

## TOWNSHIP OF WEST ORANGE

### COMPETITIVE CONTRACT REPORT

#### FOR OPERATION, MANAGEMENT AND MAINTENANCE SERVICES FOR THE GOLF COURSE AND CLUBHOUSE FACILITY AT ROCK SPRING GOLF COURSE

#### Overview

On February 19, 2019 the Township Council for the Township of West Orange (the “Township”) passed Ordinance # 2563-19, on first reading, which is authorized the Township to enter into an Agreement for Purchase and Sale of Property (the “Purchase Agreement”) for the acquisition of Rock Spring Golf Course at 90 Rock Spring Road, also known as: Block 46.01, Lots 22 through 31; Block 160, Lots 2 and 10; and Block 160.01, Lots 30 and 24 on the Township Tax Map (the “Property”). The Township is authorized to acquire the Property to operate the Property as a public golf course pursuant to N.J.S.A. 40:61-22.6 which allows a municipality to acquire in fee any land or real property for use as a public golf course. On March 5, 2019, the Township Council adopted Ordinance # 2563-19 on second reading.

Pursuant to N.J.S.A. 40A:11-4.1(b)(2) of the Local Public Contracts Law, contracting units are authorized to utilize competitive contracting for the operation, management or administration of recreation or social service facilities or programs.

On February 19, 2019, the Township Council adopted Resolution #67-19 authorizing the use of competitive contracting pursuant to N.J.S.A. 40A:11-4.3 for the procurement of a contract for operation, management, and maintenance services for the golf course and clubhouse facility at Rock Spring Golf Course.

On February 21, 2019, the Township issued a Request for Competitive Contracting Proposals for Operation, Management, and Maintenance Services for the Golf Course and Clubhouse Facility at Rock Spring Golf Course (the “RFP”). Under the RFP, the Contract for Operation, Management, and Maintenance Services for the Golf Course and Clubhouse Facility at Rock Spring Golf Course (the “Proposed Contract”) would be awarded for a term of two (2) years with three (3) possible one-year extensions.

Section 5.3 of the RFP outlined the overall Criteria for evaluation and scoring of proposals in response to the RFP. Specifically, the RFP included the following criteria and subcategories with description of consideration for evaluation:

- A. Technical Criteria (30% of Scoring)
  - i. Proposed Methodology:
    - 1. Does the Respondent's proposal demonstrate a clear understanding of the scope of work and related objectives?

2. Is the Respondent's proposal complete and responsive to the specific RFP requirements?
3. Has the past performance of the Respondent's proposed methodology been documented?
4. Does the Respondent's proposal use innovative technology and techniques?

B. Management Criteria (35% of Scoring)

i. Project management:

1. How well does the proposed transition plan and scheduling timeline meet the Township's needs?
2. How well does the project management plan meet the Township's needs?
3. Does the Respondent provide innovative or interesting ideas for youth programs, in particular youth programs targeted at minority or under-privileged children?

ii. History and experience in performing the work:

1. Does the Respondent document a record of reliability of timely delivery and on-time and on-budget implementation?
2. Does the Respondent demonstrate a track record of service as evidenced by on-time, on-budget, and contract compliance performance?
3. Does the Respondent document industry or program experience?
4. Does the Respondent demonstrate knowledge of applicable law and regulations governing the operation and maintenance of public golf courses?
5. Does the Respondent have a record of moral integrity?

iii. Availability of personnel, facilities, equipment and other resources:

1. To what extent does the Respondent rely on in-house resources vs. contracted resources?
2. Are the availability of in-house and contract resources documented?

