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PUBLIC-PRIVATE VENTURES
FOR MORALE, WELFARE,
AND RECREATION ACTIVITIES

A Solution to the Loss of Appropriated Funds

Volume 4: Appendices G, H, and I

Report NA705R1

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PREFACE

This is Volume 4 of an eight-volume report; this volume consists of Appendices G, H, and I. Volume 1 describes the findings, conclusions, and recommendations of our study of public/private ventures in the financing, construction, and operation of Navy morale, welfare, and recreation (MWR) facilities.

Volume 2 presents Appendices A through E; Volume 3, Appendix F; Volume 5, Appendices J, K, and L; Volume 6, Appendices M and N; Volume 7, Appendices O, P, and Q; and Volume 8, Appendices R and S.

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APPENDIX G

**NAVAL AIR STATION CECIL FIELD
GOLF POSITION PAPER**

PREFACE

Appendix G was originally published separately as a temporary LMI position paper with a restricted distribution. We reprinted it here with no changes.

GOLF COURSE POSITION PAPER

INTRODUCTION

This Position Paper serves two purposes. First, it provides a preliminary assessment of opportunities for private sector involvement; and second, it provides detailed analysis and recommendations on the feasibility of pursuing such an approach at the study's first test site, NAS Cecil Field. Preliminary study indicates that golf services are well suited for public private ventures. However, this paper recommends against selecting NAS Cecil Field as the first test base for a public private venture (PPV) golf course. It provides the background for the study and presents the analysis leading to this recommendation.

BACKGROUND

The Military Services are looking to private sector involvement as a means to improve the efficiency and quality of their present Morale, Welfare, and Recreation (MWR) functions and to compensate for the loss of appropriated fund support. NA705 is a study into the feasibility of providing MWR functions through public private ventures. This portion of the study addresses golf courses. The first phase of the study is to take a specified base, determine if a PPV contract is feasible and, if so, provide draft solicitation documents. The second phase is to evaluate other strategies that may apply at other locations. The first candidate for Phase I is NAS Cecil Field, west of Jacksonville, Florida.

METHODOLOGY

The methodology used in the study follows three major steps. First, a complete review of operational requirements and available data relevant to Navy golf operations was made. Second, a preliminary analysis to determine the feasibility and economic parameters for the first case site was performed. This analysis combined the case study data, operations costs and revenues of the existing Navy operation, and knowledge of private sector golf course operations. Finally, a *pro forma* income statement was developed to forecast how the site would operate under private lease conditions.

OPPORTUNITIES FOR GOLF PRIVATIZATION

The rationale for selecting golf operations as a first candidate for privatization is based on the interest the private sector has shown in military bases and the fact that there is a proven history of successful privatization. Examples include New York City, Philadelphia, Los Angeles, Long Beach, Prince William County, Virginia, Middletown, Pennsylvania, and Wilmington, Delaware. Furthermore, the interest in developing partnerships between local jurisdictions and private operators continues to grow. Similar proposals are under consideration in Atlanta, Miami, and Brevard and Duvall Counties in Florida. Rising land costs, constrained budgets, and a need to provide quality recreational services at a reasonable cost, all add to the attractiveness of public private partnerships for golf courses. Local governments choose to enter into such partnerships for any of several reasons. The following stand out as most significant:

- First, privatization provides a means of upgrading the service of existing courses (e.g., Philadelphia, Long Beach, New York).
- Second, it is seen as a way of sharing costs and providing a facility they would otherwise not build themselves (e.g., Prince William County, Virginia).
- Third, it provides a service at no cost to the government, or even as a revenue to the government (e.g., Philadelphia, Los Angeles).
- Fourth, privatization offers a lower cost alternative to public operations.

Overall, it is these same factors which may make a PPV a feasible option for military golf operations. As with municipal courses, not all military golf operations offer a feasible site for privatization. While the primary decision factors for both depend on economic and market conditions, the constraints and requirements of a military installation add some factors to be considered in the analysis:

ECONOMIC DECISION FACTORS

- Size and composition of market
- Civilian market fees and competition
- Projected number of rounds played
- Federal and state taxes

- Insurance and advertising costs.

CONTRACTUAL AND POLICY DECISION FACTORS

- Decision on opening or closing course to the public
- Limitations on maximum fees
- Reduction of military control over the course
- Morale of the users
- Loss of appropriated funds support.

CECIL FIELD PILOT BASE

Background of Site Selection

NAS Cecil Field was one of the volunteers to be a test site for a public-private venture golf course and it was selected for study by NMPC. Its 18-hole, 72-par course stands among trees in a portion of the base that could be fenced off if it was decided to open the course to the general public. It is well run under its present management and has had several recent capital improvements. Moreover, it also has a dedicated water well which would serve as a major incentive for the private sector. There is also room for an expanded driving range and miniature-golf course which would also serve as incentives. The layout of the course is not the most imaginative, but the greens are small to add to the challenge. The base volunteered for PPV consideration with the expectation of gaining capital improvements to the course and a higher standard of play.

An October 1987 course assessment by the United States Golf Association (USGA) rated the course as "mediocre to fair." Although there are no physical limitations to improvement, the report cited a lack of course care under previous management which has resulted in various insect, pest, and weed infestations. The USGA estimates that two to three years are required to bring the course up to first class condition.

Current Golf Operations

Revenues in FY87 were \$642,264. Expenses were \$723,824, including 6 percent support from appropriated funds. Revenues are therefore covering only 89 percent of expenses and this does not take into account the cost of various capital

improvements, which are treated like grants from the base's central NAF fund, or employee benefits, which are paid from a headquarters' NAF fund. These figures are based on an annual play of 42,000 rounds from a potential market of ^{49,477}~~52,600~~ authorized users. (Table 1). The high number of retiree users at Cecil Field reflects the high retiree population in the area, and Table 2 shows the breakdown of users by category for FY87. The fees charged these users are comparable to those at neighboring installations but are far below those of the civilian courses in the area (Table 3).

TABLE 1
POTENTIAL MARKET OF AUTHORIZED USERS

Users	#
Active Duty assigned to Cecil Field Command & Tenant Activities	3,738
Average number of fleet personnel in port (50% of fleet)	3,132
Reservists in the area	840
Active Duty Dependents	8,223
Retired Personnel and their Dependents	32,725
Authorized Civilians	819
Total	49,477

Source: Cecil Field

TABLE 2
CURRENT USERS BY CATEGORY

Users	FY87 rounds played
Active Duty	12,312
Retirees	22,875
Civilians and guests	6,419
Total	41,606

Source: Cecil Field

TABLE 3
GREEN FEE COMPARISONS

Civilian course	Weekday	Weekend	Cart rental
West Meadows	\$ 7.00	\$ 8.00	\$12.00
Hyde Park	10.00	12.00	16.00
PGA-Tour	11.00	12.50	12.00
Average market price*	9.33	10.83	13.33
75% Average market	7.00	8.00	10.00
(Authorized civilians	8.50	9.50)	
80% Average market	7.50	8.50	10.50
(Authorized civilians	9.00	10.00)	
Military course	Weekday	Weekend	Cart rental
NAS Cecil Field	\$ 4.00	\$ 6.00	\$10.00
NAS Jacksonville	5.00	6.00	10.00
NAS Jacksonville (E-4 & below)	4.00	4.50	10.00
NAVSTA Mayport	6.00	8.00)	12.00

*Note: Willow Lakes excluded because single fee is charged for play and cart rental

Source: Cecil Field and PGA-Tour

The golf course bar and snack bar are barely breaking even. The golf shop operates at a loss, as in the case at many courses, and is provided only as a convenience to customers. The remainder of the loss comes from the golf program.

Table 4 shows recent and projected capital improvements. There are also some anticipated major repair expenses since both the clubhouse and cart barn roofs are leaking. The list of projected capital improvements appears short. We anticipate that a contractor would soon identify others with the potential of increasing the revenue. This anticipated capital improvement is one of the major reasons the base volunteered for the PPV study.

The amount of play has been on the increase, especially after completion of the snack bar improvements. Some of this increase is spillover from Jacksonville Naval

TABLE 4
CAPITAL IMPROVEMENTS

Project	Cost (\$000)	Status
Golf Cart Barn	130.0	Contract out for bids
Convert bldg. to Locker Room	24.0	100% designed
Golf Cart Parking Lot	4.2	Complete
Upgrade Clubhouse Heads	29.0	In progress
Golf Cart Path #1	24.3	Complete
Golf Cart Path #2	31.7	Complete
Golf Cart Path #3	15.0	Programmed
Course Sprinkler System	230.0	Complete

Base where the course is played to capacity. This spillover is expected to increase, resulting in further increases in play, if Cecil Field's course improves.

Competition in the Area

Three Naval bases, NAS Jacksonville, NB Mayport, and NAS Cecil Field compete for the same market. They are the only military bases in the area and their fees are all comparable (Table 3). Jacksonville is the best course but as mentioned, it is played to capacity and players often sleep in their cars to ensure getting a tee time. Mayport's course is comparable to that of Cecil Field but is forty-five minutes to an hour's drive away. Moreover, it may have to sacrifice nine of its holes for construction of needed facilities. It is assumed that fees at all courses will have to be raised if appropriated funds are withdrawn. This will be true with or without a PPV contract, so that fee increases under a PPV contract will not make the contractor noncompetitive with the other military courses.

The three existing civilian courses in the area are in various states of repair. All are 18-hole public courses within 40 minutes' drive. West Meadows is five miles away and has been described by the National Golf Foundation (NGF) as a "cow pasture" and offers no serious competition. Willow Lakes, fifteen miles away, is better and averages 40,000 rounds of play. It is currently up for sale, however, and its continued operation as a golf course is uncertain. Hyde Park, 20 miles away, is the best course but is already played to capacity. The potential for competition from

these courses will increase as Cecil Field's green fees are increased and approach theirs.

The greatest civilian competition, however, will come from a planned public course immediately adjacent to Cecil Field. PGA-Tour, a golf course management company with no direct affiliation with the Professional Golfers' Association (PGA), has entered a PPV agreement with the City of Jacksonville for an 18-hole, par 72 municipal course. PGA-Tour hopes to begin construction in December 1987 with a projected completion in the summer of 1989. The company will operate the course for the city and expects 40,000 rounds the first year with 5,000 round annual increases until play reaches 60,000. According to the NGF, however, PGA-Tour's success rate with courses has been mixed, and two of them have not survived. NGF, which did the market analysis for PGA-Tour, has described the proposed course as an average course designed for municipal use.

PGA-Tour is not concerned with competition from a PPV contractor at Cecil Field. They would consider submitting a proposal on the contract themselves. If the Cecil Field course were to be opened to the public, PGA-Tour even saw some benefit from two adjacent public courses. The area could become a "golf corner" and attract a greater share of the market for each course. It is not at all unusual for two courses to be adjacent. The biggest reason for their optimism, however, is the preliminary market analysis done by NGF. This analysis (Attachment 1) concludes that the Jacksonville area has a current shortfall of two to three golf courses and that by 1990 this shortfall could grow to as many as five. This is in line with the large growth in the national golfing population projected by the industry.

STRATEGY FOR A CECIL FIELD PUBLIC PRIVATE VENTURE

Recommended Strategy

The recommended strategy is to raise fees and continue operating the course as a NAF function, provided Return On Investment (ROI) NAF loans will still be available after appropriated funds are withdrawn, and net revenues are reserved for golf course improvements. The chances for success of a public private venture golf course at Cecil Field are marginal unless the course is opened to the general public.

On the surface the idea of a PPV course restricted to currently authorized users looks promising. A contractor would not have to pay for the land, would not have

substantial and immediate capital outlays, and would avoid the substantial cost of irrigation because of the dedicated well. He would also pay lower wages than NAF for most employees. (Although the managers would be paid more). Moreover, the population of authorized users in the Cecil Field area should produce a demand of 82,000 rounds per year according to NGF ratios, and this is almost double current use.

Upon close inspection, however, the reality is far less promising. A private contractor would have many costs that the NAF operation avoids. He would have to pay federal and state income taxes, insurance premiums, and advertising, and he would have to set aside a substantial amount for a capital improvement escrow. In addition he would have to achieve a 10 to 12 percent after-tax profit. All of this would have to be achieved with green fees 20 to 25 percent below market with a course that is currently losing \$82,500 per year on operations alone. Attachment 2 is a cursory *pro forma* income statement for a PPV course at Cecil Field. To be profitable at the current level of play, a PPV operator would have to increase fees to 104 percent of market prices. With fees fixed at 75 percent of market, play would have to be increased by 31 percent. With fees fixed at 80 percent of market, the increase would have to be 24 percent. These are substantial increases and would have to be achieved with a capital improvements escrow of only 5 percent of green fees, unless the contractor operates at a loss for several years.

The apparent market of 82,000 rounds according to NGF ratios is also suspect. NGF studies show that nationally between seven and eight percent of the population play golf and the average golfer plays 22 rounds per year. NGF believes that these ratios hold for the Jacksonville area. However, it is not at all clear that the 7 to 8 percent figure holds for a military population. In fact, based on current play at Cecil Field, only 4 percent of the eligible population are playing. The higher ratio of young, lower paid people on base may keep the golf-playing percentage low compared to a civilian population.

Other alternatives are also ruled out. A public private venture agreement with the City of Jacksonville has been preempted by PGA-Tour. Closing the course in return for military discounts at the PGA-Tour course was also addressed. PGA-Tour is unwilling to consider it because the NGF market analysis did not consider the

military market and still showed that the PGA-Tour course would be in a growth position.

Risks of an RFP Failure

An RFP which is issued but draws no responsive proposals would be regarded as a failure. Such a failure would discourage other bases from volunteering for a public private venture in MWR and may also discourage future industry interest. It would certainly not be the "Quick Success" desired to help promote PPV. Moreover, a contract that raised prices but did not produce fairly quick and visible capital improvements or higher quality of service would also be regarded by the patrons as a failure. They would be unlikely to accept the argument that prices would have gone up anyway because of the withdrawal of appropriated funds, and there would be no advantage in switching from a NAF operation.

For these reasons a venture with only a marginal chance of success should not be undertaken. Only if the course were to be opened to the general public do the chances for responsive proposals increase substantially. A contractor would be free to charge market rates to a whole new market and could expect a reasonable return.

There are some disadvantages for the Navy with opening a course to the general public. The course would become more crowded and currently authorized users would have the inconvenience of showing I.D. cards to get the military discount. They would also have to drive off base to get in since the course would be fenced off from the base. The cost of the fence itself might delay other capital improvements. Also, the civilian courses' sensitivity to competition from a military golf course would have to be explored. The base would get its capital improvements but at the cost of green fees at 80 percent of market and loss of sole use of the course.

The alternative of staying NAF appears more attractive. Without appropriated funds, NAF would have to raise revenues by 23 percent to cover the 19 percent deficit the course is now running.¹ This would put green fees at \$5 on week days and \$7.50 on weekends. Add in a 5 percent surcharge for capital improvements and fees are still only \$5.25 and \$8.00 respectively – about 56 percent of weekday and 74 percent of weekend market prices. This surcharge

¹This includes paying for NAF employee benefits directly out of golf course revenues (approximately 28.7 percent).

would be used to repay ROI loans from NAF. In this way, one of the two great advantages of PPV – capital improvements - would still be enjoyed. The second advantage – more efficient and innovative operations – is relative. The reputation of Cecil Field's new greens superintendent is already good and improvements are already under way.

IMPACT ON THE PPV STUDY

This recommendation for Cecil Field does not preclude a successful PPV at other golf courses. However, the next candidate for a test base should be chosen with care. From the lessons of the analysis at Cecil Field the parameters of success in a PPV golf course should be quantified. These parameters should then be used to screen future candidates to measure their potential for success.

ATTACHMENT 1

GOLF FACTS FOOTNOTES

Jacksonville, Florida
Market Area

Prepared For

PGA TOUR
Ponte Vedra Beach, Florida

NATIONAL GOLF FOUNDATION

1150 South U.S. Highway One
Jupiter, Florida 33477

September, 1986

Introduction

The National Golf Foundation was retained by the PGA TOUR to prepare a summary report pertaining to the need for the development of additional publicly accessible golf facilities within the City of Jacksonville. Specifically, the Foundation was asked to assess the viability of a proposed City of Jacksonville municipal golf course project in terms of market area need and the suitability of the proposed site to service this need.

To provide this assessment of the Jacksonville golf market and to evaluate the need and location of the proposed municipal golf course project, the National Golf Foundation has prepared a report containing two interrelated sections, GOLF FACTS, and GOLF FACTS FOOTNOTES.

The GOLF FACTS section, compiled by the NGF Research Department, is a statistical review of specific market area factors which are generally recognized as being pertinent to the assessment of golf market potential and golf facility need. The data contained in the GOLF FACTS portion of the report provides a comparison of local market factors with similar information on a regional and national basis.

The GOLF FACTS FOOTNOTES section was prepared by the NGF Field Services Department and provides a brief market area review and an evaluation of the viability of the proposed project. The GOLF FACTS FOOTNOTES portion of the report is prepared by an experienced NGF golf facility development consultant and is based on GOLF FACTS data and additional information obtained while conducting an on-site investigation in the greater City of Jacksonville area.

Although it is the opinion of the National Golf Foundation that this report fairly represents existing City of Jacksonville golf market needs and conditions, it must be understood by those who will use the report as a guideline, that conclusions and recommendations provided herein are the result of a cursory examination and investigation of the market area and, as such, should not be construed as a definitive market area appraisal.

GOLF FACTS FOOTNOTES

In providing an assessment of the City of Jacksonville golf market potential, the National Golf Foundation has taken three significant market potential factors into consideration: (1) the potential size of the City of Jacksonville resident golf population; (2) the potential number of public facility golf participants residing within Jacksonville; and (3) the estimated potential number of rounds of play produced by Jacksonville resident public golf facility users.

In assessing the overall need and the specific location of the proposed Jacksonville municipal golf course, the National Golf Foundation has given consideration to: (1) the size of the potential golf participant market; (2) the share of the potential market available to the proposed facility based on the number, size and quality of existing facilities; and (3) the overall accessibility of the site in terms of serving the facility's intended market area.

Golf Participation Potential

Surveys conducted by the National Golf Foundation and Market Facts, Inc. indicate that approximately seven to eight percent of the nation's population participates in golf on either an active or casual basis. The actual number of potential golf participants within a given market area, of course, depends on many factors. Key market factors include the overall size of the population, its age, income, education and occupational distributions, and overall golf facility accessibility.

A review of the "GOLF FACTS" section of this report reveals that the greater Jacksonville area (Duval, Clay, Nassau and St. Johns Counties) supports a resident population of approximately 722,250 and that, as a whole, the demographic profile of this population is not widely different

than that of the typical American. In many respects, in fact, the characteristics of Jacksonville area residents appear to be more typical of national profiles than of the typical Florida and South Atlantic region resident.

By applying known averages pertaining to propensity to participate in golf to the demographic profile of the typical Jacksonville area resident, the National Golf Foundation is able to estimate that the incidence of participation in golf among all Jacksonville area residents should approximate 7.7 percent. Based on the area's total population, it can be estimated that the greater Jacksonville area contains approximately 55,600 active and casual golfers. Based on the City of Jacksonville's estimated 1982 population of approximately 556,000 (U.S. Bureau of the Census, 1985), and assuming that the incidence of participation remains at 7.7 percent, the City's golf participant population should have neared 43,000.

Rounds of Play Potential

The nation's typical golfer, according to a 1985 Market Facts, Inc. survey, will play an average of nearly 22 rounds of golf per year -- a round of golf is defined as the playing of 9 or 18-holes in a single visit to a golf facility. Although the average number of annual rounds played by golf participants in the South Atlantic region of the United States, according to past National Golf Foundation participation data, tends to be somewhat higher than the national average, for the purpose of this report it is assumed that the frequency of participation by the Jacksonville area golf population is similar to the national average of 22 annual rounds of play.

Based on this assumption, it can be estimated that the Jacksonville area golf participant population, potentially, could produce a total of more than 1.2 million rounds of play. Although it is obvious that not all of the rounds of play produced by Jacksonville area residents would be played at Jacksonville area golf facilities, it is also obvious that the rounds of play

produced by Jacksonville's short term, non-resident visitors would far exceed the number of market area rounds lost through residents participating elsewhere.

Based, in fact, on National Golf Foundation experience, which indicates that visitors to golf oriented areas tend to participate heavily in golf, and the size of Jacksonville area's annual visitor population, it is likely that the rounds of play produced by the Jacksonville area's short term visitors may actually exceed the play of the resident population. In total, the National Golf Foundation estimates that the greater Jacksonville/Duval market area, plus some additional visitor play derived from contiguous counties, could potentially produce in excess of two million resident and visitor rounds of play.

In addition to compiling information pertaining to the incidence of participation in golf and frequency of play, the National Golf Foundation and Market Facts, Inc. has also conducted surveys to keep abreast of the number golf participants by the type of facility at which they most often play. The National Golf Foundation's 1985 "Golf Participation in the United States," for instance, indicates that nearly 69 percent of all rounds of play occur at publicly accessible golf facilities (municipal and other publicly accessible daily fee golf facilities). It can, therefore, be assumed that of the total potential number of rounds of play produced within the greater Jacksonville area, approximately 69 percent would, given the availability of facilities, occur at a publicly accessible golf facilities.

The table at the beginning of the following page depicts, based on the previously discussed information and assumptions, the potential number of golf participants and the total potential number of public golf facility rounds of play which could be generated within the resident population of the greater Jacksonville area and the City of Jacksonville

ESTIMATED PUBLIC GOLF PARTICIPATION

Greater Jacksonville and City of Jacksonville
Estimated 1982 Resident Population

<u>Market Area</u>	<u>Estimated Population</u>	<u>Estimated Golf Participants(1)</u>	<u>Estimated Percent Public Golf Rounds(2)</u>	<u>Estimated Public Rounds of Play(3)</u>
Greater Jacksonville	722,250	55,600	69%	844,008
City of Jacksonville	556,000	42,812	69%	649,886

- Notes: 1. Estimated Golf Participants - Includes 7.7% of the total greater Jacksonville area population.
2. Estimated Percent Public Golf Rounds - Equals percent of the total estimated number of rounds normally attributable to publicly accessible golf facilities.
3. Estimated Public Rounds of Play - Equals share of public rounds based on annual rounds of play which is estimated at 22 rounds per participant.

Source: National Golf Foundation; U.S. Bureau of the Census, "Statistical Abstract of the United States," 1985.

As the table indicates, it is estimated that the City of Jacksonville's public golf participants could produce nearly 650,000 rounds of play if given accessibility to public golf facilities. In total, public facility golfers in the greater Jacksonville area could produce approximately 844,000 rounds of golf. Again, these projections do not include that play which would be produced by short term Jacksonville visitors.

Market Area Golf Facilities

As a part of its assessment of the Jacksonville golf market, the National Golf Foundation conducted on-site observation visitations at several greater Jacksonville area publicly accessible golf facilities. NGF visitations included all 18-hole regulation length publicly accessible golf facilities located in the City of Jacksonville and Duval County's sole municipal golf facility, Jacksonville Beach Golf Course.

These visitations were made to obtain information pertaining to the quality level of Jacksonville area public golf facilities, to assess the capability of existing facilities to serve the existing and potential golf population, and, through interviews with facility personnel, to gain further insight into the characteristics of the greater Jacksonville area golf market.

Based on the assumption that the proposed City of Jacksonville municipal golf course would primarily serve the population of the western sector of the City of Jacksonville, it was most pertinent to this report to identify and evaluate those public golf facilities which currently serve this market area. These facilities include Hyde Park Golf Club, West Meadows Golf Club, and Willow Lakes Country Club. The following information briefly profiles each of these facilities.

Hyde Park Golf Club
6439 Hyde Grove Road
Jacksonville, FL

Hyde Park Golf Club features a mature and well-maintained 18-hole, regulation length golf course and is one of the Jacksonville area's higher quality and more popular daily fee golf facilities. The facility opened in 1925 as a private club and during the 1940s hosted the Jacksonville Open golf tournament.

