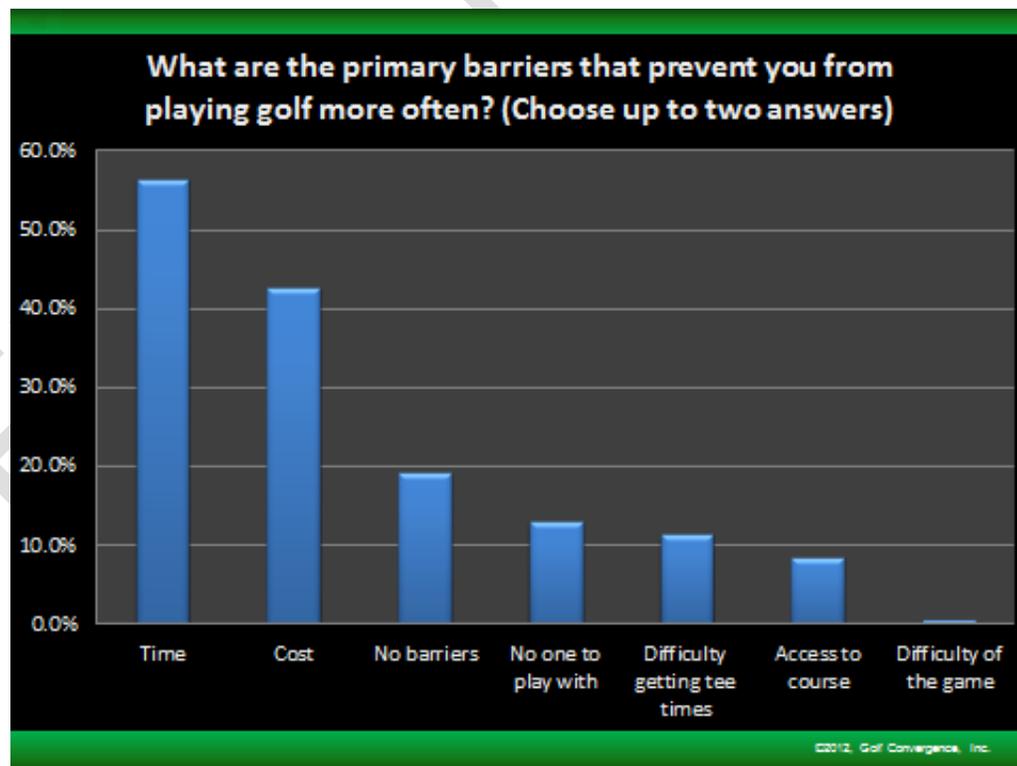
A Time Crunched Society

1. The **technology trap** of endless improvements: the more empowered technology makes you, the more you are expected to do.
2. The **update mandate**: We must be constantly updating our information: our devices (phones, email), our knowledge (events, educations), our values (tolerance to risk, work, etc.). We have dramatically increased our "work cycles." Employee productivity is up 24.2 in the past ten years.
3. The **marketplace of endless choices**: (47 car manufacturers, hundreds of models, thousands of choices.) Shopping takes a lot more energy, thought and time.
4. We have become an **experience economy**: Starbucks to see it made, Krispy Kreme to watch it bake, Harley to gather on weekends at events to participate.
5. **Lifestyle integration**: Our key value is that everything must be efficient and we can do it at once, causing the erosion of the barriers between home, work, and commuting.
6. **Child centeredness**: Our focus on wants, needs and desires have transferred from ourselves to our children. There is now a social status attached to the "child first" attitude. Our parents put themselves first. We put our children first.
7. **Conspicuous activation**: Status is now achieved by showing how busy you are and how many activities you are involved in.

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The time crunch, in which 50% of all families are divorced and 80% of existing families have dual wage earners, has completely redefined the concept of leisure.

To craft a strategic vision for the City of Atlanta's golf courses, we asked, "What are the primary barriers to playing golf?" The survey results are outlined below:



The survey results are not encouraging. Those who might like to play more find “time” to be the constraint. The survey for the City of Atlanta also confirmed that the individuals who utilize the golf courses mirror the national demographic trends regarding age and household income.

The factors of golf’s lessening popularity and changes within our societal framework have created the sinking usage and revenue that the City of Atlanta’s golf courses are experiencing.

FINAL REPORT

EXHIBIT B

CITY COUNCIL RESOLUTION
(will be inserted upon approval of legislation)

EXHIBIT C

DEFINITIONS

When used in the Contract Documents, the following capitalized terms have the following meanings:

“Applicable Law(s)” means all federal, state or local statutes, laws, ordinances, codes, rules, regulations, policies, standards, executive orders, consent orders, orders and guidance from regulatory agencies, judicial decrees, decisions and judgments, permits, licenses, reporting or other governmental requirements or policies of any kind by which a Party may be bound, then in effect, which come into effect or are amended during the time the Services are being performed, and any present or future amendments to those Applicable Laws, including those which specifically relate to: (a) the business of City; (b) the business of Service Provider or Service Provider’s subcontractors or agents; (c) the Contract Documents; or (d) the performance of the Services under this Agreement.