4. What equipment does the Respondent offer for use at the Golf Course Facilities and the proximity of the available equipment to the Golf Course Facilities?

iv. Qualification and experience of personnel:

1. Documentation of experience in performing similar work by employees and when appropriate, sub-contractors?
2. The qualifications of the Respondent's management, supervisory and other key staff to be assigned to the Golf Course Facilities during management and operation, with emphasis upon documented experience in successfully completing undertakings of a similar size and scope to those required by this RFP?
3. Does the Respondent make use of business capabilities or initiatives that involve women, the disadvantaged, small and/or minority owned business establishments?
4. Does the Respondent demonstrate cultural sensitivity in hiring and training staff?

C. Cost Criteria (35% of Scoring)

i. Cost of goods to be provided or services to be performed:

1. Relative cost: How does the Golf Course Fees proposed by the Respondent compare to other similarly scored proposals?
2. Full explanation: Is the price and its component charges, fees, etc. adequately explained or documented?
3. Does the Respondent's proposal accept the full risk of operations of the Golf Course Facilities?

ii. Assurances of performance:

1. If required, are suitable bonds, warranties, or guarantees provided?
2. Does the proposal include quality control and assurance programs?

iii. Vendor's financial stability and strength:

1. Does the vendor have sufficient financial resources to meet its obligations?

2. Does the Respondent have the financial strength to perform under the Contract?

Prior to the receipt of proposals, the Township allocated weighting to each of the criteria for the subcategories. Specifically, the Township the weighting as follows:

A. Technical Criteria –

	Weighting
Proposed Methodology	30

B. Management Criteria –

	Weighting
Project Management	15
History and Experience Performing the Work	5
Availability of Personnel, Facilities, Equipment and Other Resources	5
Qualifications and Experience of Personnel	10

C. Cost Criteria

	Weighting
Cost of Goods to be Provided or Services to be Performed	20
Assurance of Performance	5
Vendor's Financial Stability and Strength	10

On March 14, 2019, the Township received one (1) proposal<sup>1</sup> from:

Kemper Sports  
500 Skokie Road, Suite 444  
Northbrook, IL 60062

Pursuant to the Local Public Contracts Law and the New Jersey Administrative Code, the Township created an Evaluation Committee (the "Committee") to evaluate and score the proposals.

The Committee was composed of six (6) members including:

- (1) David Cronheim, Consultant for the Township;
- (2) Mayor Robert D. Parisi;
- (3) William G. Nestor, III, JD, MBA, HCCP, Community Resident, Chief Performance Officer, Prospect Medical Holdings;
- (4) Bill Kehoe; Director, Department of Recreation;
- (5) John Gross, Chief Financial Officer;
- (6) Leonard Lepore, Township Engineer, Director, Department of Public Works.

In addition, the Committee utilized the following advisors: Jack Sayers, Business Administrator, Township Attorney, Richard D. Trenk, Esq and Assistant Town Attorney Kenneth Kayser, Esq.

#### **Certification of Non-Conflict**

Before receiving the Kemper Proposal and meeting, all members of the Committee and advisors completed the Certification of Non-Conflict of Interest Pursuant to N.J.A.C. 5:34-4.3.

#### **Evaluation Committee Meeting**

On March 21, 2019 at 4:00 p.m., the Evaluation Committee met for approximately two (2) hours.

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<sup>1</sup> The only other communications received were as follows:

1. On March 12, 2019, Century Golf Partners sent a letter to the Purchasing Agent indicating that the two year term "is simply too short for us to fully implement our business plan."
2. On March 6, 2019, Francis J. Giantomasi, Esq., sent a letter to the Town Attorney on behalf of M & M Realty Partners, LLC indicating that M & M "wishes to submit a proposal for development of The Rock Spring Property...."

The Committee met with representatives of Kemper Sports of Northbrook, Illinois, including: (i) Ben Blake, Executive Vice-President; (ii) TJ Wydner, Regional General Manager; and (iii) John DiMiglio, National Food and Beverage Director.