Although Hyde Park is located in a heavily populated residential area, many of the facility's annual 80,000+ rounds of play are derived from outside the club's immediate area. According to club personnel play "comes from every area of Jacksonville, including the beaches." Play appears to be at, or very near, the facility's capacity.

Hyde Park Golf Club facilities include the golf course, a full service clubhouse, and a driving range. The club is open on a year-round

basis and operates from daybreak to dark each day. Daily 18-hole green fees range from \$8.00 on weekdays to \$10.00 on weekends and holidays. The facility offers a twilight (after 4 PM) green fee of \$5.00 and provides golf cars at \$7.00 per rider. Golf cars are required on weekends and holidays before 1 PM.

West Meadows Golf Club
11400 West Meadows Drive
Jacksonville, FL

West Meadows Golf Club is located approximately two miles from the intersection of Interstate 10 and Chaffee Road in the sparsely developed extreme western sector of the City of Jacksonville. The club features an 18-hole regulation golf course and a clubhouse. All facilities, although adequate, appear marginal in function, maintenance, and overall appearance.

This facility, most likely due to its location and somewhat featureless golf course, has not proven to be very popular among Jacksonville area golfers. In addition, because of its location, it is doubtful that all but the most persistent of Jacksonville area visitors will visit the facility. Although the facility reported that it accommodated more than 50,000 rounds of play in 1984, based on on-site observation, it would be highly doubtful that actual annual rounds of play currently exceed 25,000.

Daily 18-hole green fees at West Meadows range from \$6.50 on weekdays, to \$7.50 on weekends. A 9-hole weekday rate of \$4.00 is offered and golf cars are provided at a cost of \$5.50 per rider on weekdays and \$6.50 per rider on weekends.

Willow Lakes Country Club
7300 Blanding Blvd.
Jacksonville, FL

Willow Lakes Country Club is located approximately six miles from the site of the proposed Jacksonville municipal golf course and is in an area characterized by high density residential and commercial use. Willow Lakes was originally opened as a 36-hole regulation length non-equity private club. Approximately two years ago 18-holes of the facility were closed and the facility was opened to public play.

Willow Lakes Golf Club facilities include an 18-hole regulation length course, a marginal driving range, and extensive clubhouse facilities. Although the facility's play has improved (estimated at near 40,000 rounds in 1986), it remains well below that of the Jacksonville area's better public golf facilities. According to Willow Lakes management, the club is for sale and several offers are pending. The prospect of the facility's continued operation as a golf facility appears to be uncertain.

Although the club does allow walking golfers, its quoted daily green fee rate includes 18-holes of golf and the use of a golf car. Fees range from \$16.00 on weekdays, to \$18.00 on weekends. After 2 PM golfers can play for \$12.00 on weekdays and \$15.00 on weekends. Single monthly playing privileges are available for \$60.00.

In summary, of the three publicly accessible golf facilities in the the western sector of the City of Jacksonville, only Hyde Park Golf Club offers area golf participants a better than average golf experience. Based on the experience of Hyde Park and the greater Jacksonville area's other better public golf facilities, such as the Dunes Golf Club and Jacksonville Beach Golf Club, which experience at capacity or near capacity play, it is

evident that the area's golf participants, resident and visitor, seek out facilities which provide a quality golf experience. It is also evident that a severe shortage of this type of facility exists in the greater Jacksonville market area.

Market Share Potential

The National Golf Foundation/PGA of America 1986 "Golf Course Operations Survey" indicates that the typical South Atlantic region municipal golf facility accommodates an average of 58,200 rounds each year. Daily fee golf facilities, according to the survey, averaged 35,000 rounds. Based on the municipal average, the City of Jacksonville could require slightly more than 11 publicly accessible facilities to accommodate anticipated demand. Duval County currently contains one municipal and seven daily fee golf facilities, or, based on an accommodation level of 58,200 rounds per facility, a shortage of three publicly accessible golf facilities.

Given a continuation of the growth rate average of the greater Jacksonville area over the past two decades (approximately 1.9% per year), it is likely that the area population will grow to more than 830,000 by 1990 and, based on the previous assumptions of incidence of participation, public golf play and the typical number of rounds accommodated by municipal golf facilities, that an additional 126,000 rounds could be produced, requiring at least two additional public golf facilities to meet potential demand.

Although, as previously discussed, the National Golf Foundation's investigation of publicly accessible golf facilities in the greater Jacksonville area revealed that the area's better public golf facilities host 75,000 or more rounds, even at this level, one additional public golf facility would be required to meet the 1982 level of anticipated demand, and a total of two would be required to meet potential demand by 1990. It is, of course, doubtful that the area's public facilities would average

75,000 rounds of play per facility and it can be anticipated that actual facility need would exceed these very conservative estimates.

Again, these estimates pertaining to facility need do not include providing facilities for those rounds produced by City of Jacksonville visitor populations. In addition, the National Golf Foundation has found that in market areas which appear to have a shortage of publicly accessible golf facilities that the golf market is many times artificially depressed. Due to the latent demand in these market areas, the addition of a public golf facility will often result in an expansion of the total market which is much greater than that which might be normally anticipated.

Site Location Evaluation

Although the foregoing discussion has clearly established the need for quality publicly accessible golf facilities in the City of Jacksonville, it is appropriate for this report to assess the viability of the location of the proposed Jacksonville municipal golf facility in terms of its suitability to serve golf participants residing in the western sector of the City.

As proposed, the site is to be included in a residential development located approximately 4.5 miles west of Interstate 295. Access to the facility would be provided via 103rd Street, a major east-west secondary artery. Properties adjacent to the proposed site feature light residential and commercial development, and immediately to the west, the Cecil Naval Air Station.

National Golf Foundation research indicates that an easily accessed golf facility will normally serve the population within a 10 to 15 mile radius or, in terms of driving time, a population which resides within twenty minutes of the facility. Based on these mileage parameters, the proposed facility would serve nearly all of the population of the City of Jacksonville which is west of Interstate 95 and adjacent to Interstate 295. Given the completion of the 103rd Street widening project and

normal highway speeds on Interstate 295, a twenty minute travel time could extend the range of the facility's service to populations beyond the normal 10 to 15 mile radius.

It is the opinion of the National Golf Foundation that the proposed site would be highly suitable to serve the population in the western sector of the City of Jacksonville. Given the ease of finding the location of the proposed facility, which is not necessarily characteristic of other Jacksonville area public golf facilities, it is also the opinion of the National Golf Foundation that a quality public golf facility at the proposed site would not only prove to be popular with its intended user group, but also with golf participants in almost every area of the greater Jacksonville area.

Conclusions and Recommendations

Conclusions: Based on a cursory review of the greater Jacksonville area, the National Golf Foundation has reached the following conclusions regarding the area's golf market potential, the need for additional publicly accessible golf facilities, and the suitability of the proposed City of Jacksonville municipal golf course to serve resident and visitor golf participants.

1. The resident population of the greater Jacksonville area appears to have a demographic profile which is very similar to that of the typical American. Based on this profile, the National Golf Foundation estimates that approximately 7.7 percent of the greater Jacksonville area resident population participates in golf in an active or casual manner. In total, it is estimated that the greater Jacksonville market area contains a potential of approximately 55,600 golf participants and that approximately 77 percent of these participants reside within the City of Jacksonville.

2. Based on a national average for frequency of participation in golf of 22 annual rounds of play per participant, the National Golf Foundation estimates that resident golf participants in the greater Jacksonville area could produce a potential of more than 1.2 million rounds of play each year. It is further estimated that of these rounds of play, approximately 844,000 would be, given availability, accommodated at publicly accessible golf facilities.
3. Based on the National Golf Foundation's on-site investigation of publicly accessible golf facilities in the Jacksonville market area, it is evident that a shortage of quality public golf facilities exists. It is also evident that the area's quality public golf facilities are currently operating at, or near, capacity levels of play.
4. Based on a comparison of the potential size of the Jacksonville area golf market to the number of publicly accessible golf facilities, it would appear that there is a current shortfall of between two and three facilities, and that by 1990 this shortage could grow to as many as five facilities.
5. Based on a typical golf facility's normal range of effectiveness in attracting and servicing golf participants - approximately 10 to 15 miles or twenty minutes travel time - the site for the proposed City of Jacksonville municipal golf course is well-suited to accommodate the resident golf population of the greater portion of the western sector of the City.

Recommendations: As previously stated, the National Golf Foundation's review of the Jacksonville market area has been confined to an evaluation of the market potential based on an examination of those factors which tend to indicate overall market area need. As such, the following recommendations are not intended to reflect the economic viability of the

proposed project as determined by the facility's fee structure, development costs, and operational expenses.

1. Based on its review of the Jacksonville market area, including golf market potential as compared to existing public golf facility accessibility, it is the recommendation of the National Golf Foundation that the City of Jacksonville proceed in a manner which will result in the development of a quality 18-hole publicly accessible golf facility.
2. Based on its suitability to service a large segment of the Jacksonville population, especially the City's western sector, it is further recommended that the City of Jacksonville pursue development of a publicly accessible golf facility at the proposed 103rd Street site.

ATTACHMENT 2

SUMMARY PRO FORMA

% Increase in rounds play	0%	10%	0%	0%	31%	24%
% of market fees	75%	75%	80%	104%	75%	80%
Rounds played	42,000	46,200	42,000	42,000	55,020	52,080
Total expenses	\$623,400	\$625,040	\$624,450	\$629,162	\$629,145	\$629,086
Total income	\$592,000	\$632,300	\$617,000	\$746,843	\$746,499	\$745,314
Net profit before taxes	(\$31,400)	\$7,260	(\$7,450)	\$117,681	\$117,354	\$116,228
After tax profit	(\$20,096)	\$4,646	(\$4,768)	\$75,316	\$75,107	\$74,386
Net Profit %	-3.22%	0.74%	-0.76%	11.97%	11.94%	11.82%

POSITION PAPER
RECOMMENDATIONS FOR CECIL FIELD GOLF RFP

January 4, 1988

INTRODUCTION:

The purpose of this paper is to provide recommendations on the major issues to be considered in developing a formal request for proposals for a federal private partnership agreement to operate the existing golf facilities at NAS Cecil Field, FLA.

ISSUES:

1. **Length of Lease Term:** The recommended length of this lease is ten years, with options for two five-year renewals. This will allow sufficient time for a private sector operator to capitalize up-front expenses. Structuring the lease with two five-year options will provide the operator with an incentive for quality performance.
2. **Revenues Reserved for Capital Improvements:** It is recommended that the operator be required to maintain an escrow account to be reserved for capital improvements. The amount of contribution to this account is proposed at five percent of total annual greens fees.
3. **Escalation of Fees and Charges:** Fees for authorized Navy users are specified not to exceed 75 percent of the average of local market rates. It is recommended that annual adjustments to these fees may be proposed by the operator based on annual market survey of existing and proposed 18-hole civilian golf courses within a 20 mile radius of Cecil Field. Such proposals may be submitted to the base commander annually for approval. Fees and charges for other than authorized users may be set and adjusted at the discretion of the operator. Any annual membership fees for authorized users will also be limited to 75 percent of market rates for comparable use.

4. **Capital Improvements:** It is recommended that the RFP consider the value of capital improvements in two distinct categories, required and optional. Required capital improvements will be listed in the RFP to include those projects currently in the Cecil Field master plan for golf course improvements. Bidders will submit a capital improvement plan including cost estimates for each project in the plan. Optional capital improvements may be proposed by the bidder to include any improvements not included in the list of required projects. These additional improvements will be scored by dollar value weighted by the desirability of each proposed project.
5. **Government Employees:** It is recommended that the RFP exclude any requirement for the operator to absorb displaced government employees, and that this should not be considered as a factor in proposal evaluation. The RFP will however, mention the availability of these workers. To require the operator to absorb displaced employees would constrict the cost savings of private sector operations.
6. **Water:** The RFP will specify that the existing golf course irrigation system and irrigation water supply be provided to the operator as part of the lease agreement.
7. **Utilities and Services:** It is recommended that such utilities and services now paid for at government expense will become the responsibility of the operator. This includes: Water (excluding that used for irrigation), electricity, heat, sewage, trash removal, and other related services.
8. **Performance Bonding:** The RFP will not require the operator to put up bonds or set up an escrow account to guarantee performance. Such a requirement is not typical of public private agreements currently under lease contract and would tend to place an undue fiscal burden on the private operator. The lease agreement between the Navy and the selected operator will specify the right for contract cancellation on the part of the Navy should the contractor fail to meet minimal performance standards. The RFP will require a bid bond of \$50,000 to insure contract acceptance by the winning bid.
9. **RFP Evaluation Criteria:** It is recommended that proposals be evaluated on the following criteria: (1) Revenues to be paid to NAF, (2) Total Capital

Improvements, (3) Technical and management experience, (4) Operations and maintenance plan, and (5) Proposed level of open-market use.

10. **Buy-Back Guarantees:** The RFP will specify the terms for the guaranteed government buy-back of capital improvements should the authorized military strength of NAS Cecil Field be reduced by more than 50 percent. As terms for such buy-back, the operator will be required to maintain records of the depreciated book value of capital assets in accordance with Generally Accepted Accounting Principles for discounting such assets.
11. **Security:** The RFP will include as a required capital improvement, the provision for the operator to provide for the enclosure of the golf course from the base in addition to any road additions or improvements associated with such an arrangement. The contractor will assume the costs for providing separate access to the course if it is to be open to public play.
12. **Hours Open to Public Use:** It is recommended that the bidders submit their proposed schedule for opening the course to the general public, (other than authorized users), for play. An example might be that the bidder proposes Cecil Field be opened to the general public only during the weekday hours before 4:00 pm., all other times being reserved for authorized users. The proposals will include this information as a factor for bidder selection. In addition, Cecil Field may mandate in the RFP that certain hours be reserved for authorized users. However, they should be kept to a minimum to maintain industry interest in the proposal. (A detailed analysis of the benefits and costs of opening the Cecil Field course to public use will follow this position paper and will be prepared prior to the completion of the RFP.)
13. **Open vs. Closed to Public Play:** It is recommended that the RFP specify a two-tiered proposal. The first tier will consist of the bidder's proposal to operate the course for authorized users only. The second tier will consist of a bid and proposal to operate the course with hours open to public use, as proposed by the bidder.
14. **Future Capital Improvements:** The RFP will stipulate that any capital improvements proposed by the operator will be subject to Navy (Cecil Field)

review and approval. However, in that such improvements may enhance the operation and increase revenues, they should not be unreasonably denied.

15. **Scope of Operations:** The RFP will stipulate that the contractor assume operation of all golf course-related operations including the golf pro shop, snack bar, golf cart rental, equipment rental, and driving range.
16. **Quality of Maintenance:** It is recommended that the operator submit a maintenance plan for the upkeep of the course, facilities, and grounds specified within the RFP. Adherence to this plan will be subject to periodic review by the Navy.
17. **Related Fees and Charges:** It is recommended that the operator be free to determine the pricing for services and merchandise not related to greens fees. This should include golf cart rentals, snack bar prices, and pro shop merchandise. Such price flexibility enables the entrepreneur to provide a full-service operation and still remain sensitive to market demands.
18. **Government-Owned Equipment and Furnishings:** The RFP will require the operator to assume a lease for the use of existing equipment and furnishings such as mowing and landscape machinery, kitchen equipment, and clubhouse furnishings. Such items will be the responsibility of the contractor to repair and maintain. At the end of their useful lives, the contractor will replace them at his or her expense; however, these replacements remain the property of the contractor and may be removed at the end of the contract.

APPENDIX H

**REQUEST FOR PROPOSALS
FOR GOLF COURSE OPERATIONS
AT NAVAL AIR STATION CECIL FIELD, FLORIDA**

PREFACE

Appendix H was originally published separately by LMI as a sample request for proposals (RFP) with a restricted distribution. We reprinted it here with no changes.

**REQUEST FOR PROPOSALS
FOR GOLF COURSE OPERATIONS
AT NAVAL AIR STATION CECIL FIELD,
FLORIDA**

RFP FOR GOLF COURSE OPERATION AND MAINTENANCE

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SUMMARY OF THE REQUEST FOR PROPOSALS

The Navy is looking to private sector involvement as a means of improving the efficiency and quality of its present Morale, Welfare and Recreation (MWR) functions and to compensate for the loss of Federal appropriated fund support. Golf operations has been selected as a candidate for privatization based on the interest the private sector has shown in military bases; and, the proven history of successful civilian privatization in this industry. Examples of jurisdictions providing golfing services through Public/Private Ventures include New York City; Philadelphia, PA; Los Angeles, CA; Long Beach, CA; Prince William County, VA; Middletown, PA; and Wilmington, DE.

The United States Navy has selected Naval Air Station (NAS) Cecil Field, west of Jacksonville, Florida, as the first site to undertake this venture. Its 18-hole, 72-par course covers 256 acres and stands among trees along the perimeter of the base. It could be fenced off if it is decided to open the course to the general public. It is well run under present management, shows growth in rounds played, and has had several recent capital improvements. Moreover, it has a dedicated water well, as well as room for an expanded driving range.

An October 1987 course assessment by the United States Golf Association (USGA) rated the course as "mediocre to fair." Although there are no physical limitations to improvement, the report cited a lack of course care under previous management which has resulted in various insect, pest and weed infestations. The USGA estimates that two to three years are required to bring the course up to first class condition. A copy of the USGA assessment is attached to this Request for Proposal (RFP).

This RFP has been structured to give the private sector the flexibility to use its unique expertise and experience in the golf course business. In this way, the Government hopes to achieve higher operational efficiency and lower costs.

Existing facilities are owned by the Government and will be leased to the contractor for operation, maintenance, and management by the operator who will provide golf course services to its patrons. Any capital improvements will be paid for

by the operator. The term of the contract is 20 years with two 5-year options. Section C describes the form of the out-lease of Government property.

Each proposal will be evaluated for its ability to meet the needs of the Nonappropriated Fund Instrumentality (NAFI) in terms of providing service to the military community, maintaining the facility, providing capital improvements, and providing payments to the NAFI (Section M). These factors will be weighted in the evaluation. The contracting officer will conduct written and oral negotiations with proposers. Offerors, in turn, will be provided an opportunity to submit revisions; and, finally, negotiations will be closed with submission of "Best and Final" offers. Proposals are due by _____. Award will be made within 180 calendar days, but not later than _____. The winning offeror will have 60 calendar days from date of award to take over full operation of the NAS Cecil Field golf course.

The NAFI would prefer that use of the golf course be restricted to those currently authorized to use it. These authorized users are fully defined in paragraph C-2c (12), but are primarily active duty and retired military personnel. The size of this potential market is provided in Attachment 13. However, the NAFI recognizes that this population may not provide a financially viable market and the general public may have to be given some degree of participation to ensure profitability. For security reasons and for the benefit of the currently authorized users, however, the NAFI prefers to keep general public participation to a minimum. Moreover, if the general public is to be admitted other than by means of occasional tournaments, the contractor must fence off the golf course from the rest of the Navy base. He must also upgrade and extend an existing road to provide access from State Road 228. Details of these capital improvements are provided in Attachment 5, and their costs would be borne by the contractor.

To address this issue of public access, the contractor may submit his proposal in two volumes. The first volume, which is optional, will be a "Closed Course Offer" based on restricting the course to the currently authorized users. The second volume will be an "Open Course Offer" based on access and use by the general public, and which will require the proposer to describe the extent of that access. Section L provides the detailed requirements for each volume, and the NAFI will select that open or closed course offer which is most favorable under the selection criteria provided in Section M.

Volume I of the proposal shall be divided into four parts and volume II shall be divided into five parts. Each part is limited in the number of pages that may be submitted to lessen the burden on both the proposer and the evaluators. The general description of the parts is as follows:

The capital improvements part (Paragraph L-4) will contain a discussion of required capital improvements as well as additional projects proposed by the offeror.

The operations and maintenance part (Paragraph L-5) will provide information on how the proposer intends to operate and maintain the facilities.

The experience part (Paragraph L-6) will provide information on the proposer's experience in building, operating, and maintaining golf courses and out-door recreational facilities. It will contain references from current and previous operations and detail the extent of the proposer's involvement in the golf industry. The Navy will make site visits or use other means to substantiate experience.

The annual payments part (Paragraph L-7) is the schedule of revenues to be paid to the NAFI. This section shall contain an analysis of present and projected operating activities.

The public access part (Paragraph L-8) pertains only to volume II and will describe the extent of general public participation. For instance, the offeror may propose opening the course to the general public only on weekends before 4 pm, or he may propose giving them complete access any time the course is open.

The proposal must be accompanied by a Bid Bond of \$50,000 (Paragraph H-3). Administrative information such as where to submit the proposal, late submission, and the number of copies required is provided in Section L.

We appreciate your interest in this project and any question about it should be addressed at the preproposal conference to be held on _____, 1988 at Building 200, Naval Air Station Cecil Field, Florida.

SOLICITATION, OFFER AND AWARD		1. CERTIFIED FOR NATIONAL DEFENSE UNDER BDSA REG. 2 AND/OR DMS REG. 1		RAYING DO-C2	PAGE OF PAGES
2. CONTRACT NO.	3. SOLICITATION NO.	4. TYPE OF SOLICITATION ☐ ADVERTISED (IFB) ☒ NEGOTIATED (RFP)		5. DATE ISSUED	6. REQUISITION/PURCHASE NO.
7. ISSUED BY Commanding Officer Naval Air Station Cecil Field, Florida 32215		CODE	8. ADDRESS OFFER TO (If other than Item 7)		

NOTE: In advertised solicitations "offer" and "offeror" mean "bid" and "bidder".

SOLICITATION

9. Sealed offers in original and _____ copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if handcarried, in the depository listed in _____ until _____ (Hour) local time _____ (Date)

CAUTION - LATE Submissions, Modifications, and Withdrawals. See Section I, Provision No. 52.214-7 or 52.215-10. All offers are subject to all terms and conditions contained in this solicitation.

10. FOR INFORMATION CALL:	A. NAME Tim Hofstetter	B. TELEPHONE NO. (Include area code) (NO COLLECT CALLS) (904) 778-6004
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11. TABLE OF CONTENTS

(V) SEC.	DESCRIPTION	PAGE(S)	(V) SEC.	DESCRIPTION	PAGE(S)
PART I - THE SCHEDULE			PART II - CONTRACT CLAUSES		
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☒ B	SUPPLIES OR SERVICES AND PRICES/COSTS	4	PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH.		
☒ C	DESCRIPTION/SPECS./WORK STATEMENT	9	☒ J	LIST OF ATTACHMENTS	1
☒ D	PACKAGING AND MARKING	1	PART IV - REPRESENTATIONS AND INSTRUCTIONS		
☒ E	INSPECTION AND ACCEPTANCE	2	☒ K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	8
☒ F	DELIVERIES OR PERFORMANCE	1	☒ L	INSTRS., CONDS., AND NOTICES TO OFFER	10
☒ G	CONTRACT ADMINISTRATION DATA	1	☒ M	EVALUATION FACTORS FOR AWARD	2
☒ H	SPECIAL CONTRACT REQUIREMENTS	3			

OFFER (Must be fully completed by offeror)

NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within _____ calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52.232-8)	10 CALENDAR DAYS	20 CALENDAR DAYS	30 CALENDAR DAYS	CALENDAR DAYS
	%	%	%	%

14. ACKNOWLEDGMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offers and related documents numbered and dated:	AMENDMENT NO.	DATE	AMENDMENT NO.	DATE

15A. NAME AND ADDRESS OF OFFEROR	CODE	FACILITY	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)

15B. TELEPHONE NO. (Include area code)	15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE. ENTER SUCH ADDRESS IN SCHEDULE ☐	17. SIGNATURE	18. OFFER DATE

AWARD (To be completed by Government)

19. ACCEPTED AS TO ITEMS NUMBERED	20. AMOUNT	21. ACCOUNTING AND APPROPRIATION

22. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified)	ITEM	23. NEGOTIATED PURSUANT TO ☐ 10 U.S.C. 2304(a) () ☐ 41 U.S.C. 252(c) ()

24. ADMINISTERED BY (If other than Item 7)	CODE	25. PAYMENT WILL BE MADE BY	CODE

26. NAME OF CONTRACTING OFFICER (Type or print)	27. UNITED STATES OF AMERICA (Signature of Contracting Officer)	28. AWARD DATE

IMPORTANT - Award will be made on this Form, or on Standard Form 28, or by other authorized official written notice.