“Department of Parks and Recreation Commissioner” or “Commissioner” shall mean the individual authorized by the City Code to direct the general management, operation and administration of the Department of Parks and Recreation or his/her designees.

“Charges” means the amounts payable by the Service Provider to City under this Agreement.

“Confidential Information” means all information, including, but not limited to, business or financial information, plans, strategies, forecasts, forecast assumptions, proprietary business practices and methods, marketing information and material, customer, supplier, and employee information, and all information concerning relationships with customers, suppliers and employees, proprietary ideas, concepts, know-how, methodologies, specifications, operations, processes and systems manuals, profiles, system and management architectures, diagrams, graphs, models, sketches, technical data, research and all other information related to a Party’s past, present or future business activities or operations, now known or later discovered or developed, furnished or made available by or on behalf of one Party to the other or otherwise obtained by a Party from any source in connection with this Agreement, including: (i) all information of a Party to which the other has had or will have access; (ii) all information of a Third Party, including customers and suppliers; (iii) all information entered or to be entered into software or equipment by or on behalf of a Party, as well as information obtained or derived from this information, including any such information as stored in, accessed or transmitted through or processed by equipment or software; and (iv) all information whose disclosure is exempted or restricted under Applicable Law. Confidential Information does not include information that is: (a) subject to public disclosure under Applicable Law such as the Georgia Open Records Act or the Federal Freedom of Information Act; (b) publicly available or becomes so in the future without restriction and through no fault or action of the receiving Party or its agents; (c) rightfully received by either Party from a Third Party and not accompanied by confidentiality obligations; (d) already in the receiving Party’s possession and lawfully received

from sources other than the disclosing Party; (e) independently developed by the receiving Party without use of or reference to the Confidential Information of the disclosing Party; or (f) approved in writing for release or disclosure without restriction by the disclosing Party

“Code” means the Code of Ordinances for the City of Atlanta, Georgia, as amended.

“Contract Documents” shall collectively include this Agreement and any exhibits, appendices, addenda and other documents attached or incorporated herein by reference.

“Facility” or “Facilities” means any physical premises, booths, parking stalls or other locations occupied by Service Provider in accordance with the Agreement from or through which Service Provider will provide any Services. However, Service Provider acknowledges and agrees that it shall have no property right, title or interest in or to any locations, premises, parking stalls or booths that have been provided by the City.

“Force Majeure Event(s)” means acts of war, domestic and/or international terrorism, civil riots or rebellions, quarantines, embargoes and other similar unusual governmental actions, extraordinary elements of nature or acts of God.

“Party”, “party”, “Parties” or “parties” means the City and/or Service Provider.

“Person” means individuals, partnerships, agents, associations, corporations, limited liability companies, firms or other forms of business enterprises, trustees, executors, administrators, successors, permitted assigns, legal representatives and/or other recognized legal entities.

“Premises” means the Candler Park Golf Course located in and owned by the City of Atlanta.

“Service Provider Employees” all of Service Provider’s employees, contractors, subcontractors, agents, including, without limitation, the employees, contractors, subcontractors, agents of Service Provider’s partners or joint venture partners and any other individuals or entities providing any of the Services set forth in the Agreement under the color of Service Provider’s authority.

“Third Party” means a Person other than the Parties.

“Work Product” means any work product, creation, material, item or deliverable, documentation or other item created by Service Provider or Service Provider Employees, either solely or jointly with City or Third Parties, for the benefit of City in connection with providing the Services, including all forms of intellectual property such as inventions, copyrightable materials and/or material protected by patent, trademark and/or other trade secret laws.

EXHIBIT D

INSURANCE AND BONDING REQUIREMENTS

INSURANCE & BONDING REQUIREMENTS
FC-8725, Management and Maintenance Services for Candler Park City of Atlanta
Golf Course

A. Preamble

The following requirements apply to all work under the agreement. Compliance is required by all Contractors/Consultants. **To the extent permitted by applicable law, the City of Atlanta (“City”) reserves the right to adjust or waive any insurance or bonding requirements contained in this Exhibit D and applicable to the agreement.**