SECTION B
SUPPLIES OR SERVICES AND PRICES/COSTS

This section is to be completed by the offeror after reading the entire Request for Proposals.

SCHEDULE I
CLOSED COURSE PROPOSAL
(CURRENTLY AUTHORIZED USERS ONLY)

CLIN	Item Description	Payment
0001	Basic Contract – First Year Contribution to NAFI	\$ _____
0002	Basic Contract – Second Year Contribution to NAFI	\$ _____
0003	Basic Contract – Third Year Contribution to NAFI	\$ _____
0004	Basic Contract – Fourth Year Contribution to NAFI	\$ _____
0005	Basic Contract – Fifth Year Contribution to NAFI	\$ _____
0006	Basic Contract – Sixth Year Contribution to NAFI	\$ _____
0007	Basic Contract – Seventh Year Contribution to NAFI	\$ _____
0008	Basic Contract – Eighth Year Contribution to NAFI	\$ _____
0009	Basic Contract – Ninth Year Contribution to NAFI	\$ _____
0010	Basic Contract – Tenth Year Contribution to NAFI	\$ _____
0011	Option 1 – First Year Contribution to NAFI	\$ _____
0012	Option 1 – Second Year Contribution to NAFI	\$ _____

SCHEDULE I

CLOSED COURSE PROPOSAL (Continued)

CLIN	Item Description	Payment
0013	Option 1 - Third Year Contribution to NAFI	\$ _____
0014	Option 1 - Fourth Year Contribution to NAFI	\$ _____
0015	Option 1 - Fifth Year Contribution to NAFI	\$ _____
0016	Option 2 - First Year Contribution to NAFI	\$ _____
0017	Option 2 - Second Year Contribution to NAFI	\$ _____
0018	Option 2 - Third Year Contribution to NAFI	\$ _____
0019	Option 2 - Fourth Year Contribution to NAFI	\$ _____
0020	Option 2 - Fifth Year Contribution to NAFI	\$ _____

SCHEDULE II

**OPEN COURSE PROPOSAL
(OPEN TO GENERAL PUBLIC)**

CLIN	Item Description	Payment
0001	Basic Contract – First Year Contribution to NAFI	\$ _____
0002	Basic Contract – Second Year Contribution to NAFI	\$ _____
0003	Basic Contract – Third Year Contribution to NAFI	\$ _____
0004	Basic Contract – Fourth Year Contribution to NAFI	\$ _____
0005	Basic Contract – Fifth Year Contribution to NAFI	\$ _____
0006	Basic Contract – Sixth Year Contribution to NAFI	\$ _____
0007	Basic Contract – Seventh Year Contribution to NAFI	\$ _____
0008	Basic Contract – Eighth Year Contribution to NAFI	\$ _____
0009	Basic Contract – Ninth Year Contribution to NAFI	\$ _____
0010	Basic Contract – Tenth Year Contribution to NAFI	\$ _____
0011	Option 1 – First Year Contribution to NAFI	\$ _____
0012	Option 1 – Second Year Contribution to NAFI	\$ _____

SCHEDULE II

OPEN COURSE PROPOSAL (Continued)

CLIN	Item Description	Payment
0013	Option 1 - Third Year Contribution to NAFI	\$ _____
0014	Option 1 - Fourth Year Contribution to NAFI	\$ _____
0015	Option 1 - Fifth Year Contribution to NAFI	\$ _____
0016	Option 2 - First Year Contribution to NAFI	\$ _____
0017	Option 2 - Second Year Contribution to NAFI	\$ _____
0018	Option 2 - Third Year Contribution to NAFI	\$ _____
0019	Option 2 - Fourth Year Contribution to NAFI	\$ _____
0020	Option 2 - Fifth Year Contribution to NAFI	\$ _____

SECTION C

DESCRIPTION/SPECIFICATION/WORK STATEMENT

C-1 Description of Contract

a. Contract

Proposals are solicited for a Public-Private partnership agreement to operate, maintain, and improve the existing golf facilities at Naval Air Station (NAS) Cecil Field, Florida. The United States Government, through its executive agent, the Department of the Navy, shall grant an exclusive lease of the land, buildings, equipment and furnishings, such as mowing and landscape machinery, kitchen equipment, and clubhouse furnishings, to the operator for a period of 20 years with options for two 5-year renewals. A 20-year out-lease of the Government facilities and equipment will be executed coincident with the contract award. An inventory of the facilities, equipment, and furnishings is contained in Attachment 1 of this RFP.

b. Location

Attachment 2 contains site descriptions of the NAS Cecil Field golf course and facilities.

c. Legislative Authority

The legislative authority for the proposed contract is Section 2667 of Title 10, United States Code. Notification to Congress as to the cost effectiveness of the contract will be required prior to award.

d. Contract Agreement

The successful offeror will enter into a contract agreement with the NAFI whose terms and conditions are contained in the RFP; however, said terms and conditions shall be modified to the extent necessary to accommodate the successful offeror's proposal. The agreements will be subject to any existing and or future easements for electric power transmission lines, telephone or telegraph lines, water, gas, gasoline, oil or sewer pipelines or other facilities located on the property covered by the agreements. The successful offeror's operation and maintenance plan and capital improvements plan will be incorporated into the contract agreement.

e. Option to Extend the Term of the Contract

(1) The Government and the contractor may agree to extend the term of this contract for a period of five years, at the end of which time they may agree to a second five year extension of the contract term. The Government will give the contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The contractor shall, within five days of receipt of the Government's preliminary written notice, provide the Government written notice of its intent to accept or decline the offer to extend the contract term.

(2) If the Government exercise this option, the extended contract shall also be considered to include this option provision, and it shall therefore apply to the second option to extend the contract term.

(3) The total duration of this contract, including the exercise of any options under this clause, shall not exceed 30 years.

f. Buy-Back Guarantee

Should the authorized military strength of NAS Cecil Field be reduced by 50 percent or more, the NAFI guarantees to buy-back operator-installed capital improvements, defined in paragraphs C-3 and C-4, at their depreciated book value. The contractor shall be required to maintain records of the depreciated book value of capital assets in accordance with Generally Accepted Accounting Principles for discounting such assets.

g. Facilities

The facilities provided to the contractor are all golf course-related facilities including the golf course, golf pro shop, snack bar, golf cart rental building, driving range, and water well. Details of existing facilities are contained in Attachment 1.

C-2 Specifications

a. Codes, Standards and Requirements

(1) General Life Safety Compliance. Design and construction of capital improvements shall conform to the building laws of the local jurisdiction and the standards and criteria specified herein applicable at the time proposals are required to be submitted. In the event of conflict or inconsistency between the standards and local codes, those which are more restrictive will govern. Any provisions of the local codes relating to requirements for obtaining state and/or local inspections or permits are applicable. Responsibility for obtaining all permits and licenses and for complying with local, county, and state codes or regulations is solely that of the contractor.

(2) OSHA Criteria. The contractor agrees to comply with the Occupational Safety and Health Administration (OSHA) safety and health standards which are located in Title 29 of the Code of Federal Regulations (29 CFR).

(3) Physical Handicapped Criteria. The contractor agrees to comply with the "Uniform Accessibility Standards" which are located in the Federal Register, Volume 49, Number 153 of August 7, 1984.

(4) Specific Applicable Criteria. Facility capital improvements shall comply as a minimum with the following codes and standards:

- American Society for Testing and Materials (ASTM)

ASTM E-84 (1986) – Standard Test Method for Surface Burning Characteristics of Building Materials

ASTM E-336 (1984) – Measurement of Airborne Sound Insulation in Buildings, Test Method for

ASTM C-423 (1984) – Sound Absorption and Sound Absorption Co-Efficients by the Reverberation Room Method, Test Method for

- American National Standards Institute (ANSI)

ANSI A 17.1 (1984) – Safety code for Elevators and Escalators

ANSI C2-84 – National Electrical Safety Code

- American Society of Heating, Refrigerating and Air Conditioning Engineers (ASHRAE)

AHRAE Standard 90-A (1980) – Energy Conservation in New Building Design

- National Fire Protection Association (NFPA)

NFPA 10 – Standard for Portable Fire Extinguishers

NFPA 13 – Standard for Installation of Sprinkler Systems

NFPA 14 – Standard for Standpipes and Hose Systems

NFPA 24 – Private Fire Service Mains and Appurtenances

NFPA 70 – National Electric Code (1987)

NFPA 101 – Code for Safety to Life from Fire in Buildings and Structures (1985)

NFPA 1221 -- Public Fire Service Communications (1984)

- Basic/National Building Code (BOCA), 1987
- Uniform Plumbing Code (Library of Congress 75-38039), 1979 Edition

b. Facility Maintenance

The contractor shall keep the facilities and sites maintained and in good repair. Repairs and maintenance shall be performed in a timely manner and in compliance with the operator's maintenance plan. All equipment and furnishings shall be the responsibility of the operator to repair and maintain. At the end of their useful lives, the operator shall replace all equipment and furnishings at the operator's expense; these replacements, if not built-in equipment, will remain the property of the operator and may be removed at the end of the contract.

c. Operations and Management

(1) The intent of this contract is to make a profitable, high quality, and professionally managed golf course available to authorized users assigned to NAS Cecil Field at rates affordable to such personnel. Authorized users are defined in Paragraph C-3 of this RFP.

(2) The contractor will be free to determine the pricing for services and merchandise not related to greens fees and golf cart rentals. This includes the driving range, golf lessons, snack bar prices, and pro shop merchandise. Such price flexibility should enable the contractor to provide a full-service operation and still remain sensitive to market demands.

(3) The contractor will not make the use of golf carts mandatory.

(4) The contractor will provide on-site, professional management and other personnel necessary to provide the herein described services and facilities.

(5) Fire protection will be provided by NAS Cecil Field; however, the contractor will be required to conform with Life Safety Requirements, described in Paragraph C-2.a, at all times during the lease term.

(6) All utilities, except the water well, will be paid for by the contractor. Attachment 4 lists current utility costs. The contractor will install meters for any unmetered utilities to enable charges to be determined.

(7) Rules, regulations, and directives that are in effect or are issued during the contract term by the Department of the Navy and subordinate commands under their responsibility for law, order, administration, or

security on the installation shall be applicable to all contractor personnel or representatives who enter the installation. These requirements include, but are not limited to, vehicle registration, maintenance of good order and discipline, security checks, control of drugs and alcohol, and buildingsignage.

(8) The contractor shall, at its own expense provide and maintain during the entire performance period of this contract at least the kinds and minimum amounts of insurance listed below:

<u>Type of Insurance</u>	<u>Per Person</u>	<u>Per Accident</u>	<u>Property</u>
Comprehensive General Liability	\$300,000	\$1,000,000	\$100,000
Automobile Liability	\$300,000	\$1,000,000	\$100,000
Workmen's Comp.	As Required		
Other as required by state of law.			

Policies may not be canceled without adequate substitution before cancellation. Two copies of insurance certificates shall be provided at the time of the contract award.

(9) Golf Pro Shop. The contractor shall maintain the pro shop with golf equipment and related items for the convenience of golfers. The contractor is encouraged to explore expanding this facility; however, not at the expense of golf course operations.

(10) Food Operations. The contractor shall provide a food and beverage service operation for the convenience of golfers. The contractor shall comply with all Federal, State and local ordinances in the serving of food and beverages. The contractor is encouraged to explore expanding this facility; however, not at the expense of golf course operations.

(11) Hours of Operation. The contractor shall operate the golf course, at a minimum, during daylight hours and may operate other facilities for longer periods, e.g., driving range, miniature golf, pro shop, food and beverage operations, etc. The proposal should include anticipated hours and days of operations and refund and raincheck policy

(12) Security. Physical security shall be the responsibility of the contractor. Security shall include the safe keeping of all structures, facilities and equipment, all items for sale and all records used in the management of the golf course. In the portion of the proposal addressing opening the course to the general public and in the portion of the proposal

addressing capital improvements, the proposer shall describe the plan and costs for closing off the course from easy access to NAS Cecil Field.

(13) Promotion and Advertising. Promotion and advertising shall be the full responsibility of the contractor.

(14) Employees. The contractor shall be responsible for hiring, managing and firing all employees working at the golf course. The contractor shall offer present Government employees the right of first refusal to be employed under the provisions of this contract, at wages to be determined by the contractor. Government employees accepting employment with the contractor should not be subjected to arbitrary dismissal for a period of 120 calendar days after accepting employment. The contractor shall be liable to pay appropriate fees, taxes and funds in behalf of Federal, State and local Governments and convey these funds to appropriate authorities.

C-3 Authorized Users

The primary purpose of the Navy recreation program is to meet the recreation needs of active duty personnel and their dependents. Eligibility priority is as follows:

- a. Active duty personnel and their dependents assigned to the installation or supported directly by it through intraservice or interservice agreements.
- b. Navy active duty personnel and their dependents not assigned to the installation.
- c. Active duty personnel and their dependents of other Military Services.
- d. Military personnel retired with pay and their dependents.
- e. Service members of reserve components during periods of scheduled inactive duty training.
- f. Unremarried surviving spouses and other dependents entitled to commissary, exchange, and theater privileges.
- g. Unremarried former spouses and other dependents entitled to commissary, exchange, and theater privileges.
- j. Military personnel of foreign nations and their dependents, when authorized exchange privileges.
- k. DoD contractor employees and their dependents.
- l. Occasional guests of naval personnel.

C-4 Capital Improvements

a. Capital Improvement Plan

(1) The contractor shall make capital improvements to the course and its facilities at its own expense. The list of improvements in Attachment 5 is the minimum required and the contractor shall complete these improvements within 2 years of contract award. The amount of money the contractor will spend on each of these improvements is part of its proposal and the successful contractor shall spend these amounts as a minimum.

(2) In addition, this RFP affords offerors the opportunity to guarantee additional capital improvements beyond those listed in Attachment 5. Section M describes how the number, concept, and appropriateness of these additional improvements will count towards the selection of the successful offeror. The improvements may be to existing facilities (e.g., upgrading or expanding the kitchen equipment) or be completely new "ancillary" facilities defined and explained in Paragraph C-4 of this RFP. These guaranteed additional improvements shall also be completed within 2 years of contract award. Attachment 6 provides some examples of additional capital improvements the Government would find favorable. It is by no means exhaustive, however, and the Government is relying on the experience of the private sector to offer lucrative and imaginative ideas. Note, however, that Attachment 7 also lists some items that the Government would not consider.

b. Approval of Capital Improvements and Major Repairs and Maintenance

(1) The design, construction plan, and schedule of all capital improvements must be approved by the NAFI. This applies to the required improvements in Attachment 5, any guaranteed additional improvements offered in the contractor's proposal, any future improvements the contractor may propose, any removal of trees, and any ancillary facilities described in Paragraph C-4. Approval is also required for facility repairs and maintenance in excess of \$10,000, since these may cause major disruption in course operations. The contractor shall present the general concept of each improvement to the Government which will disapprove it, or approve it pending favorable review of a detailed submission. The contractor shall then submit details of the proposed design, materials, and construction schedule for final Government approval. This approval will not be unreasonably withheld.

(2) The contractor will be responsible for securing any permits required for construction, and will be required to coordinate the construction activity with the Base Public Works Department. Government inspectors will be permitted to inspect the site and work at any time.

(3) For those capital improvements requiring completion within 2 years of contract award, the contractor shall submit details of the designs, materials, and construction schedules within 60 calendar days of contract award.

(4) Title to all capital improvements to existing facilities, and title to additional facilities, and to course improvements, shall belong to the Government immediately upon completion and NAFI acceptance of the installation, alteration, construction, or improvement.

c. Capital Improvement Escrow Account

The contractor shall pay 5 percent of the gross monthly greens fees and membership fees into an escrow account to ensure continuous performance of a capital improvement program over the term of the agreement. The money and any interest it earns shall be used towards the capital improvements not covered under Paragraph C-3. a. The contractor shall establish the account with a local commercial bank or other third party approved by the Government. All costs, expenses, and other charges, if any, associated with the account shall be borne by the contractor. Monthly payments to this capital improvement escrow account shall commence at the beginning of the third year of the contract term and shall continue for the remainder of the contract term including any option renewals. Upon expiration or sooner termination of the agreement for any reason, all monies remaining in the account, including any earned interest, shall be paid to the Government.

C-5 Ancillary Facilities

a. Definition of Ancillary Facilities

Ancillary facilities are additions, and expansions to the golf course and its buildings which provide services that do not currently exist. Examples are a miniature golf course, additional practice greens, training areas, grass nurseries, and a lighted driving range.

b. Approval of Ancillary Facilities

The NAFI is relying on the imagination and experience of the private sector to propose appropriate and innovative improvements to the golf course and its services. To that end, the contractor may request permission to build or install ancillary facilities. Approval procedures shall follow those prescribed in Paragraph C-3.b of this RFP, except that in addition, the contractor shall submit with its detailed proposal the rights and obligations of the respective parties concerning the new facility, and the amount of any additional annual NAFI payment described in Paragraph H-2. Offerors are reminded to refer to Attachments 6 and 7 for examples of what the Government would or would not favorably consider as improvements. Once an ancillary facility has been

approved, the contract shall be amended to incorporate the terms of the agreement.

c. Disposition of Ancillary Facilities

Like any other capital improvement, the title to an ancillary facility shall belong to the Government immediately upon completion and NAFI acceptance of the installation, construction, or improvement.

SECTION D
PACKAGING AND MARKING

This section not applicable to this contract.

SECTION E

INSPECTIONS AND ACCEPTANCE

E-1 Construction Inspections

For capital improvements, the contractor or authorized agent shall obtain plan reviews and inspection services from local building officials and/or professionals licensed to provide those services. The Contracting Officer, at his discretion, may request the contractor to obtain inspections in addition to those required by local building officials if the Contracting Officer observes that construction is not consistent with local building codes or industry standards. The NAFI will conduct a final acceptance inspection of the capital improvements upon receipt of an occupancy permit. NAFI monitoring and acceptance shall not relieve the contractor of its responsibilities to construct the facilities in accordance with the provision of this contract and to obtain all required permits and approvals.

E-2 Acceptance

a. Upon completion of capital improvements, the contractor shall provide written notification to the Contracting Officer or his representative. The notification shall be accompanied by an occupancy permit issued by the appropriate local Government agency. A joint physical survey and inspection report of each part of the work to be accepted by the Government shall be made prior to initial occupancy, reflecting the then physical condition. Upon determination by the Government's representative that such facilities are in compliance with the terms and provisions of this contract, the Government will issue a Certificate of Acceptance.

b. Deficiencies. Should the facilities not be in compliance with this contract, a list of deficiencies will be made by the Government and promptly given to the contractor. The contractor shall promptly correct such deficiencies before the Government issues a Certificate of Acceptance.

E-3 Facility Inspections

a. Contractor shall allow Government inspection at any time. These inspections may include investigation of customer complaints, health and fire hazard inspections, and visits to ensure contract compliance. In addition, "open book" accounting shall be maintained under this contract, and the Government shall have the right, during normal working hours, to audit accounts kept pursuant to the contract without further notice.

b. Contractor shall be subject to all State and local inspections for compliance with State and local codes, ordinances, and regulations. Examples include sanitation and food service.

SECTION F
DELIVERIES AND PERFORMANCE

This section not applicable to this contract.

SECTION G
CONTRACT ADMINISTRATION DATA

G-1 Contract administration for the contract resulting from this solicitation:

Commanding Officer
Naval Air Station
Cecil Field, Florida 32215

G-2 Contracting Officer's Representative

The Contracting Officer's Representative for this contract is:

Recreational Services Director
Naval Air Station
Cecil Field, Florida 32215

The Contracting Officers Representative (COR) has only that responsibility and authority specifically delegated in the letter of appointment. The COR does not have any authority to bind the Government except for that cited in the letter of appointment.

SECTION H

SPECIAL CONTRACT REQUIREMENTS

H-1 User Fees

a. Authorized Users

Authorized users are delineated in Section C, Paragraph C-3.

b. User Guarantee

Information on the population of currently authorized users is provided in Attachment 13. The Government makes no guarantee of numbers of users of the golf course and shall make no payments to the operator if the number of users falls short of a margin for profit.

c. Greens Fees and Cart Rentals

Greens fees and cart rental fees for currently authorized users shall not exceed 75 percent of the average fees charged by 18-hole public golf courses located within 20 miles of NAS Cecil Field. The contractor shall conduct a survey of the greens fees these golf courses charge within seven days of contract award and on each anniversary of the contract award. The NAS Cecil Field weekday and weekend greens fees shall be no more than 75 percent of the average weekday and weekend greens fees, rounded up to the nearest fifty cents, determined from these surveys. The contractor shall submit, in writing, these surveys, and the calculations of the maximum rates, to the Government and shall state the greens fees and membership fees to be charged for the next year of the contract term. The increase in fees, if any, shall become effective 30 days from the anniversary of contract award. For users other than those currently authorized, if any, the contractor may determine the rates and increases as it feels fit.

d. Hours of Operation

For the purpose of this contract, "weekend" shall be defined as the period from sunrise Friday to sunset Sunday and any Federal holidays.

e. Membership Fees

The contractor shall offer monthly, quarterly, and annual memberships to the currently authorized users. The maximum costs of these memberships shall be fixed to multiples of the weekend greens fee for currently authorized users rounded to the nearest dollar. The maximum authorized membership

costs will therefore increase whenever the green fees are increased. The following table gives the multiples to be used in determining these maximum membership costs:

	<u>Type of Membership</u>		
	<u>Monthly</u>	<u>Quarterly</u>	<u>Annually</u>
Sponsor	4	11.5	36
Each Additional Family Member	3	7.5	26

Note: The "Sponsor" is defined as a military member, military retiree, or authorized DoD civilian, and "Family Member" is defined as someone in his or her immediate family authorized access to the base.

These rates are maximums and the contractor is free to offer lower rates. In addition, the contractor may request the Government to consider an entirely different membership structure and method of determining membership costs. Approval of such request will not be unreasonably withheld if the Government determines that the benefits to the currently authorized users will be essentially the same under the proposed membership structure.

Membership shall allow the member unlimited play on the golf course. It shall be nonrefundable except for military reassignment outside the Jacksonville area, at which time a prorated portion of the membership fee shall be refunded

f. Other Fees

The contractor may set rates for golf lessons, miniature golf, driving range, food and beverage service, pro shop merchandise, and other services.

g. Posting of Greens Fees and Membership Fees

The fee structure shall be posted plainly for course users. Approved adjustments of fee structures shall be posted at least 30 calendar days prior to the new fee structure going into effect.

H-2 Annual Contract Payment

The contractor shall deliver the amount indicated in the Schedule, Section B, to the COR not later than the anniversary date of the contract award.

H-3 Bid Guaranty

To assure the execution of the contract and the performance bond, each offeror shall submit with its bid a guaranty bond (Standard Form 24) executed

by a surety company holding a certificate of authority from the Secretary of the Treasury as an acceptable surety, or other security as provided in Paragraph L-9.16 of the Instructions to Offerors. Security shall be in the sum of \$50,000. The bid guaranty shall be accompanied by a verifax or other facsimile copy of the agent's authority to sign bonds for the surety company.

H-4 Construction Performance Bond

Within ten (10) days after award of the contract, the contractor will be required to furnish two (2) copies of a construction performance bond (Standard Form 25), with good, sufficient, and acceptable sureties, to be in effect until the initial two-year capital improvement phase of the contract is complete. This bond will be furnished prior to the commencement of contract performance. The penal sum of the bond shall equal 100 percent (100%) of the contractor's cost of construction.

SECTION I

CONTRACT CLAUSES

1. DEFINITIONS

As used throughout this contract, the following items and abbreviations have the meanings set forth below:

- a. The term "contract" means this agreement or order and any modifications hereto.
- b. The abbreviation "NAFI" means Nonappropriated Fund Instrumentality of the United States Government.
- c. The term "contracting officer" means the person executing or responsible for administering this contract on behalf of the NAFI which is a party hereto, or his successor or successors.
- d. The term "contractor" means the party responsible for providing supplies and/or services at a certain price or rate to the NAFI under this contract.