1. Evidence of Insurance Required Before Work Begins

No work under the agreement may be commenced until all insurance and bonding requirements contained in this Exhibit D, or required by applicable law, have been complied with and evidence of such compliance satisfactory to City as to form and content has been filed with City. Contractor/Consultant must provide City with a Certificate of Insurance that clearly and unconditionally indicates that Contractor/Consultant has complied with all insurance and bonding requirements set forth in this Exhibit D and applicable to the agreement. If the Contractor/Consultant is a joint venture, the insurance certificate should name the joint venture, rather than the joint venture partners individually, as the primary insured. In accordance with the solicitation documents applicable to the agreement at the time Contractor/Consultant submits to City its executed agreement, Contractor/Consultant must satisfy all insurance and bonding requirements required by this Exhibit D and applicable by law, and provide the required written documentation to City evidencing such compliance. In the event that Contractor/Consultant does not comply with such submittal requirements within the time period established by the solicitation documents applicable to the agreement, City may, in addition to any other rights City may have under the solicitation documents applicable to the agreement or under applicable law, make a claim against any bid security provided by Contractor/Consultant.

2. Minimum Financial Security Requirements

All companies providing insurance required by this Exhibit D must meet certain minimum financial security requirements. These requirements must conform to the ratings published by A.M. Best & Co. in the current Best's Key Rating Guide - Property-Casualty. The ratings for each company must be indicated on the documentation provided by Contractor/Consultant to City certifying that all insurance and bonding requirements set forth in this Exhibit D and applicable to the agreement have been unconditionally satisfied.

For all agreements, regardless of size, companies providing insurance or bonds under the agreement must meet the following requirements:

- i) Best's rating not less than A-,
- ii) Best's Financial Size Category not less than Class VII, and
- iii) Companies must be authorized to conduct and transact insurance contracts by the Insurance Commissioner, State of Georgia.

- iv) All bid, performance and payment bonds must be underwritten by a U.S. Treasury Circular 570 listed company.

If the issuing company does not meet these minimum requirements, or for any other reason is or becomes unsatisfactory to City, City will notify Contractor/Consultant in writing. Contractor/Consultant must promptly obtain a new policy or bond issued by an insurer acceptable to City and submits to City evidence of its compliance with these conditions.

Contractor/Consultant's failure to comply with all insurance and bonding requirements set forth in this Exhibit D and applicable to the agreement will not relieve Contractor/Consultant from any liability under the agreement. Contractor/Consultant's obligations to comply with all insurance and bonding requirements set forth in Exhibit D and applicable to the agreement will not be construed to conflict with or limit Contractor/Consultant's/Consultant's indemnification obligations under the agreement.

3. Insurance Required for Duration of Contract

All insurance and bonds required by this Exhibit D must be maintained during the entire term of the agreement, including any renewal or extension terms, and until all work has been completed to the satisfaction of City.

4. Notices of Cancellation & Renewal

Contractor/Consultant must, notify the City of Atlanta in writing at the address listed below by mail, hand-delivery or facsimile transmission, within 2 days of any notices received from any insurance carriers providing insurance coverage under this Agreement and Exhibit D that concern the proposed cancellation, or termination of coverage.

Enterprise Risk Management
68 Mitchell St. Suite 9100
Atlanta, GA 30303
Facsimile No. (404) 658-7450

Confirmation of any mailed notices must be evidenced by return receipts of registered or certified mail.

Contractor/Consultant shall provide the City with evidence of required insurance prior to the commencement of this agreement, and, thereafter, with a certificate evidencing renewals or changes to required policies of insurance at least fifteen (15) days prior to the expiration of previously provided certificates.

5. Agent Acting as Authorized Representative

Each and every agent acting as Authorized Representative on behalf of a company affording coverage under this contract shall warrant when signing the Accord Certificate of Insurance that specific authorization has been granted by the Companies for the Agent to bind coverage as required and to execute the Acord Certificates of Insurance as evidence of such coverage. City of

Atlanta coverage requirements may be broader than the original policies; these requirements have been conveyed to the Companies for these terms and conditions.

In addition, each and every agent shall warrant when signing the Acor Certificate of Insurance that the Agent is licensed to do business in the State of Georgia and that the Company or Companies are currently in good standing in the State of Georgia.

6. Certificate Holder

The **City of Atlanta** must be named as certificate holder. All notices must be mailed to the attention of **Enterprise Risk Management at 68 Mitchell Street, Suite, 9100, Atlanta, Georgia 30303.**

7. Project Number & Name

The project number and name must be referenced in the description section of the insurance certificate.

8. Additional Insured Endorsements Form CG 20 26 07 04 or equivalent

The City must be covered as Additional Insured under all insurance (except worker's compensation and professional liability) required by this Exhibit D and such insurance must be primary with respect to the Additional Insured. **Contractor/Consultant must submit to City an Additional Insured Endorsement evidencing City's rights as an Additional Insured for each policy of insurance under which it is required to be an additional insured pursuant to this Exhibit D. Endorsement must not exclude the Additional Insured from Products - Completed Operations coverage. The City shall not have liability for any premiums charged for such coverage.**

9. Mandatory Sub-Contractor/Consultant Compliance

Contractor/Consultant must require and ensure that all subContractor/Consultants/subconsultants at all tiers to be sufficiently insured/bonded based on the scope of work performed under this agreement.

10. Self Insured Retentions, Deductibles or Similar Obligations

Any self insured retention, deductible or similar obligation will be the sole responsibility of the contractor.

A. Workers' Compensation and Employer's Liability Insurance

Contractor/Consultant must procure and maintain Workers' Compensation and Employer's Liability Insurance in the following limits to cover each employee who is or may be engaged in work under the agreement. :

Workers' Compensation. **Statutory**

Employer's Liability:

Bodily Injury by Accident/Disease **\$1,000,000 each accident**

Bodily Injury by Accident/Disease **\$1,000,000 each employee**

Bodily Injury by Accident/Disease **\$1,000,000 policy limit**

B. Commercial General Liability Insurance

Contractor/Consultant must procure and maintain Commercial General Liability Insurance on form (CG 00 00 01 or equivalent) in an amount not less than **\$1,000,000 per occurrence subject to a \$2,000,000 aggregate.** The following indicated extensions of coverage must be provided:

- Contractual Liability
- Food Liability
- Broad Form Property Damage
- Premises Operations
- Personal Injury
- Fire Legal Liability
- Medical Expense
- Independent Contractor/Consultants/SubContractor/Consultants
- Products – Completed Operations
- Pesticide or Herbicide Applicator Coverage
- Liquor Liability
- Explosion, Collapse and Underground (XCU) Liability
- Additional Insured Endorsement* (primary& non-contributing in favor of the City of Atlanta)
- Waiver of Subrogation in favor of the City of Atlanta

C. Commercial Automobile Liability Insurance

Contractor/Consultant must procure and maintain Automobile Liability Insurance in an amount not less than **\$1,000,000** Bodily Injury and Property Damage combined single limit. The following indicated extensions of coverage must be provided:

- Owned, Non-owned & Hired Vehicles
- Waiver of Subrogation in favor of the City of Atlanta

If Contractor/Consultant does not own any automobiles in the corporate name, non-owned vehicle coverage will apply and must be endorsed on either Contractor/Consultant's personal automobile policy or the Commercial General Liability coverage required under this Exhibit D.

EXHIBIT E

DISPUTE RESOLUTION PROCEDURES

1. If Contractor contends it is entitled to compensation or any other relief from City or if there are any disagreements over the scope of Services or proposed changes to the Services, Contractor shall, without delay and within three (3) days of being aware of the circumstances giving rise to Contractor's claim, provide written notice of its claim to City. If Contractor fails to give timely notice as required by this subsection or if Contractor commences any alleged additional work without first providing notice, Contractor shall not be entitled to compensation or adjustment for any such work to the extent timely notice was not provided. Such notice shall include sufficient information to advise City of the circumstances giving rise to the claim, the specific contractual adjustment of relief requested and the basis for such request. Within ten (10) days of the date that Contractor's written notice to City is required under this subsection, Contractor shall submit a Proposed Change Document relating to the claim meeting the requirements of Subsection 5.3.2 of this Agreement.
2. The parties are fully committed to working with each other throughout the Project and agree to communicate regularly with each other at all times so as to avoid or minimize disputes or disagreements. If disputes or disagreements do arise, Contractor and City each commit to resolving such disputes or disagreements in an amicable, professional and expeditious manner so as to avoid unnecessary losses, delays and disruptions to the Services.
3. If a dispute or disagreement cannot be resolved informally Contractor Authorized Representative and Authorized City Representative, upon the request of either party, shall meet as soon as conveniently possible, but in no case later than thirty (30) days after such a request is made, to attempt to resolve such dispute or disagreement. Prior to any meetings between the Authorized Representatives, the parties will exchange relevant information that will assist the parties in resolving their dispute or disagreement.
4. If City and Contractor are still unable to resolve their dispute, each agrees to consider submitting such dispute to mediation or other acceptable form of alternate dispute resolution.

EXHIBIT G
CUSTOMER SERVICE STANDARDS

Employee Attitude

All Employees Shall:

- ◆ Provide a friendly, professional, verbal, audible greeting to customers, including solid eye contact and a sincere smile;
- ◆ Speak clearly and enunciate fully to assure customer understanding;
- ◆ Extend full attention to customers at all times during the interaction by being alert and expressing an “I care” attitude;
- ◆ *Proactively* assist golf course patrons who appear in need of help, directions and assistance;

Employee Appearance

- ◆ Maintain a well-groomed, neat, professional, clean appearance at all times.
- ◆ Limit accessories to those that are conservative, businesslike and professional.
- ◆ Uniforms (where applicable) must be clean and neat at all times, freshly laundered daily, and free of wrinkles, stains, tears, etc.
- ◆ Uniforms will be free of excessive wrinkles and shirts will be neatly tucked inside pants.
- ◆ Employee’s fingernails must be clean, trimmed, and no longer than 1 inch in length.