2. DISPUTES

- a. Except as otherwise provided in this contract, any dispute or claim concerning this contract which is not disposed of by agreement shall be decided by the contracting officer, who shall state his decision in writing and mail or otherwise furnish a copy of it to the contractor. Within 90 days from the date of receipt of such copy the contractor may appeal by mailing or otherwise furnishing to the contracting officer a written appeal addressed to the Armed Services Board of Contract Appeals and the decision of the Board shall be final and conclusive: provided that if no such appeal is filed the decision of the contracting officer shall be final and conclusive. The contractor shall be afforded an opportunity to be heard and to offer evidence in support of any appeal under this clause. Pending final decision on such a dispute, however, the contractor shall proceed diligently with the performance of the contract and in accordance with the decision of the contracting officer unless directed to do otherwise by the contracting officer.
- b. The "Disputes" clause does not preclude consideration of law questions in connection with decisions provided for in Paragraph "a" above, provided that nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

3. LAW GOVERNING CONTRACTS

In any dispute arising out of this contract, the decision of which requires consideration of law questions, the rights and obligations of the parties shall be interpreted and determined in accordance with the substantive laws of the United States of America.

4. LEGAL STATUS

The NAFI is an integral part of the Department of Defense and is an instrumentality of the United States Government. Therefore, NAFI contracts are United States Government contracts; however, they do not obligate appropriated funds of the United States.

5. EXAMINATION OF RECORDS

a. The clause is applicable if the amount of this contract exceeds \$10,000 and the contract was entered into by means of negotiation. The contractor agrees that the contracting officer or his duly authorized representative shall have the right to examine and audit the books and records of the contractor directly pertaining to the contract during the period of the contract and until the expiration of three years after the final payment under the contract.

b. The contractor agrees to include the clause in "a" above in all subcontracts hereunder which exceed \$10,000.

6. ASSIGNMENT

Contractor may not assign his rights or delegate his obligations under this contract without prior written consent of the contracting officer.

7. GRATUITIES

a. The NAFI may by written notice to the contractor, terminate the right of the contractor to proceed under this contract if it is found after notice and hearing, by the Secretary of the Navy or his duly authorized representative, that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by the contractor, or any agent or representative of the contractor, to any officer or employee of the Government or the NAFI with a view toward securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing of such contract.

b. In the event this contract is terminated as provided in Paragraph "a" hereof the NAFI shall be entitled (i) to pursue the same remedies against the contractor as it could pursue in the event of a breach of contract by the contractor and (ii) as a penalty in addition to any other damages to which it may be entitled by law to exemplary damages in an amount (as determined by the Secretary of the Navy or his duly authorized representative), which shall be

not less than three nor more than ten times the cost incurred by the contractor in providing any such gratuities to any such officer or employee.

c. The rights and remedies of the NAFI provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

8. TERMINATION FOR CONVENIENCE

The contracting officer by written notice may terminate this contract, in whole or in part when it is in the best interest of the NAFI. If this contract is for supplies and is so terminated, the contractor shall be compensated in accordance with FAR Subparts 49.1 and 49.2 in effect on the date of this contract. To the extent that this contract is for services and is so terminated the NAFI shall be liable only for payment in accordance with the payment provisions of this contract for services rendered prior to the effective date of termination providing there are no contractor claims covering nonrecurring costs for capital investment. If there are any such contractor claims, they shall be settled in accordance with FAR Subparts 49.1 and 49.2.

9. TERMINATION FOR DEFAULT

The contracting officer, by written notice, may terminate this contract in whole or in part for failure of the contractor to perform any of the provisions hereof. In such event the contractor shall be liable for damages including the excess cost of reprocurring similar supplies or services; provided that, if (i) it is determined for any reason that the contractor was not in default: or (ii) contractor's failure to perform is without his or her, or his or her subcontractor's control, fault or negligence the termination must be deemed to be a termination for convenience. As used in this provision, the term "subcontractor" means subcontractor at any tier.

10. HOLD AND SAVE HARMLESS

The contractor shall indemnify, save harmless and defend NAFI, its outlets and customers from any liability, claimed or established for violation of infringement of any patent, copyright or trademark right asserted by any third party with respect to goods hereby ordered or any part thereof. Contractor further agrees to hold NAFI harmless from all claims or judgments for damages resulting from the use of products listed in this contract, except for such claims or damages caused by or resulting from the negligence of NAFI customers, employees, agents or representatives. Also, contractor shall at all times hold and save harmless NAFI, its agents, representatives and employees from any and all suits and expenses which arise out of acts or omission of contractor, its agents, representatives, or employees.

11. COMMERCIAL WARRANTY

The contractor agrees that the supplies or services furnished under this contract shall be covered by the most favorable commercial warranties the contractor gives to any customer for such supplies or services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the NAFI by any other clause of this contract. The printed terms and conditions of such warranty will be provided to the NAFI with the delivery of any supplies covered.

12. ADVERTISEMENTS

Contractor agrees that none of its nor its agent's advertisements, to include publications, merchandise, promotions, coupons, sweepstakes, contests, sales brochures, etc., shall state, infer or imply that the contractor's products or services are approved, promoted or endorsed by the NAFI. Any advertisement, including cents off coupons, which refer to a NAFI will contain a statement that the advertisement is neither paid for nor sponsored in whole or in part by the particular activity.

13. ORDER OF PRECEDENCE

In the event of an inconsistency between provisions of this solicitation/award, the inconsistency shall be resolved by giving precedence in the following order: (1) Supplies or Services and Prices/Costs, (2) Description/Specifications/Work Statement, (3) Special Contract Requirements, (4) Contract Clauses, and (5) other provision of the solicitation/award.

CLAUSES INCORPORATED BY REFERENCE. This contract incorporates the following clauses set forth in the Federal Acquisition Regulation (FAR) by reference, with the same force and effect as if they were given full text. As used in the following clauses, the term "Government" is deleted and the abbreviation "NAFI" is substituted in lieu thereof. Upon request, the Contracting Officer will make their full text available.

14. FAR 52.203-1, OFFICIALS NOT TO BENEFIT (APR 1984)
15. FAR 52.203-5, CONVENANT AGAINST CONTINGENT FEES (APR 1984)
16. FAR 52.203-7, ANTI-KICKBACK PROCEDURES (FEB 1987)
17. FAR 52.207-3, RIGHT OF FIRST REFUSAL OF EMPLOYMENT (APR 1984)
18. FAR 52.212-8, PRIORITIES, ALLOCATIONS, AND ALLOTMENTS (APR 1984)
19. FAR 52.212-12, SUSPENSION OF WORK (APR 1984)
20. FAR 52.212-14, STOP-WORK ORDER – FACILITIES (APR 1984)

21. FAR 52.212-15, GOVERNMENT DELAY OF WORK (APR 1984)
22. FAR 52.215-2, AUDIT-NEGOTIATION – ALTERNATE I (APR 1984)
23. FAR 52.215-22, PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA-MODIFICATIONS (APR 1984)
24. FAR 52.215-23, PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (APR 1984)
25. FAR 52.215-24, SUBCONTRACTOR COST OR PRICING DATA (APR 1984)
26. FAR 52.215-25, SUBCONTRACTOR COST OR PRICING DATA-MODIFICATIONS (APR 1984)
27. FAR 52.219-8, UTILIZATION OF SMALL BUSINESS CONCERNS AND SMALL DISADVANTAGED BUSINESS CONCERNS (APR 1985)
28. FAR 52.219-13, UTILIZATION OF WOMEN-OWNED SMALL BUSINESSES (APR 1986)
29. FAR 52.222-3, CONVICT LABOR (APR 1984)
30. FAR 52.222-26, EQUAL OPPORTUNITY (APR 1984)
31. FAR 52.222-27, AFFIRMATIVE ACTION COMPLIANCE REQUIREMENTS FOR CONSTRUCTION (APR 1984)
32. FAR 52.222-35, AFFIRMATIVE ACTION FOR SPECIAL DISABLED AND VIETNAM ERA VETERANS (APR 1984)
33. FAR 52.222-36, AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS (APR 1984)
34. FAR 52.223-2, CLEAN AIR AND WATER (APR 1984)
35. FAR 52.223-3, HAZARDOUS MATERIAL IDENTIFICATION AND SAFETY DATA (AUG 1987)
36. FAR 52.224-1, PRIVACY ACT NOTIFICATION (APR 1984)
37. FAR 52.224-2, PRIVACY ACT (APR 1984)
38. FAR 52.227-1, AUTHORIZATION AND CONSENT (APR 1984)
39. FAR 52.228-1, BID GUARANTEE
40. FAR 52.228-2, ADDITIONAL BOND SECURITY (APR 1984)
41. FAR 52.228-5, INSURANCE-WORK ON A GOVERNMENT INSTALLATION (APR 1984)
42. FAR 52.229-3, FEDERAL, STATE, AND LOCAL TAXES (APR 1984)

43. FAR 52.230-3, COST ACCOUNTING STANDARDS (AUG 1986)
44. FAR 52.230-4, ADMINISTRATION OF COST ACCOUNTING STANDARDS (APR 1984)
45. FAR 52.232-24, PROHIBITION OF ASSIGNMENT OF CLAIMS (APR 1984)
46. FAR 52.233-2, PROTEST AFTER AWARD (JUN 1985)
47. FAR 52.236-3, SITE INVESTIGATION AND CONDITIONS AFFECTING THE WORK (APR 1984)
48. FAR 52.236-6, SUPERINTENDENCE BY THE CONTRACTOR (APR 1984)
49. FAR 52.236-7, PERMITS AND RESPONSIBILITIES (APR 1984)
50. FAR 52.236-8, OTHER CONTRACTS (APR 1984)
51. FAR 52.236-9, PROTECTION OF EXISTING VEGETATION, STRUCTURES, EQUIPMENT, UTILITIES, AND IMPROVEMENTS (APR 1984)
52. FAR 52.236-10, OPERATIONS AND STORAGE AREAS (APR 1984)
53. FAR 52.236-12, CLEANING UP (APR 1984)
54. FAR 52.236-13, ACCIDENT PREVENTION (APR 1984)
55. FAR 52.236-14, AVAILABILITY AND USE OF UTILITY SERVICES (APR 1984)
56. FAR 52.236-21, SPECIFICATIONS AND DRAWINGS FOR CONSTRUCTION – ALTERNATE 1 (APR 1984)
57. FAR 52.236-23, RESPONSIBILITY OF THE ARCHITECT ENGINEER CONTRACTOR (APR 1984)
58. FAR 52.236-25, REQUIREMENTS FOR REGISTRATION OF DESIGNERS (APR 1984)
59. FAR 52.237-1, SITE VISIT (APR 1984)
60. FAR 52.237-2, PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT AND VEGETATION (APR 1984)
61. FAR 52.237-3, CONTINUITY OF SERVICES (APR 1984)
62. FAR 52.243-1, CHANGES – FIXED PRICE – ALTERNATE 2 (AUG 1987)
63. FAR 52.244-4, SUBCONTRACTORS AND OUTSIDE ASSOCIATES AND CONSULTANTS (APR 1984)
64. FAR 52-245-8, LIABILITY FOR THE FACILITIES (APR 1984)

- 65. FAR 52.245-9, USE AND CHARGES (APR 1984)
- 66. FAR 52.245-19, GOVERNMENT PROPERTY FURNISHED "AS IS" (APR 1984)
- 67. FAR 52.246-4, INSPECTION OF SERVICES – FIXED PRICE (APR 1984)
- 68. FAR 52.246-10, INSPECTION OF FACILITIES (APR 1984)
- 69. FAR 52.246-12, INSPECTION OF CONSTRUCTION (JUL 1986)
- 70. FAR 52.249-13, FAILURE TO PERFORM (APR 1984)
- 71. DFARS 52.236-7001, MODIFICATION OF PROPOSALS – PRICE BREAKDOWN (APR 1968)
- 72. DFARS 52.236-7007, IDENTIFICATION OF EMPLOYEES (JAN 1965)
- 73. DFARS 52.243-7001, PRICING OF ADJUSTMENTS (APR 1984)

SECTION J
LIST OF ATTACHMENTS

1. Facilities, Equipment, and Furnishings Inventory
2. Site Plans and Drawings
3. Sample Lease
4. Utility Rates/Charges
5. Required Capital Improvements
6. Desirable Capital Improvements
7. Undesirable Capital Improvements
8. Standard Form 1411, Contract Pricing Proposal Cover Sheet
9. Standard Form 24, Bid Bond
10. Standard Form 25, Performance Bond
11. USGA Course Assessment
12. Population of Currently Authorized Users

SECTION K
REPRESENTATIONS AND CERTIFICATIONS

Solicitation Reference Number:

Name and Address of Offeror:

DUNS Number:

Date of Offer:

The bidder makes the following representations and certifications, by placing a check in the appropriate spaces or otherwise as appropriate, as part of the bid identified above. (In negotiated procurements, "bid" and "bidder" shall mean "offer" and "offeror.") A completed REPRESENTATIONS AND CERTIFICATIONS is to be returned with the bid.

1. SMALL BUSINESS CONCERN REPRESENTATION (APR 1984).

The offeror represents and certifies as part of its offer that it ☐ is, ☐ is not a small business concern and that ☐ all, ☐ not all supplies to be furnished will be manufactured or produced by a small business concern in the United States, its possessions, or Puerto Rico. "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the size standards in this solicitation. (FAR 52.219-1)

2. CONTINGENT FEE REPRESENTATION AND AGREEMENT (APR 1984).

(a) Representation. The offeror represents that, except for full-time bona fide employees working solely for the offeror, the offeror:

[Note: The offeror must check the appropriate boxes. For interpretation of the representation, including the term "bona fide employee," see Subpart 3.4 of the Federal Acquisition Regulation.]

(1) ☐ has, ☐ has not employed or retained any person or company to solicit or obtain this contract, and

(2) ☐ has, ☐ has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this contract any commission,

percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

(b) Agreement. The offeror agrees to provide information relating to the above Representation as requested by the Contracting Officer and, when subparagraph (a)(1) or (a)(2) is answered affirmatively, to promptly submit to the Contracting Officer:

(1) A completed Standard Form 119, Statement of Contingent or Other Fees, (SF 119); or

(2) A signed statement indicating that the SF 119 was previously submitted to the same contracting office, including the date and applicable solicitation of contract number, and representing that the prior SF 119 applies to this offer or quotation. (FAR 52.203-4)

3. TYPE OF BUSINESS ORGANIZATION (APR 1984).

The offeror or quoter, by checking the applicable box, represents that it operates as ☐ a corporation incorporated under the laws of the State of _____, ☐ an individual, ☐ a partnership, ☐ a nonprofit organization, or ☐ a joint venture. (FAR 52.215-6)

4. CERTIFICATE OF INDEPENDENT PRICE DETERMINATION (APR 1985).

(a) The offeror certifies that:

(1) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered;

(2) The prices in this offer have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before bid opening (in the case of a formally advertised solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.

(b) Each signature on the offer is considered to be a certification by the signatory that the signatory:

(1) Is the person in the offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the

signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or

- (2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above

[insert full name of person(s) in the offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the offeror's organization];

- (ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and
- (iii) As an agent, has not personally participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above.

(c) If the offeror deletes or modifies subparagraph (a)(2) above, the offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure. (FAR 52.203-2)

5. PARENT COMPANY AND IDENTIFYING DATA (APR 1984).

(a) A "parent" company, for the purpose of this provision, is one that owns or controls the activities and basic business policies of the bidder. To own the bidding company means that the parent company must own more than 50 percent of the voting rights in that company. A company may control a bidder as a parent even though not meeting the requirement for such ownership if the parent company is able to formulate, determine, or veto basic policy decisions of the offeror through the use of dominant minority voting rights, use of proxy voting, or otherwise.

(b) The bidder ☐ is, ☐ is not [check applicable box] owned or controlled by a parent company.

(c) If the bidder checked "is" in paragraph (b) above, it shall provide the following information:

Name and Main Office Address
of Parent Company (Include
Zip Code)

Parent Company's Employer's
Identification Number

(d) If the bidder checked "is no" in paragraph (b) above, it shall insert its own Employer's Identification Number on the following line: _____.
(FAR 52.214-8)

6. CERTIFICATION OF NONSEGREGATED FACILITIES (APR 1984)

(Applies when the amount of the contract is in excess of \$10,000.)

(a) "Segregated facilities," as used in this provision, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin because of habit, local custom, or otherwise.

(b) By the submission of this offer, the offeror certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The offeror agrees that a breach of this certification is a violation of the Equal Opportunity clause in the contract.

(c) The offeror further agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) it will:

- (1) Obtain identical certifications from proposed subcontractors before the award of subcontracts under which the subcontractor will be subject to the Equal Opportunity clause;
- (2) Retain the certifications in the files; and

- (3) Forward the following notice to the proposed subcontractors (except if the proposed subcontractors have submitted identical certifications for specific time periods):

**NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT
FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES.**

A Certification of Nonsegregated Facilities must be submitted before the award of a subcontract under which the subcontractor will be subject to the Equal Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001. (FAR 52.222-21)

7. CLEAN AIR AND WATER CERTIFICATION (APR 1984).

The offeror certifies that:

(a) Any facility to be used in the performance of this proposed contract ☐ is, ☐ is not listed on the Environmental Protection Agency List of Violating Facilities;

(b) The offeror will immediately notify the Contracting Officer, before award, of the receipt of any communication from the Administrator, or a designee, of the Environmental Protection Agency, indicating that any facility that the offeror proposes to use for the performance of the contract is under consideration to be listed on the EPA List of Violating Facilities; and

(c) The offeror will include a certification substantially the same as this certification, including this paragraph (c), in every nonexempt subcontract. (FAR 52.223-1)

8. SMALL DISADVANTAGED BUSINESS CONCERN REPRESENTATION (APR 1984).

(a) Representation. The offeror represents that it ☐ is, ☐ is not a small disadvantaged business concern.

(b) Definitions.

(1) "Asian-Indian American," as used in this provision, means a United States citizen whose origins are in India, Pakistan, or Bangladesh.

(2) "Asian-Pacific American," as used in this provision, means a United States citizen whose origins are in Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territory of the Pacific Islands, the Northern Mariana Islands, Cambodia, or Taiwan.

(3) "Native Americans," as used in this provision, means American Indians, Eskimos, Aleuts, and native Hawaiians.

(4) "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria and size standards in 13 CFR 121.

(5) "Small disadvantaged business concern," as used in this provision, means a small business concern that (1) is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged, or a publicly owned business having at least 51 percent of its stock owned by one or more socially and economically disadvantaged individuals and (2) has its management and daily business controlled by one or more such individuals.

(c) Qualified groups. The offeror shall presume that socially and economically disadvantaged individuals include Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Asian-Indian Americans, and other individuals found to be qualified by the SBA under 13 CFR 124.1. (FAR 52.219-2)

9. WOMEN-OWNED SMALL BUSINESS REPRESENTATION (APR 1984)

(a) Representation. The offeror represents that it ☐ is, ☐ is not a women-owned small business concern.

(b) Definitions.

(1) "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria and size standards in 13 CFR 121.

(2) "Women-owned," as used in this provision, means a small business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business. (FAR 52.219-3)

10. DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER REPORTING (APR 1984)

In the block with its name and address, the offeror should supply the Data Universal Numbering System (DUNS) Number applicable to that name and address. The DUNS Number should be preceded by "DUNS:". If the offeror does not have a DUNS Number, it may obtain one from any Dun and Bradstreet branch office. No

offeror should delay the submission of its offer pending receipt of its DUNS Number. (DFARS 52.204-7004)

11. PREVIOUS CONTRACTS AND COMPLIANCE REPORTS (APR 1984)

The offeror represents that:

(a) It ☐ has, ☐ has not participated in a previous contract or subcontract subject either to the Equal Opportunity clause of this solicitation, the clause originally contained in Section 310 of Executive Order No. 11114;

(b) It ☐ has, ☐ has not filed all required compliance reports; and

(c) Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards. (FAR 52.222-22)

12. HANDICAPPED ORGANIZATIONS (SEP 1981).

The offeror certifies that it ☐ is, ☐ is not an organization eligible for assistance under section 7(h) of the Small Business Act (15 USC 636). An offeror certifying in the affirmative is eligible to participate in any resultant contracts hereunder or any part thereof as if he were a small business concern as elsewhere defined in the solicitation. An organization to be eligible under section 7(h) of the Small Business Act must be one (i) organized under the laws of the United States or any state; (ii) operated in the interest of handicapped individuals; (iii) the net income of which does not inure in whole or part to the benefit of any shareholder or other individual; (iv) that complies with any applicable occupational health and safety standard prescribed by the Secretary of Labor; (v) that, during the fiscal year in which it bids upon a set-aside, employs handicapped individuals for not less than 75 percent of the manhours required for the production or provision of commodities or services; and (vi) that can qualify under the additional criteria prescribed in Section 118.11, SBA Rules and Regulations, 13 CFR 118.11. For purposes of this clause, the term "handicapped individual" means a person who has a physical, mental, or emotional impairment, defect, ailment, disease, or disability of a permanent nature which in any way limits the selection of any type of employment for which the person would otherwise be qualified or qualifiable. (DAR 7-2003.91)

13. AUTHORIZED NEGOTIATORS (APR 1984).

The offeror or quoter represents that the following persons are authorized to negotiate on its behalf with the Government in connection with this request for proposals or quotations [list names, title, and telephone numbers of the authorized negotiators.] (FAR 52.215-11)

NOTE: Bids must set forth full, accurate and complete information as required by this invitation for bids (including attachments). The penalty for making false statements is prescribed in 18 U.S.C. 1001.

A completed REPRESENTATIONS AND CERTIFICATIONS is to be returned with the bid.

SECTION L

INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFEROR

L-1 Solicitation, Offer and Award

Proposals in the format described in this section will be due at the time and place set forth in Standard Form 33, Solicitation, Offer and Award. It is anticipated that award will be made within 180 calendar days, but not later than _____.

NOTE: THE GOVERNMENT MAY AWARD A CONTRACT AT ANY POINT AFTER RECEIPT OF THE INITIAL PROPOSALS WITHOUT DISCUSSIONS. THEREFORE, EACH PROPOSAL SHOULD CONTAIN THE OFFEROR'S BEST TERMS FROM ALL STANDPOINTS.

L-2 Submission of Proposals

Seven copies of the proposal are required. The size of some portions of the proposal is restricted as follows: Capital Improvements – fifteen (15) pages; Operations and Maintenance Plan – twenty (20) pages; Offeror's Golf Course Experience – fifteen (15) pages; Annual Contract Payments to NAFI – fifteen (15) pages; and General Public Access – ten (10) pages. Pages will be a standard 8½ × 11 inches and type size will be no smaller than one tenth of an inch in twelve pitch. Proposal are to be typed double-spaced. Proposals should be submitted in separate and detachable parts as indicated in the following paragraphs to enable independent review of each part. PROPOSALS CONTAINING MORE THAN THE ALLOWABLE NUMBER OF PAGES IN THE ABOVE-LISTED SECTIONS WILL BE RETURNED AS NONRESPONSIVE.

L-3 Proposal Format

a. Each proposal shall be divided into two distinct and separate offers. The first offer, Volume I, shall be for an agreement under which only the currently authorized users of the golf course will be permitted on the course. It will be entitled "Closed Course Offer." The second offer, Volume II, shall be for an agreement under which the general public will be allowed to use the course in addition to currently authorized users. It will be entitled "Open Course Offer." Offerors may submit either or both volumes of the proposal; that is, an offeror may choose to submit an Open Course Offer with no Closed Course Offer, a Closed Course Offer with no Open Course Offer, or both Open and Closed Course Offers. However, if an offeror chooses not to submit one of the offers, a statement to that effect must be included in its proposal.

b. The proposal was split into two distinct offers for two reasons. First, the Government prefers not to open its golf course to the general public unless capital improvements, lease payment, or contractor profitability can only be ensured by doing so. Second, opening the course to the general public requires an investment in fencing and roads, and changes in operational procedures, all of which are so different from a Closed Course Offer that a separate evaluation is required.

c. Each Open or Closed Course Offer will be evaluated separately. A Closed Course Offer will be evaluated against four criteria, and an Open Course Offer will be evaluated against five criteria. These two sets of criteria are described in Section M of this RFP. The information required for each criterion shall be submitted as a separate and detachable part to enable independent review of each part.

L-4 Capital Improvements (Part 1)

This part is required for each volume and shall be limited to fifteen (15) pages, excluding plans, drawings, and illustrations. The part shall be divided into two sections.

a. The first section shall address the mandatory capital improvements listed in Attachment 5. Indicate the minimum amount of money to be spent on each improvement and the construction timetables to meet the two year completion requirement. Include a short description of your concept to meet each requirement and a scaled concept drawing of any expansions or additions to existing facilities.

b. The second section shall address additional capital improvements to existing facilities, and ancillary facilities guaranteed by the successful proposer. Indicate the minimum amount of money to be spent on each improvement and the construction timetables to meet the two-year completion requirement. Include a scaled concept drawing of any expansions or additions to existing facilities. Also, describe the improvement, how it will be operated, and how it will fit into current golf course operations.

L-5 Operations and Maintenance Plan (Part 2)

This part is required for each volume and shall be limited to twenty (20) pages. It shall consist of the following two sections.

a. Course and facilities maintenance plan. Describe how the course will be maintained including grass cutting, landscaping, watering, aerifying, greens treatment, pest control, litter control, and chemical application schedules. Include mowing heights and equipment to be used. Indicate miscellaneous course maintenance schedules such as cup changes and ball mark inspections and repair. Also include repair, and routine and preventive maintenance plans for equipment and buildings. Include an equipment replacement schedule. Indicate who will do the work and the proposed response times for emergency (life and safety) and routine

requirements. Also indicate how your quality control program will ensure maintenance standards are adhered to.

b. Course and facilities operations plan. Describe the policies and procedures under which the course and ancillary facilities will be operated. Include "house rules" for the course, golf car, equipment rental, and pro shop policies. Include operating hours and staffing levels for all facilities. Describe how your quality control program will maintain performance standards.

L-6 Experience and History (Part 3)

This part is required for each volume of the proposal and is limited to fifteen (15) pages. Provide the following in detail:

a. Information to evaluate your overall experience with respect to: the administration and operation of a golf course; management of the physical plant and facilities; staffing of trained personnel; the ability to interface and coordinate with patrons and the installation; and the financial capability to operate and maintain the facilities. The proposer must be able to demonstrate that planned staffing, personnel policies, corporate management support, and management procedures will be maintained throughout the term of the lease.

b. References. List all golf courses and recreational facilities owned, leased, or operated now or within the last five years. Provide dates and years of involvement with these activities. For those activities operated but not owned, provide the name and address of the owning organization, the contract number, and a reference contact and telephone number.

c. Resumes of all general partners, owners, corporate officers, members of the development team, and management agent.

d. Description of the organization, operational controls, and technical skills, or the ability to obtain them, necessary to perform the requirements of this RFP.

e. Financial statement indicating financial resources to perform the requirements of this RFP; include conditional commitment of lender funds. Identify any loans upon which the firm or principals have defaulted and any construction/development contract project defaults involving the firm or principals of the firm.

f. Name, address, and telephone number of two or three individuals, including financial, industry, trade and credit references, who we may contact regarding your past experience.

g. Any other information describing the offeror's ability to fulfill the requirements of this RFP.

h. The above information must also be supplied for any partners or owners in partnerships, corporations, or other entities formed subsequent to the submission of the proposal or award of the Lease.

L-7 Annual Contract Payment to NAFI (Part 4)

This part is required for each volume of the proposal and is limited to fifteen (15) pages. It shall consist of the following:

- a. Standard Form 33, Solicitation, Offer and Award (Section A).
- b. Standard Form 1411, Contract Pricing Proposal Cover Sheet (Attachment 9).
- c. Offeror's Breakdown of Price (Section B). Prices shall be specified in United States dollars.
- d. Representations and Certifications (Section K).
- e. Standard Form 24, Bid Bond (Attachment 10).

L-8 General Public Access (Part 5)

This part is required for volume II only and is limited to ten (10) pages. Describe in detail the extent to which the general public will have access and use of the golf course and its facilities, including any ancillary facilities included in Part I of your proposal. Indicate if there are any conditions to their access, for example, if they must be members of certain country clubs or health spas, or if they must become members of the NAS Cecil Field golf course. Indicate the days of the week and times during which they will have access. Also indicate if they will have equal or secondary tee time priority to currently authorized members.

L-9 Instructions to Offerors

1. SOLICITATION DEFINITIONS

"Offeror" means "proposal" in negotiation.

"Solicitation" means a request for proposals (RFP) or a request for quotations (RFQ) in negotiation.

2. UNNECESSARILY ELABORATE PROPOSALS OR QUOTATIONS

Unnecessarily elaborate brochures or other presentations beyond those sufficient to present a complete and effective response to this solicitation are not desired and may be construed as an indication of the offeror's or quoter's lack of cost

consciousness. Elaborate art work, expensive paper and bindings, and expensive visual or other presentation aids are neither necessary nor wanted.

3. ACKNOWLEDGMENT OF AMENDMENTS TO SOLICITATIONS

Offeror's shall acknowledge receipt of any amendment to this solicitation (a) by signing and returning the amendment; (b) by identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer; or (c) by letter or telegram. The NAFI must receive the acknowledgment by the time specified for receipt of offers.

4. SUBMISSION OF OFFERS

a. Offers and modifications thereof shall be submitted in sealed envelopes or packages (1) addressed to the office specified in the solicitation and (2) showing the time specified for receipt, the solicitation number, and the name and address of the offeror.

b. Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified by written or telegraphic notice, if that notice is received by the time specified for receipt of offers.

c. Item samples, if required, must be submitted within the time specified for receipt of offers. Unless otherwise specified in the solicitation, these samples shall be (1) submitted at no expense to the NAFI and (2) returned at the sender's request and expense, unless they are destroyed during preaward testing.

5. LATE SUBMISSIONS, MODIFICATIONS, AND WITHDRAWALS OF PROPOSALS

a. Any proposal received at the office designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it —

(1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);

(2) Was sent by mail (or telegram if authorized) and it is determined by the NAFI that the late receipt was due solely to mishandling by the NAFI after receipt at the Government installation; or

(3) Is the only proposal received.

b. Any modification of a proposal or quotation, except a modification resulting from the Contracting Offeror's request for "best and final" offer, is subject to the same conditions as in subparagraphs (a)(1) and (2) above.

c. A modification resulting from the Contracting Officer's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the NAFI after receipt at the Government installation.

d. The only acceptable evidence to establish the date of mailing of a late proposal or modification sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark on the wrapper or on the original receipt from the U.S. or Canadian Postal Service. If neither postmark shows a legible date, the proposal, quotation, or modification shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors or quoters should request the postal clerks to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

e. The only acceptable evidence to establish the time of receipt at the Government installation is the time/date stamp of that installation on the proposal wrapper or other documentary evidence of receipt maintained by the installation.

f. Notwithstanding paragraph (a) above, a late modification of an otherwise successful proposal that makes its terms more favorable to the NAFI will be considered at any time it is received and may be accepted.

g. Proposals may be withdrawn by written notice or telegram (including mailgram) received at any time before award. Proposals may be withdrawn in person by an offeror or an authorized representative, if the representative's identity is made known and the representative signs a receipt for the proposal before award.

6. RESTRICTION ON DISCLOSURE AND USE OF DATA

Offerors or quoters who include in their proposals or quotations data that they do not want disclosed to the public for any purpose or used by the NAFI except for evaluation purposes, shall –

a. Mark the title page with the following legend:

"This proposal or quotation includes data that shall not be disclosed outside the NAFI and shall not be duplicated, used, or disclosed – in whole or in part – for any purpose other than to evaluate this proposal or quotation. If, however, a contract is awarded to this offeror or quoter as a result of – or in connection with – the submission of this data, the NAFI shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the NAFI's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets [insert numbers or other identification of sheets]"; and

b. Mark each sheet of data it wishes to restrict with the following legend:

"Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal or quotation."

7 PREPARATION OF OFFERS

a. Offerors are expected to examine the drawings, specifications, Schedule, and all instructions. Failure to do so will be at the offeror's risk.

b. Each offeror shall furnish the information required by the solicitation. The offeror shall sign the offer and print or type its name on the Schedule and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the issuing office.

c. For each item offered, offerors shall (1) show the unit price/cost, including, unless otherwise specified, packaging, packing, and preservation and (2) enter the extended price/cost for the quantity of each item offered in the "Amount" column of the Schedule. In case of discrepancy between a unit price/cost and an extended price/cost, the unit price/cost will be presumed to be correct, subject, however, to correction to the same extent and in the same manner as any other mistake.

d. Offers for supplies or services other than those specified will not be considered unless authorized by the solicitation.

e. Offerors must state a definite time for delivery of supplies or for performance of services, unless otherwise specified in the solicitation.

f. Time, if stated as a number of days, will include Saturdays, Sundays, and holidays.

8. EXPLANATION TO PROSPECTIVE OFFERORS

Any prospective offeror desiring an explanation or interpretation of the solicitation, drawings, specifications, etc., must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

9. FAILURE TO SUBMIT OFFER

Recipients of this solicitation not responding with an offer should not return this solicitation, unless it specifies otherwise. Instead, they should advise the issuing office by letter or postcard whether they want to receive future solicitations for similar requirements. If a recipient does not submit an offer and does not notify the issuing office that future solicitations are desired, the recipient's name may be removed from the applicable mailing list.

10. CONTRACT AWARD

a. The NAFI will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the NAFI, cost or price and other factors, specified elsewhere in this solicitation, considered.

b. The NAFI may (1) reject any or all offers, (2) accept other than the lowest offer, and (3) waive informalities and minor irregularities in offers received.

c. The NAFI may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

d. The NAFI may accept any item or group of items of an offer, unless the offeror qualifies the offer by specific limitations.

Unless otherwise provided in the Schedule, offers may be submitted for quantities less than those specified. The NAFI reserves the right to make an award on any item for a quantity less than the quantity offered, at the unit cost or prices offered, unless the offeror specifies otherwise in the offer.

e. A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. Before the offer's specified expiration time, the NAFI may accept an offer (or part of an offer, as provided in Paragraph (d) above), whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the NAFI.

f. Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract. However, if the resulting contract contains a clause providing for price reduction for defective cost or pricing data, the contract price will be subject to reduction if cost or pricing data furnished is incomplete, inaccurate, or not current.

11. TYPE OF CONTRACT

The Government contemplates award of a firm fixed price contract resulting from this solicitation.

12. SITE VISIT

Offerors or quoters are urged and expected to inspect the site where services are to be performed and to satisfy themselves regarding all general and local conditions that may affect the cost of contract performance, to the extent that the information is reasonably obtainable. In no event shall failure to inspect the site constitute grounds for a claim after contract award.

13. PRIVATE OPENING OF PROPOSALS

Proposals will be privately opened at the time set for opening in the request for proposals. Their content will not be made public.

14. OFFERS-ACCEPTANCE PERIOD

Offers offering less than the period of days specified for acceptance by the NAFI from the date set for opening of offers will be considered nonresponsive and will be rejected.

15. MODIFICATIONS PRIOR TO DATE SET FOR OPENING OFFERS

The right is reserved, as the interest of the NAFI may require, to revise or amend the specifications or drawings or both prior to the date set for opening offers. Such revisions and amendments, if any, will be announced by an amendment or amendments to this Request for Proposals. If the revisions and amendments are of a nature which requires material changes in quantities or prices to be bid or both, the date set for opening offers may be postponed by such number of days as in the opinion of the issuing officer will enable offerors to revise their offers. In such cases, the amendment will include an announcement of the new date set for opening offers.

16. BID GUARANTEE

a. Failure to furnish a bid guarantee in the proper form and amount, by the time set for opening of bids, may be cause for rejection of the bid.

b. The offeror (bidder) shall furnish a bid guarantee in the form of a firm commitment, such as a bid bond, postal money order, certified check, cashiers check, irrevocable letter of credit, or, under Treasury Department regulations, certain bonds or notes of the United States. The Contracting Officer will return bid guarantees, other than bid bonds, (1) to unsuccessful bidders as soon as practicable after the opening of bids, and (2) to the successful bidder upon execution of

contractual documents and bonds (including any necessary coinsurance or reinsurance agreements), as required by the bid as accepted.

c. If the successful bidder, upon acceptance of its bid by the NAFI within the period specified for acceptance, fails to execute all contractual documents or give a bond(s) as required by the solicitation within the time specified, the Contracting Officer may terminate the contract for default.

d. Unless otherwise specified in the bid, the bidder will (1) allow 60 days for acceptance of its bid and (2) give bond within 10 days after receipt of the forms by the bidder.

e. In the event the contract is terminated for default, the bidder is liable for any cost of acquiring the work that exceeds the amount of its bid, and the bid guarantee is available to offset the difference.

SECTION M

EVALUATION FACTORS FOR AWARD

M-1 Process

The NAFI will select a proposal and award a contract under this Request for Proposal by using Source Selection Procedures (SSP) described in FAR 15.6. The SSP is a negotiated acquisition process that allows the NAFI to evaluate offers on factors other than price alone, and to select the proposal that provides the "greatest value to the NAFI."

NOTE: THE "GREATEST VALUE TO THE NAFI" UNDER THIS RFP WILL BE DETERMINED BY EVALUATING THE TECHNICAL QUALITY AND PROPOSED CONTRACT PAYMENTS OF EACH OFFER.

A Source Selection Board will review and evaluate all proposals submitted in response to this RFP, according to the procedures explained in the paragraphs below. A member of the Board has been appointed as the NAFI Contracting Officer for this acquisition. After the Source Selection Board has completed its review of the proposals, as described below, the Contracting Officer will forward the Board's recommendation for award to the Source Selection Authority, who will make the final decision on awarding this contract.

NOTE: The NAFI will request on-site visitation of facilities similar to those requested in the RFP that have been designed, constructed, operated and maintained by the offeror.

M-2 Source Selection Panel

Under the Source Selection Process, proposals are evaluated by the Board using a predetermined Source Selection Plan.

M-3 Source Selection Plan

Those proposals that are "responsive" – that is, conform to the format and requirements of this RFP – will be evaluated using a predetermined rating plan. This plan consists of the following five major rating elements all of which carry equal weight in the evaluation:

- Capital Improvements
- Operation and Maintenance Plan

- Experience and History
- Annual Lease Payments to NAF
- General Public Access (Volume II of the proposal only.)

A narrative description of the Source Selection Plan elements is outlined in Section L. Offerors should carefully review this section to fully understand the criteria upon which their proposals will be rated.

NOTE: Offerors must also understand that their treatment of each rating element will significantly affect the acceptability of their proposals to the Government. Offerors should not assume that they can enhance the acceptability of their proposals by offsetting weak technical proposals with favorable lease payments. Both factors are of importance, and the Source Selection Panel has considerable discretion in determining which proposal represents the "greatest value to the Government."

Section L of this RFP specifies the information to be submitted with each offer. This information will be used by the Source Selection Panel in evaluating the technical elements of each proposal. Since this is a negotiated acquisition, offerors should anticipate discussions with members of the Source Selection Panel and their consultants regarding individual elements of their proposals. These discussions may result in the Source Selection Panel requiring the offeror to furnish additional evidence of financial condition, ability to assume and perform the obligations and responsibilities imposed by the terms and conditions of the agreement and the proposal submitted. These discussions may also include requests for additional information, or suggested changes to proposals to conform with Government objectives.

NOTE; IT IS THE RESPONSIBILITY OF EACH OFFEROR TO INSURE THAT ITS INITIAL PROPOSAL INCLUDES ALL OF THE INFORMATION SPECIFIED IN THE RFP. THE OFFEROR SHALL PROVIDE ANY SUBSEQUENT INFORMATION REQUESTED BY THE GOVERNMENT IN A TIMELY MANNER BY THE DATE AND TIME SPECIFIED BY THE CONTRACTING OFFICER OR HIS DESIGNATED REPRESENTATIVE.

Proposed annual lease payments will be evaluated on the basis of a net present value using a 10 percent discount factor.

ATTACHMENT 1

FACILITIES, EQUIPMENT, AND FURNISHINGS INVENTORY

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ABBREVIATED ASSET LISTING
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NAFI NR (TYPE AND INSTALLATION): 30031 NAS CECIL FIELD, REC

ASSET NUMBER	ASSET NAME	LOCA- TION	PURCHASE DATE	PURCHASE PRICE	TOTAL LIFE	PRD TAKEN	TOTAL DEPRECIATION	YEAR TO DATE DEPRECIATION	CURRENT VALUE	MONTH DEPR.
n72RSG293	MOWER, TORO, GREENSMOW	GO-LF	12-07-72	3,349.00	120	120	3,349.00	.00	.00	.00
n76421520	FORD TRACTOR, 3000	GO-LF	09-10-76	5,633.00	120	120	5,633.00	.00	.00	.00
n76421521	CUSHMAN TRUCKSTER, 18	GO-LF	07-20-76	3,660.00	120	120	3,660.00	.00	.00	.00
n78RSG336	TORO MOWER, SUPER PRO	GO-LF	03-31-78	3,318.67	120	108	2,987.28	331.92	331.39	27.66
n80423441	GOLF CART, CLUB	GO-LF	02-27-80	1,904.00	60	60	1,904.00	.00	.00	.00
n80RSG350	TORO MOWER, TURF PRO	GO-LF	09-12-80	7,632.00	120	84	5,342.40	763.20	2,289.60	63.60
n80RSG368	TORO MOWER, GREENSMAS	GO-LF	09-12-80	5,797.00	120	84	4,058.04	579.72	1,738.96	48.31
n82427797	GOLF CART, EZ-GO	GO-LF	08-27-82	2,050.00	60	60	2,050.00	409.84	.00	.00
n82427798	GOLF CART, EZ-GO	GO-LF	08-27-82	2,050.00	60	60	2,050.00	409.84	.00	.00
n82427799	GOLF CART, EZ-GO	GO-LF	08-27-82	2,050.00	60	60	2,050.00	409.84	.00	.00
n82427800	GOLF CART, EZ-GO	GO-LF	08-27-82	2,050.00	60	60	2,050.00	409.84	.00	.00
n82427801	GOLF CART, EZ-GO	GO-LF	08-28-82	2,050.00	60	60	2,050.00	409.84	.00	.00
n82427802	GOLF CART, EZ-GO	GO-LF	08-27-82	2,050.00	60	60	2,050.00	409.84	.00	.00
n82427803	GOLF CART, EZ-GO	GO-LF	08-27-82	2,050.00	60	60	2,050.00	409.84	.00	.00
n82427804	GOLF CART, EZ-GO	GO-LF	08-27-82	2,050.00	60	60	2,050.00	409.84	.00	.00
n82427805	GOLF CART, EZ-GO	GO-LF	08-27-82	2,050.00	60	60	2,050.00	409.84	.00	.00
n82427806	GOLF CART, EZ-GO	GO-LF	08-27-82	2,050.00	60	60	2,050.00	409.84	.00	.00
n82427807	GOLF CART, EZ-GO	GO-LF	08-27-82	2,050.00	60	60	2,050.00	409.84	.00	.00
n82427808	GOLF CART, EZ-GO	GO-LF	08-27-82	2,050.00	60	60	2,050.00	409.84	.00	.00
n83425875	CHEV. PICK-UP, S-10	B2-00	10-12-82	6,539.99	60	48	5,232.00	1,308.00	1,307.99	109.00
n83427557	GOLF CART, CLUB	GO-LF	05-16-83	2,025.00	60	48	1,620.00	405.00	405.00	33.75
n83427558	GOLF CART, CLUB	GO-LF	05-16-83	2,025.00	60	48	1,620.00	405.00	405.00	33.75
n83427559	GOLF CART, CLUB	GO-LF	05-16-83	2,025.00	60	48	1,620.00	405.00	405.00	33.75
n83427560	GOLF CART CLUB	GO-LF	05-16-83	2,025.00	60	48	1,620.00	405.00	405.00	33.75
n83427561	GOLF CART, CLUB	GO-LF	05-16-83	2,025.00	60	48	1,620.00	405.00	405.00	33.75

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NAFI NR (TYPE AND INSTALLATION): 30031 NAS CECIL FIELD, REC

ASSET NUMBER	ASSET NAME	LOCA- TION	PURCHASE DATE	PURCHASE PRICE	TOTAL LIFE	PRD TAKEN	TOTAL DEPRECIATION	YEAR TO DATE DEPRECIATION	CURRENT VALUE	MONTH DEPR.
n83427562	GOLF CART, CLUB	GO-LF	05-16-83	2,025.00	60	48	1,620.00	405.00	405.00	33.75
n83427795	TRI-STAR PICK-UPBAJA	GO-LF	08-02-83	2,354.00	60	48	1,883.04	470.76	470.96	39.23
n83427819	CUSHMAN TRUCKSTER	GO-LF	08-05-83	5,624.25	60	48	4,499.52	1,124.88	1,124.73	93.74
n83427820	TEE MOWER, TORO 70"	GO-LF	07-20-83	3,957.03	60	48	3,163.60	791.40	791.43	65.95
n83427836	MOWER, TORO, GREENSMAS	GO-LF	11-03-82	8,628.00	120	48	3,451.20	862.80	5,176.80	71.90
n84428193	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428194	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428195	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428196	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428197	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428198	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428199	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428200	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428201	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428202	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428203	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428204	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428205	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428206	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428207	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428208	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428209	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428210	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428211	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428212	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62

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NAFI NR (TYPE AND INSTALLATION): 30031 NAS CECIL FIELD, REC

ASSET NUMBER	ASSET NAME	LOCA- TION	PURCHASE DATE	PURCHASE PRICE	TOTAL LIFE	PRD TAKEN	TOTAL DEPRECIATION	YEAR TO DATE DEPRECIATION	CURRENT VALUE	MONTH DEPR.
n84428213	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428214	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428215	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428216	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428217	GOLF CART, EZ-GO	GO-LF	10-17-83	1,777.00	60	36	1,066.32	355.44	710.68	29.62
n84428613	GOLF CART, EZ-GO	GO-LF	07-27-84	2,044.40	120	36	613.44	204.48	1,430.96	17.04
n84428614	GOLF CART, EZ-GO	GO-LF	07-27-84	2,044.40	120	36	613.44	204.48	1,430.96	17.04
n84428615	GOLF CART, EZ-GO	GO-LF	07-27-84	2,044.40	120	36	613.44	204.48	1,430.96	17.04
n84428616	GOLF CART, EZ-GO	GO-LF	07-27-84	2,044.40	120	36	613.44	204.48	1,430.96	17.04
n84428617	GOLF CART, EZ-GO	GO-LF	07-27-84	2,044.40	120	36	613.44	204.48	1,430.96	17.04
n84428618	GOLF CART, EZ-GO	GO-LF	07-27-84	2,044.40	120	36	613.44	204.48	1,430.96	17.04
n84428619	GOLF CART, EZ-GO	GO-LF	07-27-84	2,044.40	120	36	613.44	204.48	1,430.96	17.04
n84428620	GOLF CART, EZ-GO	GO-LF	07-27-84	2,044.40	120	36	613.44	204.48	1,430.96	17.04
n84428621	GOLF CART, EZ-GO	GO-LF	07-27-84	2,044.40	120	36	613.44	204.48	1,430.96	17.04
n84428622	GOLF CART, EZ-GO	GO-LF	07-27-84	2,044.40	120	36	613.44	204.48	1,430.96	17.04
n84428623	GOLF CART, EZ-GO	GO-LF	07-27-84	2,044.40	120	36	613.44	204.48	1,430.96	17.04
n84428624	GOLF CART, EZ-GO	GO-LF	07-27-84	2,044.40	120	36	613.44	204.48	1,430.96	17.04
n85R50367	MOWER-TORO-GREENSHOW	GO-LF	06-05-85	9,030.78	120	24	1,806.24	903.12	7,224.54	75.26
n86430976	GOLF CART, EZ-GO	GO-LF	02-07-86	2,321.00	60	12	464.16	464.16	1,856.84	38.68
n86430977	GOLF CART, EZ-GO	GO-LF	02-07-86	2,321.00	60	12	464.16	464.16	1,856.84	38.68
n86430978	GOLF CART, EZ-GO	GO-LF	02-07-86	2,321.00	60	12	464.16	464.16	1,856.84	38.68
n86430979	GOLF CART, EZ-GO	GO-LF	02-07-86	2,321.00	60	12	464.16	464.16	1,856.84	38.68
n86430980	GOLF CART, EZ-GO	GO-LF	02-07-86	2,321.00	60	12	464.16	464.16	1,856.84	38.68
n86430981	GOLF CART, EZ-GO	GO-LF	02-07-86	2,321.00	60	12	464.16	464.16	1,856.84	38.68
n86430982	GOLF CART, EZ-GO	GO-LF	02-07-86	2,321.00	60	12	464.16	464.16	1,856.84	38.68

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NAFI NR (TYPE AND INSTALLATION): 30031 NAS CECIL FIELD, REC

ASSET NUMBER	ASSET NAME	LOCA- TION	PURCHASE DATE	PURCHASE PRICE	TOTAL # PRD LIFE TAKEN	TOTAL DEPRECIATION	YEAR TO DATE DEPRECIATION	CURRENT VALUE	MONTH DEPR.
n86430983	GOLF CART, EZ-00	GO-LF	02-07-86	2,321.00	60 12	464.16	464.16	1,856.84	38.68
n86430984	GOLF CART, EZ-00	GO-LF	02-07-86	2,321.00	60 12	464.16	464.16	1,856.84	38.68
n86430985	GOLF CART, EZ-00	GO-LF	02-07-86	2,321.00	60 12	464.16	464.16	1,856.84	38.68
n86431390	TRACTOR, JOHN DEERE	GO-LF	07-21-86	8,063.75	60 12	1,612.80	1,612.80	6,450.95	134.40
n86RS8200	MOWER, HUSTLER 275	B2-00	04-30-86	8,751.00	120 12	875.16	875.16	7,875.84	72.93
n86RS602F	MOWER, TORO	GO-LF	04-23-86	6,250.86	120 12	625.08	625.08	5,625.78	52.09
n87RS6155	TRUCKSTER, CUSHMAN	GO-LF	09-03-87	6,456.68	120 0	.00	.00	6,456.68	.00
n87RSS	TRUCKSTER, CUSHMAN	GO-LF	07-17-87	5,031.01	60 0	.00	.00	5,031.01	.00

NOTE: AN 'S' BEFORE THE ASSET NUMBER INDICATES THAT THE ASSET IS NOT OWNED BY THE NAFI.