Employee Knowledge

- ◆ Employees are to be sensitive to foreign-language speakers and special-needs customers at all times and be extra diligent in servicing and responding to such customers.

Employee Conduct

- ◆ Personal use of radios/recorders/cell phones are not permitted while on duty.
- ◆ Employees will be respectful to others and act in a civil, courteous manner at all times by putting the customers first, and refrain from loud, boisterous, annoying behavior including slang, foul or inappropriate language.
- ◆ Employees must respond positively to customer concerns complaints by listening carefully, and remaining calm and objective to resolve the customer’s issue.

APPENDIX A - OFFICE OF CONTRACT COMPLIANCE REQUIREMENTS



CITY OF ATLANTA

Kasim Reed
Mayor

SUITE 1700
55 TRINITY AVENUE, SW
ATLANTA, GA 30303
(404) 330-6010 Fax: (404) 658-7359
Internet Home Page: www.atlantaga.gov

OFFICE OF CONTRACT COMPLIANCE
Larry Scott
Director
lscott@atlantaga.gov

01/22/2016

RE: FC-8725, Management and Maintenance Services For Candler Park City of Atlanta Golf Course

Dear Prospective City of Atlanta Bidder:

The Office of Contract Compliance (OCC) information is an integral part of every eligible City of Atlanta bid. All Bidders are required to make efforts to ensure that businesses are not discriminated against on the basis of their race, ethnicity or gender, and to demonstrate compliance with these program requirements at or prior to the time of Bid opening, or upon request by OCC. Bidders are required to ensure that prospective subcontractors, vendors, suppliers and other potential participants are not denied opportunities to compete for work on a City contract on the basis of their race, ethnicity, or gender, and must afford all firms, including Small Business Enterprises (SBE) opportunities to participate in the performance of the business of the City to the extent of their availability, capacity and willingness to compete. Please read all of the information very carefully. Pay close attention to the specific goals for SBE participation for this project and the SBO program reminders listed on page 6.

If you have any questions about the information included in this section of the solicitation, please contact the City of Atlanta Office of Contract Compliance at (404) 330-6010.

The City of Atlanta looks forward to the opportunity to do business with your company.

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CITY OF ATLANTA

Kasim Reed
Mayor

SUITE 1700
55 TRINITY AVENUE, SW
ATLANTA, GA 30303
(404) 330-6010 Fax: (404) 658-7359
Internet Home Page: www.atlantaga.gov

OFFICE OF CONTRACT COMPLIANCE
Larry Scott
Director
lscott@atlantaga.gov

CITY OF ATLANTA

SMALL BUSINESS OPPORTUNITY PROGRAM

POLICY STATEMENT

It is the policy of the City of Atlanta to promote full and equal business opportunity for all persons doing business with the City. The City must ensure that firms seeking to participate in contracting and procurement activities with the City are not prevented from doing so on the basis size as it relates to revenue and number of employees. The City is committed to ensuring that it is not a passive participant in any private scheme of discrimination. To ensure that businesses are not discriminated against with regard to prime contracting, subcontracting or other partnering opportunities with the City, the City has developed its' various diversity inclusion programs. The purpose of the Small Business Opportunity Program is to ensure that the City of Atlanta has a robust race-neutral approach to promoting full and equal business opportunity for all persons doing business with the City of Atlanta, to promote commerce by assisting Small Business Enterprises (SBEs) to actively participate in the City's procurement process, and ensure that the City of Atlanta utilizes programs that provide it with the best possible resources.

It is also the policy of the City of Atlanta to actively promote equal employment opportunities for minority and female workers and prohibit discrimination based upon race, religion, color, sex, national origin, marital status, physical handicap or sexual orientation through the City's Equal Employment Opportunity (EEO) Program. The purpose of these program is to mitigate the present and ongoing effects of the past and present discrimination against women and minority workers so that opportunity, regardless of race or gender, will become institutionalized in the Atlanta marketplace. It is important to note that all bidders, without exception, including firms that are Small Business Enterprises themselves must comply with the City of Atlanta's SBO and EEO Program requirements. Goals for minority and female business enterprises are set for this project on page 6.