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NAF1 NR (TYPE AND INSTALLATION): 30031 NAS CECIL FIELD, REC

ASSET NUMBER	ASSET NAME	LOCA- TION	PURCHASE DATE	PURCHASE PRICE	TOTAL LIFE	# PRD TAKEN	TOTAL DEPRECIATION	YEAR TO DATE DEPRECIATION	CURRENT VALUE	MONTH DEPR.
n6RS6103	STEAM CLEANER MACH.	GO-LF	10-02-64	600.00	120	120	500.00	00	00	00
n6RS6233	SOD MASTER TOP DRESS	GO-LF	10-25-67	800.00	120	120	800.00	00	00	00
n73RSA176	ENGINE HOIST, RED-ARR	GO-LF	04-04-73	349.00	120	120	349.00	00	00	00
n73RSB079	VACUUM CLEANER, CLARK	GO-LF	07-09-73	397.00	120	120	397.00	00	00	00
n73RS6295	AERATOR, GREENSAIRE/2	GO-LF	04-10-73	2,245.00	120	120	2,245.00	00	00	00
n74RS6309	CASH REGISTER, NCR	FR-ET	05-20-74	1,260.00	120	120	1,260.00	00	00	00
n75RSF068	AIR CONDITIONER, WEST	GO-LF	05-08-75	308.55	120	120	308.55	00	00	00
n75RS6311	SHREDDER, LINDIG, 7HP	GO-LF	08-26-75	980.00	120	120	980.00	00	00	00
n75RS6312	SPRAY TANK, JOHN BEAN	GO-LF	07-21-75	1,867.00	120	120	1,867.00	00	00	00
n75RS6313	FERTILIZER SPREADER	GO-LF	10-08-75	765.00	120	120	765.00	00	00	00
n76RS0326	TURF SPRAYER, JOHN BE	GO-LF	08-18-76	3,599.00	120	120	3,599.00	00	00	00
n76RS6327	PRESS, HYD. 25 TON	GO-LF	08-16-76	615.00	120	120	615.00	00	00	00
n79RSF093	AIR COMPRESSOR, SPEED	GO-LF	10-12-78	412.33	120	96	330.24	41.28	82.09	3.44
n79RS6340	GRINDER, MOWER SHARP	GO-LF	01-30-79	1,011.58	120	96	809.28	101.16	202.30	8.43
n79RS6344	AERATOR, GREENS JAVER	GO-LF	09-12-79	1,074.00	120	96	859.20	107.40	214.80	8.95
n79RS6345	MOWER, ROTARY, SUPERIO	GO-LF	09-12-79	1,100.00	120	96	880.32	110.04	219.68	9.17
n80RS6347	GASOLINE PUMP	GO-LF	03-11-80	400.00	120	84	279.72	39.96	120.28	3.33
n80RS6351	RAKE-O-VAC, TORO	GO-LF	09-24-80	7,761.60	120	84	5,433.12	776.16	2,328.48	64.68
n82RSF096	CASH REGISTER, NCR	GO-LF	11-02-81	820.50	120	60	410.40	82.08	410.10	6.84
n82RSF097	BALL RETRIEVER, 16'	GO-LF	07-01-82	1,998.00	120	60	999.00	199.80	999.00	16.69
n84RSF098	SIGN MOVING MESSAGE	GO-LF	03-13-84	641.25	120	36	192.24	64.08	449.01	5.34
n84RSF099	GOLF TRAINER, MITSUB.	GO-LF	08-06-84	357.45	120	36	107.28	35.76	250.17	2.98
n84RSF100	RANGE BALL MACHINE	GO-LF	09-11-84	2,919.89	120	36	875.88	291.96	2,044.01	24.33
n84RS6358	REELMASTER TORD FRAM	GO-LF	10-20-83	14,973.40	120	36	4,492.08	1,497.36	10,481.32	124.78
n84RS6359	SIGN, GOLF COURSE, 4X6	GO-LF	04-05-84	738.41	120	36	221.40	73.80	517.01	6.15

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NAFI NR (TYPE AND INSTALLATION): 30031 NAS CECIL FIELD, REC

ASSET NUMBER	ASSET NAME	LOCA- TION	PURCHASE DATE	PURCHASE PRICE	TOTAL # PRD LIFE TAKEN	TOTAL DEPRECIATION	YEAR TO DATE DEPRECIATION	CURRENT VALUE	MONTH DEPR
n84RSG360	METAL BUILDING, 12X24	60-LF	06-07-84	1,956.05	120	36	586.80	1,369.25	16.30
n85R5F101	LUBRICATOR ALENITE	60-LF	10-10-84	667.93	120	24	133.68	534.25	5.57
n85RSG362	REST SHELTER, GAMETI	60-LF	03-22-85	820.94	120	24	164.16	656.78	6.84
n85RSG363	REST SHELTER, GAMETIM	60-LF	03-22-85	820.95	120	24	164.16	656.79	6.84
n85RSG364	REST SHELTER, GAMETIM	60-LF	03-22-85	820.95	120	24	164.16	656.79	6.84
n85RSG365	REST SHELTER, GAMETIM	60-LF	03-22-85	900.42	120	24	180.00	720.42	7.50
n85RSG366	REST SHELTER, GAMETIM	60-LF	03-22-85	900.42	120	24	180.00	720.42	7.50
n85RSG369	FLAIL MOWER, JO H4 DE	60-LF	09-20-85	2,324.00	120	24	464.88	1,859.12	19.37
n86RSG370	MOWER GARG, LESCO	60-LF	11-18-85	990.00	120	12	99.00	891.00	8.25
n86RSG371	REELMASTER 30"	60-LF	09-18-86	1,158.30	120	12	115.80	1,042.50	9.65
n86RSG372	RAKE, TORO	60-LF	09-18-86	612.81	120	12	61.32	551.49	5.11
n86RSG373	GRADER, TORO	60-LF	09-18-86	642.51	120	12	64.20	578.31	5.35
n87R00108	RYAN GREENSAIRE 11	60-LF	02-04-87	5,548.39	120	0	.00	5,548.39	.00
n87R00109	RYAN TRACAIRE 12 HP	60-LF	02-04-87	1,983.50	120	0	.00	1,983.50	.00

NOTE: AN '*' BEFORE THE ASSET NUMBER INDICATES THAT THE ASSET IS NOT OWNED BY THE NAFI.

ATTACHMENT 2

SITE PLANS AND DRAWINGS

SITE PLANS AND DRAWINGS

To be provided by NAS Cecil Field.

ATTACHMENT 3

SAMPLE LEASE

DEPARTMENT OF THE NAVY

SAMPLE LEASE

OF PROPERTY ON _____

THIS LEASE, made between the Secretary of the Navy, of the first part, and
_____ of the second part, WITNESSETH:

That the Secretary of the Navy, by virtue of the authority contained in Title 10, United States Code, Section 2667, and for the consideration hereinafter set forth, hereby leases to the party of the second part, hereinafter designated as the Lessee, for a term of twenty (20) years, beginning _____, and ending _____ unless sooner terminated in accordance with the provisions of this lease, the property described in Exhibit "A" and shown on Exhibit "B", both attached hereto and made a part hereof, for purpose of design, construction, operation, and maintenance of Fiddler's Green Golf Course primarily for use by military and DoD civilian personnel.

THIS LEASE is granted subject to the following conditions:

1. SIMULTANEOUS AGREEMENT: It is understood that the Lessee shall, simultaneously with this lease, execute a twenty (20) year contract number _____, as ammended, with the United States (hereinafter "Government") and any future contracts between the parties as set forth in contract number _____.

2. RENT: The Lessee shall pay to the Government nominal rental in the amount of One Dollar and no cents (\$1.00), for the entire lease term, the receipt of which is hereby acknowledged, and provide other good and valuable consideration as

hereinafter provided. The Lessee shall also pay to the Government on demand any sum which may have to be expended after the expiration, or earlier termination of this lease in restoring the premises to the condition required by contract number _____. Compensation shall be made payable to _____, and forwarded by the Lessee direct to: _____.

3. REPRESENTATIONS: It is understood and agreed that the leased property is leased in an "as is", "where is" condition without any representation or warranty by the Government whatsoever and without obligation on the part of the Government to make any alterations, repairs, or additions thereto, and the Government shall not be liable for any latent or patent defects therein. The Lessee has inspected, knows and accepts the condition and state of repair of the leased property, and acknowledges that the Government has made no representation concerning such condition and state of repair, nor any agreement or promise to alter, improve, adapt, repair, or keep in repair the same, or any item thereof, which contains all the agreements made and entered into between the Government and the Lessee.

4. CONDITION REPORT: Attached hereto and made a part hereof is a condition report, marked "Exhibit C," signed by representatives of the Government and the Lessee, which sets forth the condition of the leased premises as determined from their joint inspection thereof.

5. USE: The sole purpose for which the leased property and any improvements that may be erected thereon shall be used, in the absence of prior written approval of the Government for any other use, is for the design, construction, operation, and maintenance of Fiddler's Green Golf Course as described and set forth in contract number _____. Subject to the provisions of this lease and the provisions of

contract number _____, the Lessee shall have during the term of this lease, peaceful and quiet use and possession of the property leased pursuant hereto and of all improvements, alterations or additions which the Lessee is authorized to make to such property as provided for under this lease, except during emergency situations such as alerts, closed post delays, different degrees of prevailing security conditions or strikes.

6. DAMAGE TO GOVERNMENT PROPERTY: Any property of the Government damaged or destroyed by the Lessee incident to the Lessee's use and occupation of the leased property shall be promptly repaired or replaced by the Lessee to the satisfaction of the Government, or in lieu of such repair or replacement, the Lessee shall, if so required by the Government, pay to the Government money in an amount sufficient to compensate for the loss sustained by the Government by reason of damage to or destruction of Government property.

7. REMOVAL OF RESOURCES: The Lessee shall cut no timber, conduct no mining or drilling operations, remove no sand, gravel, or kindred substances from the ground, without the express permission of the installation commander.

8. ARTIFACTS: The Lessee shall not remove or disturb, or cause or permit to be removed or disturbed, any historical, archeological or other cultural artifacts, relics, vestiges, remains or objects of antiquity. In the event such items are discovered on the property, the Lessee shall immediately notify the installation commander, and the site and material shall be protected by the Lessee from further disturbance until a professional examination of them can be made or until clearance to proceed is authorized by the installation commander.

9. ACCESS: For the purpose of access, the Lessee shall have the right of ingress and egress across Government property only over such routes designated by

the installation commander. During certain defense configurations, the installation commander shall have absolute right to control entry of the Lessee's personnel to the installation. All delivery traffic shall use the route to the facility as specified by the Government and such route shall be subject to change by the installation commander.

10. LITTER: The Lessee and its property successors, or assigns, if any, shall keep the property free from dropped or windblown litter.

11. ENTIRE AGREEMENT: It is expressly agreed that this written instrument embodies the entire agreement between the parties regarding the use of the leased property by the Lessee, and there are no understandings or agreements, verbal or otherwise, between the parties except as expressly set forth herein. This instrument may only be modified or amended by mutual agreement of the parties in writing and signed by each of the parties hereto.

IN WITNESS WHEREOF, I have hereunto set my hand by authority of the Secretary of the Navy this _____ day of _____, 19____.

WITNESS

Title _____

THIS LEASE is executed by the Lessee this _____ day of _____, 19____

WITNESS

Title _____

ATTACHMENT 4

UTILITY RATES/CHARGES

UTILITY RATES/CHARGES

To be provided by NAS Cecil Field.

ATTACHMENT 5

REQUIRED CAPITAL IMPROVEMENTS

REQUIRED CAPITAL IMPROVEMENTS

- 18 greens – increase size and change contour/elevations.
- 18 T-boxes – upgrade, define borders, and enlarge.
- Fairways – contour fairways and position hazards to make course “more interesting.”
- Construct 50 additional parking spaces.

ATTACHMENT 6

DESIRABLE CAPITAL IMPROVEMENTS

DESIRABLE CAPITAL IMPROVEMENTS

- Expand/upgrade food and beverage operation. Expand facility. Improve menu, equipment, and furnishings.
- Upgrade existing men's locker room.
- Upgrade driving range and install lighting.
- Replace existing maintenance building.

ATTACHMENT 7

UNDESIRABLE CAPITAL IMPROVEMENTS

UNDESIRABLE CAPITAL IMPROVEMENTS

- Batting cage.
- Miniature golf course.
- Car wash.
- Enlarged banquet room.

ATTACHMENT 8

**STANDARD FORM 1411,
CONTRACT PRICING PROPOSAL COVER SHEET**

CONTRACT PRICING PROPOSAL COVER SHEET		1. SOLICITATION/CONTRACT/MODIFICATION NO.		FORM APPROVED OMB NO. 3090-0116							
NOTE: This form is used in contract actions if submission of cost or pricing data is required. (See FAR 15.804-6(b))											
2. NAME AND ADDRESS OF OFFEROR (Include ZIP Code)		3A. NAME AND TITLE OF OFFEROR'S POINT OF CONTACT		3B. TELEPHONE NO.							
						4. TYPE OF CONTRACT ACTION (Check)					
						<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">A. NEW CONTRACT</td> <td style="width: 50%;">D. LETTER CONTRACT</td> </tr> <tr> <td>B. CHANGE ORDER</td> <td>E. UNPRICED ORDER</td> </tr> <tr> <td>C. PRICE REVISION/REDETERMINATION</td> <td>F. OTHER (Specify)</td> </tr> </table>		A. NEW CONTRACT	D. LETTER CONTRACT	B. CHANGE ORDER	E. UNPRICED ORDER
A. NEW CONTRACT	D. LETTER CONTRACT										
B. CHANGE ORDER	E. UNPRICED ORDER										
C. PRICE REVISION/REDETERMINATION	F. OTHER (Specify)										
5. TYPE OF CONTRACT (Check)		6. PROPOSED COST (A+B=C)									
☐ FFP ☐ CPFF ☐ CPIF ☐ CPAF ☐ FPI ☐ OTHER (Specify)		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">A. COST</td> <td style="width: 33%;">B. PROFIT/FEE</td> <td style="width: 33%;">C. TOTAL</td> </tr> <tr> <td>\$</td> <td>\$</td> <td>\$</td> </tr> </table>				A. COST	B. PROFIT/FEE	C. TOTAL	\$	\$	\$
A. COST	B. PROFIT/FEE	C. TOTAL									
\$	\$	\$									
7. PLACE(S) AND PERIOD(S) OF PERFORMANCE											
8. List and reference the identification, quantity and total price proposed for each contract line item. A line item cost breakdown supporting this recap is required unless otherwise specified by the Contracting Officer. (Continue on reverse, and then on plain paper, if necessary. Use same headings.)											
A. LINE ITEM NO.	B. IDENTIFICATION	C. QUANTITY	D. TOTAL PRICE	E. REF.							
9. PROVIDE NAME, ADDRESS, AND TELEPHONE NUMBER FOR THE FOLLOWING (If available)											
A. CONTRACT ADMINISTRATION OFFICE			B. AUDIT OFFICE								
10. WILL YOU REQUIRE THE USE OF ANY GOVERNMENT PROPERTY IN THE PERFORMANCE OF THIS WORK? (If "Yes," identify)		11A. DO YOU REQUIRE GOVERNMENT CONTRACT FINANCING TO PERFORM THIS PROPOSED CONTRACT? (If "Yes," complete Item 11B)		11B. TYPE OF FINANCING (If one)							
☐ YES ☐ NO		☐ YES ☐ NO		☐ ADVANCE PAYMENTS ☐ PROGRESS PAYMENTS ☐ GUARANTEED LOANS							
12. HAVE YOU BEEN AWARDED ANY CONTRACTS OR SUBCONTRACTS FOR THE SAME OR SIMILAR ITEMS WITHIN THE PAST 3 YEARS? (If "Yes," identify item(s), customer(s) and contract number(s))		13. IS THIS PROPOSAL CONSISTENT WITH YOUR ESTABLISHED ESTIMATING AND ACCOUNTING PRACTICES AND PROCEDURES AND FAR PART 31 COST PRINCIPLES? (If "No," explain)									
☐ YES ☐ NO		☐ YES ☐ NO									
14. COST ACCOUNTING STANDARDS BOARD (CASB) DATA (Public Law 91-379 as amended and FAR PART 30)											
A. WILL THIS CONTRACT ACTION BE SUBJECT TO CASB REGULATIONS? (If "No," explain in proposal)		B. HAVE YOU SUBMITTED A CASB DISCLOSURE STATEMENT (CASB DS-1 or 2)? (If "Yes," specify in proposal the office to which submitted and if determined to be adequate)									
☐ YES ☐ NO		☐ YES ☐ NO									
C. HAVE YOU BEEN NOTIFIED THAT YOU ARE OR MAY BE IN NON-COMPLIANCE WITH YOUR DISCLOSURE STATEMENT OR COST ACCOUNTING STANDARDS? (If "Yes," explain in proposal)		D. IS ANY ASPECT OF THIS PROPOSAL INCONSISTENT WITH YOUR DISCLOSED PRACTICES OR APPLICABLE COST ACCOUNTING STANDARDS? (If "Yes," explain in proposal)									
☐ YES ☐ NO		☐ YES ☐ NO									
This proposal is submitted in response to the RFP contract, modification, etc. in Item 1 and reflects our best estimates and/or actual costs as of this date.											
15. NAME AND TITLE (Type)			16. NAME OF FIRM								
17. SIGNATURE			18. DATE OF SUBMISSION								

ATTACHMENT 9

STANDARD FORM 24, BID BOND

BID BOND <i>(See instructions on reverse)</i>	DATE BOND EXECUTED <i>(Must be same or later than bid opening date)</i>
PRINCIPAL <i>(Legal name and business address)</i>	TYPE OF ORGANIZATION <i>("X" one)</i> ☐ INDIVIDUAL ☐ PARTNERSHIP ☐ JOINT VENTURE ☐ CORPORATION STATE OF INCORPORATION
SURETY(IES) <i>(Name and business address)</i>	

PENAL SUM OF BOND					BID IDENTIFICATION	
PERCENT OF BID PRICE	AMOUNT NOT TO EXCEED				BID DATE	INVITATION NO.
	MILLION(S)	THOUSAND(S)	HUNDRED(S)	CENTS		
					FOR <i>(Construction, Supplies or Services)</i>	

OBLIGATION:

We, the Principal and Surety(ies) are firmly bound to the United States of America (hereinafter called the Government) in the above penal sum. For payment of the penal sum, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally. However, where the Sureties are corporations acting as co-sureties, we, the Sureties, bind ourselves in such sum "jointly and severally" as well as "severally" only for the purpose of allowing a joint action or actions against any or all of us. For all other purposes, each Surety binds itself, jointly and severally with the Principal, for the payment of the sum shown opposite the name of the Surety. If no limit of liability is indicated, the limit of liability is the full amount of the penal sum.

CONDITIONS:

The Principal has submitted the bid identified above.

THEREFORE:

The above obligation is void if the Principal — (a) upon acceptance by the Government of the bid identified above, within the period specified therein for acceptance (sixty (60) days if no period is specified), executes the further contractual documents and gives the bond(s) required by the terms of the bid as accepted within the time specified (ten (10) days if no period is specified) after receipt of the forms by the principal; or (b) in the event of failure so to execute such further contractual documents and give such bonds, pays the Government for any cost of procuring the work which exceeds the amount of the bid.

Each Surety executing this instrument agrees that its obligation is not impaired by any extension(s) of the time for acceptance of the bid that the Principal may grant to the Government. Notice to the surety(ies) of extension(s) are waived. However, waiver of the notice applies only to extensions aggregating not more than sixty (60) calendar days in addition to the period originally allowed for acceptance of the bid.

WITNESS:

The Principal and Surety(ies) executed this bid bond and affixed their seals on the above date.

PRINCIPAL						
Signature(s)	1.		2.		Corporate Seal	
		(Seal)		(Seal)		
Name(s) & Title(s) <i>(Typed)</i>	1.		2.			
INDIVIDUAL SURETIES						
Signature(s)	1.		2.			
		(Seal)		(Seal)		
Name(s) <i>(Typed)</i>	1.		2.			
CORPORATE SURETY(IES)						
SURETY A	Name & Address			STATE OF INC.	LIABILITY LIMIT \$	Corporate Seal
	Signature(s)	1.		2.		
	Name(s) & Title(s) <i>(Typed)</i>	1.		2.		

CORPORATE SURETY (IES) (Continued)				
SURETY B	Name & Address			STATE OF INC. LIABILITY LIMIT \$
	Signature(s)	1.	2.	Corporate Seal
	Name(s) & Title(s) (Typed)	1.	2.	
SURETY C	Name & Address			STATE OF INC. LIABILITY LIMIT \$
	Signature(s)	1.	2.	Corporate Seal
	Name(s) & Title(s) (Typed)	1.	2.	
SURETY D	Name & Address			STATE OF INC. LIABILITY LIMIT \$
	Signature(s)	1.	2.	Corporate Seal
	Name(s) & Title(s) (Typed)	1.	2.	
SURETY E	Name & Address			STATE OF INC. LIABILITY LIMIT \$
	Signature(s)	1.	2.	Corporate Seal
	Name(s) & Title(s) (Typed)	1.	2.	
SURETY F	Name & Address			STATE OF INC. LIABILITY LIMIT \$
	Signature(s)	1.	2.	Corporate Seal
	Name(s) & Title(s) (Typed)	1.	2.	
SURETY G	Name & Address			STATE OF INC. LIABILITY LIMIT \$
	Signature(s)	1.	2.	Corporate Seal
	Name(s) & Title(s) (Typed)	1.	2.	

INSTRUCTIONS

1. This form is authorized for use when a bid guaranty is required. Any deviation from this form will require the written approval of the Administrator of General Services.

2. Insert the full legal name and business address of the Principal in the space designated "Principal" on the face of the form. An authorized person shall sign the bond. Any person signing in a representative capacity (e.g., an attorney-in-fact) must furnish evidence of authority if that representative is not a member of the firm, partnership, or joint venture, or an officer of the corporation involved.

3. The bond may express penal sum as a percentage of the bid price. In these cases, the bond may state a maximum dollar limitation (e.g., 20% of the bid price but the amount not to exceed _____ dollars).

4. (a) Corporations executing the bond as sureties must appear on the Department of the Treasury's list of approved sureties and must act within the limitation listed herein. Where more than one corporate surety is involved, their names and addresses shall appear

in the spaces (Surety A, Surety B, etc.) headed "CORPORATE SURETY(IES)". In the space designated "SURETY(IES)" on the face of the form, insert only the letter identification of the sureties.

(b) Where individual sureties are involved, two or more responsible persons shall execute the bond. A completed Affidavit of Individual Surety (Standard Form 28), for each individual surety, shall accompany the bond. The Government may require these sureties to furnish additional substantiating information concerning their financial capability.

5. Corporations executing the bond shall affix their corporate seals. Individuals shall execute the bond opposite the word "Corporate Seal"; and shall affix an adhesive seal if executed in Maine, New Hampshire, or any other jurisdiction requiring adhesive seals.

6. Type the name and title of each person signing this bond in the space provided.

7. In its application to negotiated contracts, the terms "bid" and "bidder" shall include "proposal" and "offeror".

ATTACHMENT 10

STANDARD FORM 25, PERFORMANCE BOND

PERFORMANCE BOND (See instructions on reverse)	DATE BOND EXECUTED (Must be same or later than date of contract)																
PRINCIPAL (Legal name and business address)	TYPE OF ORGANIZATION ("X" one) ☐ INDIVIDUAL ☐ JOINT VENTURE ☐ PARTNERSHIP ☐ CORPORATION STATE OF INCORPORATION																
SURETY(IES) (Name(s) and business address(es))	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="4" style="text-align: center;">PENAL SUM OF BOND</th> </tr> <tr> <td style="width: 25%;">MILLION(S)</td> <td style="width: 25%;">THOUSAND(S)</td> <td style="width: 25%;">HUNDRED(S)</td> <td style="width: 25%;">CENTS</td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">CONTRACT DATE</td> <td style="width: 40%;">CONTRACT NO.</td> </tr> <tr> <td> </td> <td> </td> </tr> </table>	PENAL SUM OF BOND				MILLION(S)	THOUSAND(S)	HUNDRED(S)	CENTS					CONTRACT DATE	CONTRACT NO.		
PENAL SUM OF BOND																	
MILLION(S)	THOUSAND(S)	HUNDRED(S)	CENTS														
CONTRACT DATE	CONTRACT NO.																

OBLIGATION:

We, the Principal and Surety(ies), are firmly bound to the United States of America (hereinafter called the Government) in the above penal sum. For payment of the penal sum, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally. However, where the Sureties are corporations acting as co-sureties, we, the Sureties, bind ourselves in such sum "jointly and severally" as well as "severally" only for the purpose of allowing a joint action or actions against any or all of us. For all other purposes, each Surety binds itself, jointly and severally with the Principal, for the payment of the sum shown opposite the name of the Surety. If no limit of liability is indicated, the limit of liability is the full amount of the penal sum.

CONDITIONS:

The Principal has entered into the contract identified above.

THEREFORE:

The above obligation is void if the Principal —

(a)(1) Performs and fulfills all the undertakings, covenants, terms, conditions, and agreements of the contract during the original term of the contract and any extensions thereof that are granted by the Government, with or without notice to the Surety(ies), and during the life of any guaranty required under the contract, and (2) perform and fulfills all the undertakings, covenants, terms conditions, and agreements of any and all duly authorized modifications of the contract that hereafter are made. Notice of those modifications to the Surety(ies) are waived.

(b) Pays to the Government the full amount of the taxes imposed by the Government, if the said contract is subject to the Miller Act, (40 U.S.C. 270a-270e), which are collected, deducted, or withheld from wages paid by the Principal in carrying out the construction contract with respect to which this bond is furnished.

WITNESS:

The Principal and Surety(ies) executed this performance bond and affixed their seals on the above date.

PRINCIPAL				
Signature(s)	1.	2.	Corporate Seal	
	(Seal)	(Seal)		
Name(s) & Title(s) (Typed)	1.	2.		
INDIVIDUAL SURETY(IES)				
Signature(s)	1.	2.	(Seal)	
	(Seal)	(Seal)		
Name(s) (Typed)	1.	2.		
CORPORATE SURETY(IES)				
SURETY A	Name & Address	STATE OF INC.		LIABILITY LIMIT
				\$
	Signature(s)	1.	2.	Corporate Seal
Name(s) & Title(s) (Typed)	1.	2.		

CORPORATE SURETY(IES) (Continued)						
SURETY B	Name & Address			STATE OF INC.	LIABILITY LIMIT \$	Corporate Seal
	Signature(s)	1.	2.			
	Name(s) & Title(s) (Typed)	1.	2.			
SURETY C	Name & Address			STATE OF INC.	LIABILITY LIMIT \$	Corporate Seal
	Signature(s)	1.	2.			
	Name(s) & Title(s) (Typed)	1.	2.			
SURETY D	Name & Address			STATE OF INC.	LIABILITY LIMIT \$	Corporate Seal
	Signature(s)	1.	2.			
	Name(s) & Title(s) (Typed)	1.	2.			
SURETY E	Name & Address			STATE OF INC.	LIABILITY LIMIT \$	Corporate Seal
	Signature(s)	1.	2.			
	Name(s) & Title(s) (Typed)	1.	2.			
SURETY F	Name & Address			STATE OF INC.	LIABILITY LIMIT \$	Corporate Seal
	Signature(s)	1.	2.			
	Name(s) & Title(s) (Typed)	1.	2.			
SURETY G	Name & Address			STATE OF INC.	LIABILITY LIMIT \$	Corporate Seal
	Signature(s)	1.	2.			
	Name(s) & Title(s) (Typed)	1.	2.			

BOND PREMIUM	▶	RATE PER THOUSAND \$	TOTAL \$
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INSTRUCTIONS

1. This form is authorized for use in connection with Government contracts. Any deviation from this form will require the written approval of the Administrator of General Services.

2. Insert the full legal name and business address of the Principal in the space designated "Principal" on the face of the form. An authorization person shall sign the bond. Any person signing in a representative capacity (e.g., an attorney-in-fact) must furnish evidence of authority if that representative is not a member of the firm, partnership, or joint venture, or an officer of the corporation involved.

3. (a) Corporations executing the bond as sureties must appear on the Department of the Treasury's list of approved sureties and must act within the limitation listed therein. Where more than one corporate surety is involved, their names and addresses shall appear in the spaces (Surety A, Surety B, etc.) headed "CORPORATE

SURETY(IES)". In the space designated "SURETY(IES)" on the face of the form insert only the letter identification of the sureties.

(b) Where individual sureties are involved, two or more responsible persons shall execute the bond. A completed Affidavit of Individual Surety (Standard Form 28), for each individual surety, shall accompany the bond. The Government may require these sureties to furnish additional substantiating information concerning their financial capability.

4. Corporations executing the bond shall affix their corporate seals. Individuals shall execute the bond opposite the word "Corporate Seal"; and shall affix an adhesive seal if executed in Maine, New Hampshire, or any other jurisdiction requiring adhesive seals.

5. Type the name and title of each person signing this bond in the space provided.

ATTACHMENT 11

USGA COURSE ASSESSMENT

United States Golf Association® Green Section
Southeastern Region

Director
Patrick M. O'Brien
Agronomist
John H. Foy



USGA®
ANK HANNIGAN
Executive Director

8908 S.E. Colony St.
Hobe Sound, Florida 33455
(405) 546-2620

October 9, 1987

FIDDLER'S GREEN GOLF COURSE
NAS, CECIL FIELD, FLORIDA
SEPTEMBER 28, 1987

PRESENT: Mr. Ernie Sampson, Golf Course Manager
Mr. Dick Johnson, Golf Course Superintendent

On behalf of the USGA Green Section, it was a pleasure to tour your course and discuss your management programs. The Green Section is a nonprofit organization whose purpose is to bring its supporting members the most up-to-date information and experience regarding golf course care and operation and to help those clubs maintain the highest golfing standards possible. The USGA Green Section is the only agency in the country devoted solely to maintaining and improving golf course turf, its playing conditions and its management. The following report will summarize our discussions concerning your course, its present condition, and suggestions for continuing course development and improvement. If there are any further questions or comments, please do not hesitate to contact our office. I look forward to serving you in the future.

At the time of my visit, the overall condition of the golf course would best be classified as mediocre to fair. It is a very common misconception that maintaining a golf course in Florida is a very easy proposition because the turf grows naturally. While the grass does grow, in order to produce and maintain acceptable playability very intensive management programs must be maintained. It was rather obvious that the necessary programs have not been implemented on a continuous basis in the past. However after touring the golf course, in my opinion there are no serious physical limitations to achieving the level of quality desired. The first step in the process has already been taken with the hiring of Mr. Johnson. He is definitely well qualified to implement and carry out the necessary agronomic and other golf course management programs that will be required.

USGA

Given the existing condition of the golf course, two to three years will be required to establish truly acceptable course conditioning. No matter what man tries, we must work within nature's confines and time schedules, thus some patience will be necessary. And with it being the end of September, it would not be appropriate to initiate many of the necessary practices due to the reduction in growth activity of the turf that is already beginning to occur. Beyond preparing the golf course for overseeding and the winter season, it will be necessary to wait until the bermudagrass resumes active growth this coming year to really get started with the necessary programs.

FOR THE PRESENT

With the limited amount of time left before the base bermuda goes dormant for the winter and the winter overseeding is established on the greens, it will be extremely important to improve the basic health of the turf. In a descending order of priority, the greens should come first followed by the tees, then the fairways, and finally the rough areas and bunkers. It was noted that there was a fairly heavy infestation of goosegrass on quite a number of the greens. But before any herbicides could safely be applied to the greens turf health must be reestablished so it can tolerate these chemicals. The fertilization program discussed consisting of weekly applications of material for the next month and a half will be necessary to encourage as much growth activity as possible. Efforts should be concentrated on using readily available nitrogen sources to stimulate a quick response of shoot growth activity. Because there is a direct correlation to root development and growth activity, proper potassium fertilization will also be very important. Besides being the primary element involved in root growth and development, potassium is also extremely beneficial for improving the turf's overall stress tolerance to such factors such as heat, cold, drought, wear, and diseases. Whenever a complete fertilizer material is used, nitrogen and potassium should be applied in a 1:1 ratio.

Because potassium is extremely mobile in the soil profile and is quickly leached through and becomes unavailable, a couple of supplemental applications of potassium would be recommended. Muriate of potash, sulfate of potash or Sul-Po-Mag are all excellent sources of potassium but because Florida soils are deficient in magnesium, the Sul-Po-Mag would be the best choice. I would suggest applying between 1-1/4 and 1-1/2 lbs. K/1000 sq. ft. in two applications. Naturally the first application should be made as soon as possible and the

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the following application scheduled two to three weeks prior to the proposed overseeding date.

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The majority of the greens were exhibiting areas of thin, weak, off-color turf which indicated the presence of high populations of nematodes. These microscopic, worm-like organisms attack the root systems and either physically damage the roots or remove metabolites necessary for growth. While nematodes do not cause the physical disruption of the playing surfaces similar to mole crickets, they are equally as important to control. I would recommend an application of fenamiphos (Nemacur) at a rate of 10 to 20 lbs. ai/acre when the granular formulation is used. To move the chemical into the soil as quickly as possible the greens should be spiked before the application and then the fenamiphos should be thoroughly watered in immediately after application.

In two to three weeks after the turf has shown a response in growth activity, it would be appropriate to initiate a herbicide program to begin controlling the existing weed population. MSMA applied at 2 lbs. ai/acre seven days apart for three applications would be suggested. It will not be possible to eradicate the existing weed populations with this weed program, however it will keep them in check. I would caution against making more than three repeat applications of MSMA to the greens because of a potential of damage to the existing bermuda.

As we discussed, with the existing weed populations and the inability to truly control them prior to overseeding, it will be more difficult to establish a uniform overseeding stand. Rather than using a light overseeding rate initially and then doing a follow-up seeding once weed growth activity has subsided, I feel you would be more successful with trying to physically remove the weeds through a heavy verticutting operation. Since it is a standard procedure to verticut the greens to prepare a good seedbed for overseeding, working over the heavily weed infested areas a couple of additional times would be the simplest approach. Because overseeding is an effective masking effect it would definitely be recommended to extend this effort down to the base of the slopes of the greens to fill in the areas of thin turf.

There was some concern expressed about the use of charcoal to deactivate the herbicide material pronamide (Kerb) and then reestablishing preventative control measures against the weed Poa annua with fenarimol (Rubigan). After some additional research on this subject I have found it impossible to

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predict how long the charcoal will continue to deactivate chemical activity. Deactivation activity is purely a function of the number of sites available to absorb chemical. Thus in order to ensure the desired level of Poa annua control the approach must be taken to try to fill any existing sites that would deactivate the control material prior to its use. The logical approach would be to apply the charcoal one month prior to your proposed overseeding date and then make a couple of applications of a very cheap fungicide such as Captan to fill any remaining sites that may be active. However it still will be very difficult to predict control success with the fenarimol.

Because Mr. Johnson has had excellent success with overseeding efforts in the past, I do not feel any comments on this area are necessary. As far as the tees and fairways are concerned, as with the greens, trying to encourage as much growth activity as possible over the next month to month and a half through fertilization would be the logical approach. Mole cricket activity does appear to be on the decline but I definitely would not eliminate the need for additional spot control applications. As you know, acephate (Orthene) applied in the late afternoon is currently one of the better control materials available. The recommended rate of 3 to 5 lbs. material/acre should be used. As far as weed control efforts, very limited success will be possible due to the mature stage of the weeds. At this point in time, implementing a major control effort really is not practical.

Something that could make a quick visual improvement in the golf course would be the establishment of contour mowing patterns in the fairways. At present the golf course truly lacks good definition and establishing different heights of cut between the fairways and the roughs would help provide this. There is presently much area being included in the fairway mowing effort which could be reduced. This would result in more efficient use of equipment and available manpower as well as fertilizers and pesticides.

FOR THE FUTURE

Now I would like to briefly discuss the basics of a sound golf course management program. I would also like to cover some additional projects which could further improve the golf course.

As mentioned at the beginning of this report, very intensive management programs are necessary to produce and maintain both good turf health and proper playability. The cultural

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management practices of core aerification, topdressing, and verticutting are the basics of these programs. Core aerification is practiced to relieve soil compaction which develops from traffic and the operation of equipment over an area. As soil compaction increases there is a negative impact on moisture percolation through the profile and root growth and development. For proper turf development the ratios of soil/oxygen/moisture must be maintained within certain ranges. Core aerification is utilized to control these factors. Because traffic and wear are concentrated on the greens and tees they should be aerified a minimum of three times during the summer growing season. With traffic being much more dispersed over the fairways, generally two aerifications are sufficient. In thin areas where traffic patterns are concentrated such as the exits and entrances of cart paths, multiple aerifications or additional aerifications would be recommended.

Topdressing is practiced to control thatch accumulation, improve surface smoothness, and increase putting speed of the greens. The typical topdressing program for greens and tees is three applications in conjunction with core aerifications. On the greens, additional light and frequent topdressing applications through the summer growing season should be made to improve playability. During periods of active shoot growth an application of 0.125 to 0.3 cu. yds. material/1000 sq. ft. should be made every three to four weeks. Because of the amount of area involved it is really not practical to ever consider topdressing fairways, and actually when the fairways are aerified and the cores broken up and worked back into the surface, this serves as a very effective means of topdressing.

Verticutting is the third cultural practice necessary for managing golf course turf. It is conducted to control and remove thatch, stimulate increased turf density, and encourage an upright shoot growth of the turf. On the putting green surfaces two types of verticutting are done. In the early summer growing season the greens should be heavily verticut once or twice to remove any thatch accumulation that has occurred, stimulate increased bermudagrass growth activity, and aid in the transition out of the winter overseeding. For these heavy verticuttings the blades should be adjusted so they just cut into the upper soil profile. To groom an upright shoot growth character of the turf, frequent and light verticutting is also conducted. This practice controls grain and improves putting speed of the greens. From May until September the greens should be lightly verticut on a minimal schedule of once per month and

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preferably every seven to ten days. For this light verticutting, the vertical blades should be adjusted so they are 1/8" to 1/64" below the effective mowing height. This verticutting should be so light that the following day after the greens have been mowed, it is very difficult to tell that anything has been done to them. For the tees, two heavy verticuttings should be scheduled in the early part of the summer growing season along with one verticutting of the fairways.

Next to labor, the most expensive item in a course operating budget is fertilizers and pesticides. In order to establish a good fertilization program, annual soil tests are necessary. I would be more than happy to make my recommendations for fertilization of the golf course when the results from the soil analysis are available.

It must be accepted that we will never be able to totally eradicate pest problems such as insects (mole crickets), weeds, diseases, and nematodes from the golf course environment. Thus an approach of establishing and maintaining an acceptable level of control of these pests is the best strategy. As far as weed control, both pre- and postemerge chemicals should be used. Because there has been a heavy infestation of weeds throughout the golf course for a number of years, seed counts in the soil undoubtedly are very high. I would strongly recommend a spring application of a pre-emerge material such as oxidiazon (Ronstar) or pendamethalin (Pre-M, or other trade names) at the recommended rate. However these materials will not control the weeds already present and thus a postemerge program will also be necessary.

As far as mole cricket and nematode control, it has been my experience that the best results are being achieved with an application of fenamiphos (Nemacur) in the spring and fall. In addition to treating the playing surfaces proper, I would also suggest treating the slopes of these areas along with the perimeters of the bunkers because these areas are traditionally hot spots for activity. It is really not economically feasible to broadcast treat fairways with Nemacur. Isofenphos (Oftanol) is a more cost effective chemical control for mole crickets. As far as nematodes, spot applications to problem areas is the best approach. It will still be necessary to make spot treatment applications with contact type insecticides periodically to control mole cricket activity as populations build up.

As far as additional projects to the basic turf management programs, there are three areas I feel need attention. It

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was pointed out that some cart path work has been done this year. I would definitely encourage you to extend this out as much as possible along with curbing to control cart traffic through the course. With the limited elevation changes through the golf course there are a number of areas that require the installation of subsurface drainage. The other area that should receive attention is the bunkers. Besides improving the quality of turf around them, new sand and re-establishing proper edges would be a tremendous improvement to the golf course. In closing I would just like to say again that with the implementation of the proper management programs, the Fiddler's Green Golf Course can be turned around. You are very fortunate that limiting factors are not present and there is also an excellent equipment inventory available for use. Some additional manpower could be justified but with good education and management of the existing staff, a tremendous amount can be accomplished.

In addition to the recent visit and this report, the Turf Advisory Service fee helps defray expenses related to a number of other services. Among these are the Green Section RECORD, the National Green Section Educational Conference and regional educational programs held throughout the country. The Research and Educational Fund supports turfgrass research at many universities each year.

The USGA/GCSAA research effort is well underway. The committee has appropriated \$420,000 in 1987 for turfgrass research. This nationwide effort has developed a complete data base of all printed turfgrass research. Another main thrust is to develop lower maintenance, more drought tolerant grasses for golf course turf. Your support would be greatly appreciated and a direct contribution to golf. If you would like more information on the research programs, please contact Mr. Bill Bengeyfield, National Director, USGA Green Section, Box 3375, Tustin, California 92681.

The Green Section exists as a resource for golf course superintendents, club officials and others interested

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in providing better turf for better golf. Your support of
our efforts is greatly appreciated.

Sincerely,

John H. Foy

John H. Foy
Southeastern Regional Agronomist

JHF/kw

Enclosures

cc: Mr. Ernie Sampson

ATTACHMENT 12

POPULATION OF CURRENTLY AUTHORIZED USERS

POPULATION OF CURRENTLY AUTHORIZED USERS

To be provided by NAS Cecil Field.

APPENDIX I

**REQUIREMENTS FOR A SUCCESSFUL
PUBLIC-PRIVATE VENTURE
IN GOLF COURSE CONSTRUCTION FOR
NAVAL AIR STATION, LEMOORE, CALIFORNIA**

PREFACE

Appendix I was originally published separately as a temporary LMI report with a restricted distribution. We have reprinted it here with no changes. Thus, material in the original document or appended to it bears the same numbering and designation it did when previously published.

**REQUIREMENTS FOR A SUCCESSFUL
PUBLIC-PRIVATE VENTURE IN GOLF
COURSE CONSTRUCTION**

Naval Air Station, Lemoore, California

Report NA705TR2

October 1988

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REQUIREMENTS FOR A SUCCESSFUL PUBLIC-PRIVATE VENTURE IN GOLF COURSE CONSTRUCTION

Naval Air Station Lemoore, California

OVERVIEW

This paper assesses the feasibility of using public-private ventures (PPVs) to construct and operate golf courses on military installations. The assessment uses the golf course at the Naval Air Station (NAS) Lemoore in California as a test site on which to base the analysis.

We find that a PPV golf course at Lemoore is feasible under the following conditions: the course must be open to the general public; greens fee discounts cannot be mandated for military users (although they can be given tee time advantages); the contractor must be given the right to earn the revenues from all golf course operations; and the contract term cannot be less than 30 years. We expect these conditions will apply in general to newly constructed PPV golf courses on naval installations, and we have summarized the factors to consider when deciding on the feasibility of a new naval PPV golf course.

BACKGROUND OF STUDY

Recently, appropriated fund support has been withdrawn from Military Service morale, welfare, and recreation (MWR) functions. The Services are looking to the private sector to provide the capital for construction of facilities for MWR functions and to compensate for the loss of appropriated fund support for operations by improving the efficiency and quality of the functions. We are tasked to study the feasibility of an approach in which contractors would have full responsibility for financing and operating the activities in a PPV. In return for profits from the MWR activities, contractors would normally make initial capital improvements, operate the activities, and make regular payments to the nonappropriated fund (NAF).

This paper represents the second phase of a study of golf course PPVs on naval installations. The first phase looked at PPV operation of an existing golf course at NAS Cecil Field, Florida. In this study, we look at the feasibility of having the

private sector finance the construction of a totally new course at NAS Lemoore as a PPV.

CONDITIONS AT THE TEST SITE

Site Description

NAS Lemoore is located in rural southern California 31 miles south of Fresno. It has a military community of 20,565, including active duty military and their dependents, DoD civilians, military reservists and retirees, and contract employees. The installation is adjacent to the town of Lemoore, which has a population of 12,700, many of whom are also part of the military community. The installation wishes to have its MWR program include a golf course, and to that end, has selected a 300-acre site on the west side of the installation. This land, currently under lease to a local cotton farmer, is flat and treeless, and a large investment will be required to turn it into a quality golf course. However, it is outside the installation's secure area and it is easily accessible to the on-base population and the general public.

The installation is willing to open the course to the general public but would prefer that military and other currently authorized users be given a discount on greens fees. It would also prefer to exclude the food and beverage services, banquet and catering services, miniature golf, batting cages, and other ancillary revenue-producing services from the contract.

Market Potential

A 31 March 1988 report prepared by the National Golf Foundation (NGF) examined the market potential for the proposed golf course and concluded that the demand for golf would support 126,905 18-hole rounds a year within a 20-mile radius. When the radius is extended to 30 miles, the demand more than doubles to 271,115 rounds per year. These numbers are based on the 1990 population projected for the area, including the military assigned to NAS Lemoore. Within the 20-mile radius, the demand averages 50,762 annual rounds each for the existing and the proposed courses. The area supports one 18-hole and one 9-hole course today. Within the extended radius, the demand averages 38,732. These figures do not seem particularly high and, based on population growth, NGF predicts that potential rounds will increase only 1.4 percent annually.