Implementation of SBO Policy

The Office of Contract Compliance will review information submitted by Bidders pertaining to efforts to promote opportunities for small businesses to compete for business as subcontractors and/or suppliers. A Bidder is eligible to be further considered for award of a City contract upon a finding by OCC that the Bidder has engaged in, and provided with its bid submission documentation of efforts to ensure that its process of soliciting, evaluating and awarding subcontracts, placing orders, and partnering with other companies has been non-discriminatory. To assist prime contractors in this effort, the Office of Contract Compliance has set forth in this solicitation document the SBE goals within the relevant NAICS Codes, for this Project.

For subcontracting, the Subcontractor Project Plan must include **all** subcontractors (both small and non-small business enterprises) to be utilized on the project, detail the services to be performed, the dollar value of the work to be performed by each subcontractor, and the *City of Atlanta* SBE certification number and supplier id number as applicable.

For suppliers, the Subcontractor Project Plan must include **all** subcontractors (both small and non-small business enterprises), the supplies to be provided, including the dollar value of the supplies being provided and the *City of Atlanta* SBE certification number and supplier id number as applicable.

Determination of Non-discrimination During Bid Process

No Bidder shall be awarded a contract on an Eligible Project unless the Office of Contract Compliance determines that the Bidder has satisfied the non-discrimination requirements of section 2-1372 on such Eligible Project. Accordingly, each Bidder shall submit with each Bid the following

1. Covenant of Non Discrimination. Each Bidder shall submit with her/his Bid a Covenant of Non-Discrimination which is set forth herein as Exhibit SBO1.
2. Outreach efforts documentation. Each bidder shall submit with her/his bid written documentation demonstrating the bidder's outreach efforts to identify, contact, contract with, or utilize businesses, including certified SBEs as subcontractors or suppliers on the contract. This information shall be set forth on Exhibit SBO2, which is included herein.
3. Subcontractor project plan. Each bidder shall submit with her/his bid a completed and signed subcontractor project plan, in a form approved and provided by the office of contract compliance, which lists the name, address, telephone number and contact person of each subcontractor or other business to be used in the contract, the NAICS Code and the type of work or service each business will perform, the dollar value of the work and the scope of work, the ownership of each business, certification number of each business, and any other information requested by the office of contract compliance. In order for the office of contract compliance to officially consider a firm to be an SBE, the SBE firm must be certified by or have a certification application pending with the office of contract compliance prior to the bidder's submission of the bid. The subcontractor project plan shall not be changed or altered after approval of the plan and award of the contract without the written approval of the director of the office of contract compliance. A written letter to the director of the office of contract compliance requesting approval to change the subcontractor project plan must be submitted prior to any change in the plan or termination of an SBE's contract.

OCC Review of Bidder Submissions

The Office of Contract Compliance shall determine whether a Bidder has satisfied the non-discrimination requirements of section 2-1448 based on its review of the Covenant of Non Discrimination, the Outreach Efforts Documentation, the Subcontractor Project Plan, and its review of other relevant facts and circumstances, including complaints received as part of the bid process. In reviewing the documents submitted by a Bidder to determine whether the Bidder has satisfied the non-discriminatory practices requirement of this section, the Office of Contract Compliance will consider, among other things, the total project dollars subcontracted to or expended for services performed by other businesses, including certified SBEs, whether such businesses perform Commercially Useful Functions in the work of the contract based upon standard industry trade practices, whether any amounts paid to Supplier businesses are for goods customarily and ordinarily used based upon standard industry trade practices, and the availability of certified SBEs within the relevant NAICS Codes for such Eligible Project.

(a) Receipt of Complaint of Discrimination in the Bid Process

The office of contract compliance shall accept complaints of alleged discrimination during the bid process regarding any participant in the bid process. Where the complaint of discrimination is specific to the procurement which is under consideration by the city, the office of contract compliance may investigate said complaint, determine its validity, and determine whether the actions complained of impact the bidder's responsiveness on the specific procurement. Allegations of discrimination based on events, incidents or occurrences which are unrelated to the specific procurement will be placed in the bidder's file maintained in the vendor relations database and handled in accordance with the procedure established in the city's vendor relations subdivision, section 2-1465, et seq.

(b) Determination of Violation of SBO Process

Where the office of contract compliance investigates a complaint of discrimination that is related to the specific bid process, the details of that investigation, including findings, shall be recorded and maintained in the vendor relations database, pursuant to section 2-1471.

(c) Office of Contract Compliance Determination of Non-Compliance

When, based upon the totality of the circumstances, the office of contract compliance determines that a bidder fails to satisfy the requirements of section 2-1448(a) of a city bid solicitation, the director of the office of contract compliance shall present a written determination of non-compliance to the Chief Procurement Officer which states the determination and lists the reasons for the determination. A bid that does not comply with the requirements set forth in section 2-1448(a) shall be deemed non-responsive and rejected.