There is also a concern that NGF's projections of the demand for golf might be inflated slightly. In its calculations, NGF used the California-wide golf participation rate of 8.8 percent of the golf-age population. However, NAS Lemoore is located in Kings County with a 40 percent rural population compared with only 23 percent rural population for California as a whole [1]. NGF explains its use of the 8.8 percent participation rate on the assumption that golfers from Fresno, 31 miles from NAS Lemoore, will use the course. However, contractors responding to an RFP will look hard at these estimates of potential rounds and may conclude that their risk is high. With perception of a higher risk, the winning contractor will expect a larger share of the profit. The economic analysis in this paper includes a sensitivity analysis of annual rounds played to see how much profitability will be affected by this variable.

There are several factors, however, which offset the pessimistic view of market potential indicated by these data. There is considerable evidence that the demand is stronger than the calculations based on population would indicate. Among the nation's 50 most promising areas for golf course development, Fresno, California, ranks number 13. It also ranks number 16 among the country's top 25 most promising areas for public golf course development [2]. A local developer of golf courses has estimated that a course at NAS Lemoore could experience 10 percent growth per year in rounds played for the first 5 years. This is mainly because the competition in the primary market area is not strong.

The only two courses within a radius of 20 miles that would compete with an NAS Lemoore golf course are Jackson Lakes and Lemoore Municipal Course. Jackson Lakes is in disrepair and averages only 18,000 rounds per year; Lemoore Municipal is a 9-hole course, with no plans to expand, that averages 30,000 rounds per year. (See Table 1.) Together, these courses accommodate only 48,000 annual rounds of NGF's estimated 126,905 rounds in the primary market area, leaving potentially 78,905 rounds for a new golf course. At NGF's predicted 1.4 percent annual growth rate, this potential would increase to about 90,500 rounds by the year 2000.

The management of the Jackson Lakes Course has indicated that the course is likely to close if a new course is opened at NAS Lemoore. This would further increase the demand on the new course. This optimistic view of unmet golf demand is also supported by Mayor Barbara Wykoff of the City of Lemoore. Mayor Wykoff told us that her city council is barraged by requests from local golfers to expand the

9-hole Lemoore Municipal Course. The city, however, lacks funds and has no plans for expansion in the foreseeable future. (As an aside, we asked the Mayor if the city would help to subsidize a public course at NAS Lemoore, but she said the city council would not even subsidize its own municipal course if it began losing money.)

TABLE 1
COMPETITION FROM PUBLIC GOLF COURSES

Course	Distance from NAS Lemoore	Annual rounds played	Remarks
Jackson Lakes	Less than 20 miles	18,000	In disrepair
Lemoore Municipal	Less than 20 miles	30,000	9 holes, limited
Selma Valley	Less than 30 miles	40,000	Very busy but barely qualifies as a regulation course
Tulare	Less than 30 miles	40,000	Generally good
Valley Oaks	More than 30 miles	72,000	Overflowing
Sierra View	More than 30 miles	Unknown	Regulation 18 holes
Polvadero	More than 30 miles	Unknown	9 holes

We therefore conclude that the demand for golf in the primary market area around NAS Lemoore is high enough to support a second 18-hole golf course. The economic analysis section of this paper explores how robust this assumption is.

ECONOMIC ANALYSIS

Contractor's Expectations

Companies likely to respond to any request for proposals (RFP) for a golf course at NAS Lemoore would conduct a pro forma economic analysis similar to the one we have made for this paper. The analysis would project the costs and revenues based on the requirements in the RFP, list them in a pro forma income statement, and determine if there is enough return on investment to justify the risks perceived in the project. For this golf course, the contractor is not only faced with the normal business risks of a major new capital investment, but is also subject to additional risks because of its location on a military installation. The contractor will perceive as additional risks the measure of control the installation will impose and the resulting loss of contractor flexibility; the contract clauses designed to protect the

Government, such as the termination for convenience clause; and the uncertainty of a new venture, since this will be the first time the Federal Government has contracted for a golf course. Against these added risks, the contractor must weigh the advantages the Government contract offers beyond those of a normal golf course constructed on private or municipal land. For example, the Cecil Field golf course in Florida offers an established course complete with buildings and equipment, a clientele base, and a performance history that can be evaluated. At NAS Lemoore, however, the only advantage the Government is offering is the land. We must therefore determine the financial value of this advantage and see if it justifies the additional risks incurred from building and operating on a naval base.

The proposed land is valued at about \$1,750 per acre and the 160-acre parcel would therefore be worth about \$280,000. A 30-year loan at 13 percent to buy this land would have to be paid back at \$36,400 per year. (If alternative land could be leased instead of purchased, the annual cost would be much less.) Avoiding an annual mortgage payment is clearly an advantage. Another advantage to building on Government land is that the investment can be financed using certificates of participation. These certificates bring certain tax advantages, discussed later in this paper, that allow lower interest rates for the contractor's debt burden. This advantage is estimated to be \$103,500 per year, although it depends on the prevailing interest rate and market conditions. Together, these two advantages could be worth \$140,000 annually to the contractor, or \$4.2 million over a 30-year contract.

This \$140,000 per year represents the expected financial advantage of building the course on Navy land instead of on an adjacent parcel of private land. Some intangible benefits also accrue from building on the naval installation, such as cooperation and help from the installation in promoting the course and encouraging play, and a prestigious location for any banquet facilities allowed under the contract. But, in his bid preparation, the contractor is likely to see the advantage solely in terms of the \$140,000 per year in costs avoided. Moreover, if alternative government land opportunities become available, such as a PPV to expand the City of Lemoore's 9-hole golf course, the financial advantage of building on NAS Lemoore may disappear.

Even if there are no other government land opportunities available, the \$140,000 annual cost avoidance represents only a slim advantage for a multimillion dollar capital venture. We should therefore be extremely cautious about imposing

any requirements on the contractor that would increase his risk beyond that expected for a course built on private land. Examples of such requirements include mandatory military discounts and restrictions on the range of services that the contractor can offer. Such requirements could soon nullify the land and tax advantages and discourage any response to an RFP.

Pro Forma Analysis

We begin the pro forma economic analysis with a projection of revenues and costs based on the assumptions listed in Table 2. These are not the only assumptions made in the pro forma analysis but they are the main ones. We then make changes to these assumptions to see how sensitive the expected payback is to these changes. The baseline assumptions were chosen and the pro forma analyses were constructed using NGF and Pannell Kerr Forster data on golf course operations, the 31 March 1988 NGF Golf Market Demand Analysis for Lemoore Naval Air Station, pro forma analyses for other planned golf courses, the golf course literature, and inputs from the installation, the golf industry, and a local developer.

TABLE 2
BASELINE ASSUMPTIONS FOR PRO FORMAS

Rounds played first year	49,500
Rate of increase in annual play	5%
Capacity of course in annual rounds	72,000
Weekday 18-hole greens fee	\$8.65
Weekend 18-hole greens fee	\$10.25
Golf cart fees	\$15
Cost of construction	\$4.5M
Finance rate (certificate of participation)	11.5%
Contract term	30 years
Return on Investment, before taxes	17%
Banquet and catering services	Authorized

Table 3 is an example of a pro forma and it lists the income and expenses of the golf course, under the baseline assumptions, for the first year of the contract. Results of pro forma analyses constructed under various assumptions are judged on

two criteria: The total of each year's "additional profit" and the net present value (NPV) of this total. "Additional profit" is defined as profit above that normally expected by the industry based on the normal risks taken. In the contractor's response to the RFP, he may offer to share this additional profit with the installation in the form of payments to the NAF. On the other hand, he may decide to keep it because of a perception of higher risks required by the venture. The second criterion, the NPV of this additional profit, is a measure of how additional profits are spread out over the term of the contract. New golf courses normally lose money in the first few years of operation, but this loss is made up by larger profits in later years. However, a thousand dollars earned this year is more valuable than a thousand dollars earned 10 years from now because future earnings must be discounted over time. The NPV represents the sum of each year's additional profits (and losses) discounted to the beginning of the venture. A positive additional profit total with a negative NPV indicates that although the additional profits eventually outweigh the losses, the break-even year is so far in the future that the venture may be unattractive.

The pro forma analysis built on the baseline assumptions listed in Table 2 produced the following results:

Total additional profits (30 years):	\$4,148,000
NPV of these additional profits:	(\$28,000)

The \$4.1 million in additional profits matches the \$4.2 million land and tax advantage from building on Government land, discussed earlier. An NPV loss of only \$28,000 over 30 years is well within the margin of error, so this scenario is essentially a break-even scenario for NAF. The contractor would make a reasonable profit and may offer a little to NAF in payment. Any payments offered, however, would be some years in the future so that their present worth is minimal.

The tables in the following sections show the total additional profits and the NPV for each additional profit by varying the baseline values in Table 2. This allows an examination of each factor under various assumptions and a comparison of the results to show how sensitive the profitability is to changes in the factor's values.

TABLE 3
FIRST YEAR RESULTS OF BASELINE ASSUMPTIONS

Income	
Greens fees	\$ 480,978
Driving range (net)	26,532
Golf cart rental	207,991
Lessons	3,960
Pro shop gross	35,640
Snack bar	150,975
Banquets	187,200
Total income	1,093,276
Expenses	
General and administrative	86,000
Golf course salaries	260,000
Golf course maintenance	127,000
Pro shop	29,938
Utilities and water	60,000
Facility maintenance	43,400
Snack bar	113,231
Banquets	138,528
Debt service	517,500
Management fee	7,000
Total expenses	1,382,597
Net profit before taxes	(282,321)
Taxes	0
Additional profit	\$ (282,321)

Sensitivity to Fees

The first variable we examined was the greens fees structure. The average cost of greens fees among the six existing public courses in the area, inflated to the year 1990, is \$7.73 on weekdays and \$10.28 on weekends. NGF suggests fees around \$8.65 and \$10.28 respectively. The local developer suggests \$8.00 and \$10.00 respectively. Table 4 shows the effects of varying greens fees in this range and also the effects of offering discounts to the military community. Greens fees are the most sensitive of the variables we tested. A small change in the fees will result in a very

large change in the golf course's profitability. Similarly, even a small military discount will create a large decline in revenues because so many of the patrons would be eligible for it. If the military community were to have tee time priority as well as discounted greens fees, the situation would be exacerbated. In this situation, full-fee-paying players would be displaced by those receiving discounts. Without discounts, however, tee time priority for the military will have little effect on revenues since any player using the course will be under the same fee structure. Since profits are the most sensitive to fees and discounts, the contractor should be allowed to control them. Although discounts can be encouraged by weighing them heavily during the source selection process, they should not be mandated. Tee time priorities, on the other hand, can be required in the contract.

TABLE 4
SENSITIVITY TO GREENS FEES

Fee	Additional profit (\$000)	NPV (\$000)
Weekday/weekend		
\$8.00/\$9.75	3,006	(349)
8.65/10.25 ^a	4,148	(28)
9.00/10.50	4,710	130
Military discounts ^b		
0% ^a	4,148	(28)
10%	2,731	(483)
20%	1,227	(962)
25%	456	(1,210)

^a Baseline assumption.

^b Military discounts also apply to golf cart fees.

Sensitivity to Rounds Played

The next most important factor affecting profitability is the number of rounds played annually. In theory, this is limited by the physical capacity of the course, but in practice, it will probably be determined by how large a market share the course can capture. In our baseline factors in Table 2, we have chosen 72,000 annual rounds as the expected maximum of rounds played. This is the number of rounds currently

being played at Valley Oaks Golf Course in Visalia, California, outside Lemoore's 30-mile radius market area. A new course at NAS Lemoore is expected by NGF to be very similar to it. Also, the local golf course developer estimated 72,472 annual rounds for an NAS Lemoore course. Within the total rounds estimated, we have further estimated that the total rounds played by the military community will peak at 38,000, or 53 percent of the total. The low estimate for this military figure emphasizes the importance of opening the course completely to the general public.

Table 5 demonstrates how sensitive profits are to total annual rounds played. A relatively small decline in this figure produces a large drop in profitability. This is mainly because the debt burden for constructing the course drives up the course's fixed costs. These fixed costs must be paid regardless of the number of rounds played. A lot depends on realizing the 72,000-round potential, which is 50 percent of the total projected market potential. Given the poor competition in the area, this goal is possible, but it leaves little room for error. There is little the Navy can do to control the number of rounds played, but the analysis demonstrates the amount of risk undertaken by the contractor.

TABLE 5
SENSITIVITY TO MARKET POTENTIAL

Limit of annual rounds	Percent of projected market ^a	Additional profit (\$000)	NPV (\$000)
60,000	41%	58	(696)
65,000	45	1,989	(331)
72,000 ^b	50	4,148	(28)
75,000	52	4,871	59
80,000	55	5,846	161

^a 145,293 rounds in 1990, projected by NGF.

^b Baseline assumption

Two other factors closely related to the maximum annual rounds are the initial annual rounds and the rate of their annual increase. NGF estimates that the annual rounds will reach 50,000 within 3 to 5 years and the local developer estimates 49,500 in the first year. For our baseline, we have chosen 49,500 rounds, or 34 percent of the market potential. As Table 6 shows, profitability is not very

sensitive to estimates above this figure since, with a reasonable rate of increase, the annual rounds soon reach the maximum. For estimates below our baseline figure, profitability shows average sensitivity. In Table 7, the rate of increase in annual rounds is analyzed, and it was found that, with a reasonable figure for initial annual rounds, profitability also shows an average sensitivity to this variable. It should be noted, however, that a low number of initial annual rounds combined with a low rate of annual increase will together have a serious effect on profitability. Again, there is little that the Navy can do to affect these figures. They are provided to show how robust the baseline assumptions are and to give a sense of the degree of contractor risk required.

TABLE 6
SENSITIVITY TO INITIAL ROUNDS

Initial annual rounds	Additional profit (\$000)	NPV (\$000)
45,000	3,364	(521)
49,500 ^a	4,148	(28)
52,000	4,341	147
55,000	4,260	188

^a Baseline assumption.

TABLE 7
SENSITIVITY TO RATE OF INCREASE

Annual increase in rounds	Additional profit (\$000)	NPV (\$000)
2%	649	(970)
4%	3,423	(315)
5% ^a	4,148	(28)
7%	4,668	231
10%	4,988	422

^a Baseline assumption

Sensitivity to Construction Costs

A reasonable estimate of the cost of construction for the golf course is important since the debt service for this investment is a major expense. For our baseline assumptions, we estimate this cost to be \$4.5 million. NGF's estimate of \$4.6 million came from NAS Lemoore's estimate on a November 1987 DD Form 1391, the programming document for a new course on the selected site. Discussions with the Navy's West Coast Engineering Field Division, however, revealed that the cost of major course equipment had not been included. This would amount to about \$450,000, so an adjusted estimate would be about \$5 million. Another industry estimate, adjusted for the Kings County area in 1990, came to \$4.4 million – \$5.0 million [3]. The local developer estimates the cost at between \$3.5 million and \$4.5 million. Our estimate of \$4.5 million is just above the average of these estimates. Construction would include a quality, regulation 18-hole course, clubhouse, maintenance facility, driving range, and all supporting equipment.

Table 8 examines the sensitivity of profitability to cost of construction, showing that it is not as sensitive to this factor as it is to greens fees or maximum annual rounds.

TABLE 8
SENSITIVITY TO COST OF CONSTRUCTION

Initial construction (\$ million)	Additional profit (\$000)	NPV (\$000)
3.5	5,900	700
4.0	5,075	353
4.5 ^a	4,148	(28)
5.0	3,124	(439)

^a Baseline assumption

Sensitivity to Interest Rates

The baseline interest rate of 11.5 percent in Table 2 assumes that the investment is financed through certificates of participation. These are like bonds and are commonly used by golf course developers when the land or the facilities

remain or become the property of a government. These may be "partially tax free," incurring no state taxes, or "tax free," incurring neither state nor Federal taxes. Their interest is often capitalized, requiring no payments until the fourth year when golf courses historically break even. The form the financing will actually take depends on the skill and creativity of the developer.

Table 9 explores the sensitivity of this factor showing that it ranks along with the cost of construction in its effect on profitability. The effect of a 13 percent conventional mortgage on profitability shown in Table 9 emphasizes how important it is for the contractor to finance the project through some sort of bond or certificate of participation arrangement. This is, of course, why the golf industry is so interested in public-private ventures on government-owned land. Also, although there are factors more sensitive than interest rates, their effect is far from negligible. Table 9 shows the effects of increasing interest rates. In a period of rising interest rates, it is important to award a PPV contract as soon as possible after any decision to go ahead.

TABLE 9
SENSITIVITY TO INTEREST RATE

Interest rate	Additional profit (\$000)	NPV (\$000)
9.0%	5,865	685
10.0%	5,226	416
11.5% ^a	4,148	(28)
12.0%	3,757	(187)
13.0% ^b	2,481	(712)

^a Baseline assumption.

^b This line is shown as a conventional mortgage, 80 percent financing for 30 years. All other lines are for certificates of participation, 100 percent financing for 30 years.

Contract Term

The contract term in Table 2 is assumed to be 30 years. This seemingly long term is necessary to allow the contractor to amortize the huge investment required. Discussions with the industry indicated that the term should certainly be no less

than 20 years and more likely 25 to 30 years. Table 10 compares contract terms of 20 and 30 years and supports the industry's position. The contract term should be 30 years.

TABLE 10
COMPARISON OF CONTRACT TERMS

Contract term	Additional profit (\$000)	NPV (\$000)
20 years	963	(309)
30 years ^a	4,148	(28)

^a Baseline assumption.

Banquet and Catering Services

Table 11 compares profitability with and without contractor-operated banquet and catering services. There is a lack of these services in the communities around NAS Lemoore and there is a great demand for them. For the contractor, these operations would therefore provide an estimated \$28,700 of the first year's net income, before taxes — a sizable portion of the contractor's revenues.

TABLE 11
VALUE OF BANQUET AND CATERING SERVICES

Status	Additional profit (\$000)	NPV (\$000)
With banquet and catering services ^a	4,148	(28)
Without banquet and catering service	2,868	(305)

^a Baseline assumption.

If NAS Lemoore allows the contractor to compete in the banquet and catering field, however, these services would suffer at the installation's clubs. Total gross revenues for food and beverage in the club system are \$1 million per year. Although the club system could not break out the portion of these revenues generated by

banquets and catering, it is thought to be sizable. A new banquet facility would benefit the military community, but the installation needs to make a trade-off decision between helping the prospects for a new golf course and hurting the revenues of the existing clubs. This decision depends on the installation's MWR priorities.

Summary of the Pro Forma and Sensitivity Analyses

The pro forma analysis has demonstrated that under a reasonable set of assumptions a PPV golf course at NAS Lemoore could be built and operated profitably. Profitability is very sensitive to many of the variables involved, however, and the margin within which each may safely vary is quite narrow. This translates into contractor risk which will diminish the size of payments offered to NAF and make offerors reluctant to accept restraints on their normal business flexibility.

RECOMMENDATIONS FOR AN RFP

Our suggested outline for an RFP to build a successful PPV for a new golf course at NAS Lemoore while meeting industry expectations is presented below.

1. The RFP will be issued for constructing, operating, and maintaining the golf course. Minimum facility requirements, including life and safety standards, will be stipulated. However, the offerors will be given maximum flexibility in the course design and services offered.
2. Title to all facilities will pass to the Government immediately upon completion and acceptance.
3. The contract term will be for 30 years with two 5-year renewal options.
4. An escrow account for major maintenance and capital improvements will be required to start in year 5 of the contract. This escrow account will be funded with 5 percent of greens fees.
5. A buy-back guaranty will be included in which NAF guarantees to reimburse the contractor for his total investment, amortized according to generally accepted accounting principles, if the number of personnel assigned to NAS Lemoore declines by 50 percent. This will reduce the perceived risk for the contractor with only a small increase in risk for NAF.
6. Provisions will be made for offers of regular payments to NAF based on percentages of gross revenues from golf course operations and from food and beverage sales.

7. The source selection criteria will be:

- Design and scope of the course and the construction plan
- Operations and maintenance plan
- Experience and performance history
- Amount of NAF payments.

GENERAL IMPLICATIONS FOR PPVs IN NEW GOLF COURSE CONSTRUCTION

The approach taken in this study for NAS Lemoore would apply to any military installation contemplating a new golf course constructed under a PPV. The requirements for a successful venture are summarized below.

1. The course must be open to the general public because no military installation has a large enough population to sustain the debt service from a newly constructed course. This will probably mean that the parcel of land chosen must be outside the secure area of the installation to allow the public easy access. This will also probably mean some public relations work with the local community to avoid the perception of unfair Federal Government competition in the marketplace.

2. The general population of the area, including the military community, must be able to support such an additional golf course. This can be determined by looking at the average number of annual rounds for each course based on the estimated size of the golf-playing population. The average U.S. golf participation rate in 1988 is 9.5 percent of the population [4]. This varies widely from state to state and from rural to urban areas within each state. The lowest is 4.4 percent in Washington, D.C., and the highest is 15.9 percent in Wisconsin. A rough rule-of-thumb is to use 8 percent for the participation rate and to assume that 20,000 to 30,000 people living within a reasonable driving time will support an 18-hole golf course [5]. Another rule-of-thumb used by planners is that golfers will not drive more than 20 miles or 30 minutes to a course on a regular basis [6]. Also, in 1986 and 1987, the golf-playing population averaged 19.4 annual rounds per person [4] and this should help determine a rough estimate of potential annual rounds for a new course. The existing courses with which the new course would compete are then examined to see if their annual rounds exceed or fall below the average and whether there is any market share left for a new course. Although this initial approach is somewhat crude, it will give the installation an idea as to whether or not to pursue a PPV. When the installation becomes serious about the idea, a detailed market analysis should be conducted by the NGF or similar organization to include in the RFP.

3. The interest shown by the golf industry will be in proportion to the value of the land the installation is offering. An installation surrounded by low-priced land will not have as much bargaining power as one surrounded by prime real estate. The tax advantage of building on government land will also provide bargaining power if alternative government land is not available. This tax advantage will depend on the prevailing interest rates and the state tax structure.

4. The lower the bargaining power the installation derives from land and tax advantages, the more flexibility it must be willing to give the contractor. Normally, it must expect to allow the contractor to offer all normal services found at many golf courses today, including food and beverage, and banquet and catering services.

5. It is unlikely that the contractor will be able to offer discounts for military users. Profits are extremely sensitive to this factor, and fixed costs for a new course are very high.

6. The expected greens fees must be high enough to support the golf course. The contractor will set the fees according to the quality of the course and the fees charged by the competition. If fees at competing courses are artificially low, a PPV contractor may not be able to generate the needed revenues to support a new course. A course may charge artificially low fees because it is a subsidized municipal course, or because it has no remaining debt service and its management is not taking advantage of the market opportunities. The average fee for 18-hole public courses in 1986 was \$8.50 on weekdays and \$10.00 on weekends [7]. In 1988, this would be equivalent to \$9.20 on weekdays and \$10.80 on weekends.

7. The installation must be prepared to accept a long contract, probably 30 years.

8. The mission and population of the installation must be stable or increasing for the foreseeable future. Any projected decline in the military community's population, whether active duty or retired, will increase the risk for the venture. Agreements must be reached with the major claimant or the Navy Military Personnel Command to cover the buy-back guaranty in the case of a 50 percent drop in the military population. The risks involved must be studied carefully.

9. The physical location must be amenable to a golf course. Access to water is crucial. A regulation course will use between 1.5 and 3.5 million gallons of water per week depending on the climate and type and extent of turf. It cannot be built on poor soil. Access to highways is also important, especially since the course will be open to the general public. Needless to say, since the public will be using the course, it cannot be located within an explosive arc or other danger area. It also cannot be located in poor soil areas such as excess alkaline.

10. Finally, the installation must determine how well a PPV would fit into the installation's environment and MWR program. Is the installation management willing to allow a contractor the flexibility to control prices and set most policies? Is the installation's population going to perceive the lack of military discounts as an erosion of their benefits? Will the competition from golf course food and beverage, and catering and banquet services hurt the clubs too much? These and other trade-off questions must be addressed before embarking on such a major venture with the private sector.

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REFERENCES

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