Small Business Opportunity Program Bid/RFP Submittals

The Office of Contract Compliance will make any determination of non-responsiveness. The covenant of non-discrimination, the outreach efforts documentation, the subcontractor project plan, and any other information required by OCC in the solicitation document pursuant to section 2-1448 must be completed in their entirety by each bidder and submitted with the other required bid documents in order for the bid to be considered as a responsive bid. Failure to timely submit these forms, fully completed, will result in the bid being considered as a non-responsive bid, and therefore, excluded from consideration.

Monitoring Of SBO Policy

Upon execution of a contract with the City of Atlanta, the successful bidder's Subcontractor Project Plan will become a part of the contract between the bidder and the City of Atlanta. The Subcontractor Project Plan will be monitored by the City of Atlanta's Office of Contract Compliance for adherence with the plan. The successful bidder will be required to provide specific EBO information on a monthly basis that demonstrates the use of subcontractors and suppliers as indicated on the Subcontractor Project Plan. The failure of the successful bidder to provide the specific EBO information by the specified date each month shall be sufficient cause for the City to withhold approval of the successful bidder's invoices for progress payments, increase the amount of the successful bidder's retainage, require joint check issuance, or evoke any other penalties as set forth in the City of Atlanta Code of Ordinances, Sections 2-1452 and 2-1456.

Implementation of EEO Policy

The City effectuates its EEO policy by adopting racial and gender work force availability for every contractor performing work for the City of Atlanta. These percentages are derived from the work force demographics set forth in the 2000 Census EEO file prepared by the United States Department of Commerce for the applicable labor pool normally utilized for the contract.

Monitoring of EEO Policy

Upon award of a contract with the City of Atlanta, the successful bidder must submit a Contract Employment Report (CER), describing the racial and gender make-up of the firm's work force. If the CER indicates that the firm's demographic composition does not meet the adopted EEO goals, the firm will be required to submit an affirmative action plan setting forth the steps to be taken to reach the adopted goals. The CER and the affirmative action plan, if necessary, will become a part of the contract between the successful bidder and the City of Atlanta. Compliance with the EEO requirements will be monitored by the Office of Contract Compliance.

Equal Business Opportunity SBE GOALS for this Project

Project No.: FC-8725, Management and Maintenance Services For Candler Park City of Atlanta Golf Course

The dominant NAICS code and trade to be engaged for the above referenced solicitation is:

713910 Golf Courses and Country Clubs

The EBO goals for the trade categories listed in this project are:

35.00% SBE

Please be reminded that no Bidder shall be awarded a contract on an Eligible Project unless the Office of Contract Compliance determines that the Bidder has satisfied the non-discrimination requirements of section 2-1448 on such Eligible Project. Details of the O.C.C. review process for determination of non-discrimination are detailed on page 2 of this document.

Equal Business Opportunity Program Reminders

1. Certification. It is the prime contractor's responsibility to verify that all SBEs included on the Subcontractor Project Plan are certified by the City of Atlanta's Office of Contract Compliance, or have a certification application pending with the City of Atlanta's Office of Contract Compliance.
2. Reporting. The successful bidder must submit monthly SBO program participation reports to the Office of Contract Compliance in a manner as prescribed by the OCC contract monitor of record.
3. Subcontractor Contact Form. It is required that bidders list and submit information on all subcontractors they solicit for quotes, all subcontractors who contact them with regard to the project, and all subcontractors they have discussions with regarding the project. Failure to provide complete information on this form will result in your bid being declared non-responsive.
4. SBO/EBO Ordinance. The SBO Program is governed by the provisions of the SBO/EBO Ordinance set forth in the City of Atlanta Code Division 12, section 2 - 1356 through 2 - 1480. The ordinance can be obtained from the City of Atlanta Clerk's Office at (404) 330-6032.
5. Supplier Participation. In order to receive full SBE credit, suppliers must manufacture or warehouse the materials, supplies, or equipment being supplied for use on the Eligible Project.
6. OCC Registry of Certified Firms. To access OCC's real time registry of vendors (certified or non-certified), visit our PRISM Compliance Management portal at: <https://pro.prismcompliance.com/default.aspx>. Next, click the drop down arrow under "Visit a Jurisdiction", select "City of Atlanta", and click "go!" Once there, you may search by Industry or Certification to obtain your desired results. You may also go to the website: www.atlantaga.gov/contractcompliance and scroll down to the section heading "Registry of Certified Firms" Click OCC's quarterly list to access the current directory of certified firms.

COVENANT OF NON-DISCRIMINATION

The undersigned understands that it is the policy of the City of Atlanta to promote full and equal business opportunity for all persons doing business with the City of Atlanta. The undersigned covenants that we have not discriminated, on the basis of race, gender or ethnicity, with regard to prime contracting, subcontracting or partnering opportunities. The undersigned further covenants that we have completed truthfully and fully the required forms SBO-2 and SBO-3. Set forth below is the signature of an officer of the bidding entity with the authority to bind the entity.

Signature of Attesting Party

Title of Attesting Party

On this ____ day of _____, 20____, before me appeared _____, the person who signed the above covenant in my presence.

Notary Public

Seal

SUBCONTRACTOR CONTACT FORM

List *all subcontractors or suppliers* (SBE and Non-SBE Certified) that were contacted regarding this project.

Name of Sub-contractor/ Supplier	Contact Name, Address and Phone Number	City Of Atlanta Business License? (Yes or No)	Type of Work Solicited for	Business Ownership (see code below)	Certification No. and Expiration Date	Results of Contact

(THIS PAGE SHALL BE SUBMITTED FOR EACH SBE FIRM)

Name of Sub-contractor/ Supplier	Contact Name, Address and Phone Number	City Of Atlanta Business License? (Yes or No)	Type of Work Solicited for	Business Ownership (see code below)	Certification No. and Expiration Date	Results of Contact

Business Ownership Code: AABE - African American Business Enterprise, HABE - Hispanic Business Enterprise, FBE - Female Business Enterprise, APABE - Asian (Pacific Islander) American Business Enterprise

Company Name: _____ Project Name: _____ FC#: _____

Printed Signature: _____ Date: _____

**EQUAL BUSINESS OPPORTUNITY SUBCONTRACTOR PROJECT PLAN
SUBCONTRACTOR/SUPPLIER UTILIZATION**

List all Majority, SBE Certified, and Non-SBE Certified subcontractors/suppliers, including lower tiers, to be used on this project.

Name of Sub-contractor/ Supplier	Contact Name, Address and Phone Number	City of Atlanta Business License? (yes or no)	NIAC Code	Type of Work to be Performed	Ethnicity of SBE Ownership (see code below)	SBE Certification No. and Expiration Date	Dollar (\$) Value of Work and Scope of Work	Percentage (%) of Total Bid Amount

Total SBE% _____

Code: AABE - African American Business Enterprise, HABE - Hispanic American Business Enterprise, FBE - Female Business Enterprise,
APABE - Asian (Pacific Islander) American Business Enterprise

Proponent's Company Name: _____ Project Name: _____ FC#: _____

Proponent's Contact Number: _____ Printed Signature: _____ Date: _____

(THIS PAGE SHALL BE SUBMITTED FOR EACH SBE FIRM)

LETTER OF INTENT

Small Business Enterprise

Proponent Name: _____
Address: _____
City: _____ State: _____ Zip: _____

SBE Firm: ACDBE Firm: _____
Address: _____
City: _____ State: _____ Zip: _____

SBE Contact Person: Name: _____ Phone: (____) _____

Expiration Date of SBE Certification: _____

SBE is performing as: Prime Contractor Sub contractor Joint Venture Member

Work item(s) to be performed by SBE	Description of Work Item	Dollar(s) Value of Work and Scope of Work	Percentage (%) of Total Bid Amount
TOTAL SBE			

The bidder/offeror is committed to utilizing the above-named SBE firm for the work described above.
The estimated participation is as follows:

SBE contract amount: \$ _____ Percent of total contract: _____%

AFFIRMATION:

The above-named SBE firm affirms that it will perform the portion of the contract for the estimated dollar value as stated above.

By: _____
(Print name) (Title)

(signature) (date)

* In the event the bidder/offeror does not receive award of the prime contract, any and all representations in this Letter of Intent and Affirmation shall be null and void.

FIRST SOURCE JOBS PROGRAM POLICY STATEMENT

The Atlanta Workforce Development agency has determined that the First Source Jobs Program is **not applicable** for FC-8725, Management and Maintenance Services For Candler Park City of Atlanta Golf Course.

However, It is the policy of the City of Atlanta to provide job opportunities to the residents of the City of Atlanta whenever possible. Although the First Source Jobs Program only applies to **Construction Projects**, Every contract with the City of Atlanta creates a potential pool of new employment opportunities. All prime contractor proponents are invited to work with the First Source Jobs Program to fill at least 50% of all new entry-level jobs, which arise from this, or any COA project, with residents of the City of Atlanta. For more specific information about the First Source Jobs Program contact Michael Sterling of the Atlanta Workforce Development Agency at (404) 546-3000. This City of Atlanta program is not included in or enforceable through 49 CFR Parts 23 and 26.

**Michael Sterling, Interim Executive Director
First Source Jobs Program
Atlanta Workforce Development Agency
818 Pollard Boulevard
Atlanta, Georgia 30315
(404) 546-3000**

APPENDIX B – ILLEGAL IMMIGRATION REFORM & ENFORCEMENT ACT AFFIDAVITS

END OF DOCUMENT