Mr. Blake has been with Kemper for over 25 years. He is the Executive Vice-President in charge of business development. Mr. Wydner is the Regional General Manager and been with Kemper for over 13 years. Mr. DiMiglio has been the Food and Beverage Director at Galloping Hill since 2012. Kemper has been in the business of managing golf courses for over forty (40) years. It was started by Mr. Kemper of Kemper Insurance who has passed away. They manage approximately 42 municipal golf courses and a total of 100 golf courses nationally.

Mr. Blake and his colleague, Mr. DiMiglio who previously worked at Rock Spring, explained how their management team at Galloping Hill Golf Course has delivered substantial financial benefit which they can provide under a management/concession agreement. Galloping Hill has gone from \$800,000 in 2014 food and beverage revenues to approximately \$3 million in 2018. Golf revenue was approximately \$ 2.2 million in 2018 at Galloping Hill. Galloping Hill does approximately 60,000 rounds on 27 holes.

To ensure the Rock Spring Golf Course is maintained in “country club” condition, Kemper anticipates Rock Spring should do between 18,000 to 25,000 rounds per year so the average will be approximately 22,000 rounds. 2019 will be a learning experience and may vary as a result of the “late start” and some of the uncertainties. Kemper indicated that it will spend approximately \$60,000 - \$75,000 in marketing.

It will be difficult to book weddings and long term corporate events because the contract is only guaranteed for two (2) years. However, Kemper believes that golf outings will be in demand because of the location and quality of the course.

Kemper indicated that its annual pass will be \$3,900 per season.

Kemper reported that it believes that Rock Spring has substantial potential and they can grow the business quickly.

The Committee asked numerous questions of Kemper to understand its experience, training and positioning to make Rock Spring as successful as possible. The Committee spoke with Kemper about its average rates and the potential for a sharing of the profits. Kemper agreed that it was willing to share in profits above the repayment of the \$61,000 which will be advanced to maintain the course through April 30, 2019.

After meeting with the Kemper representatives, the Committee met and discussed all aspects of the Kemper Proposal. The Committee believes that Kemper’s background, experience and knowledge of other municipal courses along with its presence at Galloping Hill and The Knoll in Parsippany will be a substantial support network to help get Rock Spring on its feet and meet any challenges which may arise.

**The Process**

Each evaluator was to provide a scoring in each category on a scale of 1 through 5 to determine the base score for each category with 1 representing Poor or Unsatisfactory, 2 representing Weak/Below Average, 3 representing Average or Satisfactory, 4 representing Good/Above Average, and 5 representing Excellent. Each evaluator was then instructed to multiply that base score by the weighting to determine the Weighted Score.

Annexed hereto is the final scoring by the Evaluation Committee.

**Evaluation**

By way of summary, the following sets forth the cumulative score for the proposals:

<u>Vendor</u>	<u>Total Base Score</u>	<u>Total Weighted Score</u>
Kemper Sports	163	1975

**Conclusion/Recommendation**

Based on the Total Weighted Score, the Committee recommends that the Contract for Operation, Management, and Maintenance Services for the Golf Course and Clubhouse Facility at Rock Spring Golf Course be awarded to Kemper Sports for a two (2) year month term with three (3) possible one-year extensions.

Respectfully Submitted:

**EVALUATION COMMITTEE**

BY: \_\_\_\_\_

David Cronheim, Chair

Weighting by Percent:	30		15		5		5		10		20		5		10		100%	
	Technical (30%)		Management (35%)										Cost (35%)					
	Proposed Methodology		Project Management:		History and Experience Performing the Work:		Availability of Personnel, Facilities, Equipment and Other Resources:		Qualifications and Experience of Personnel:		Cost of Goods to be Provided or Services to be Performed:		Assurance of Performance:		Vendor's Financial Stability and Strength			
Selection Criteria:	1. Does the Respondent's proposal demonstrate a clear understanding of the scope of work and related objectives? 2. Is the Respondent's proposal complete and responsive to the specific RFP requirements? 3. Has the past performance of the Respondent's proposed methodology been documented? 4. Does the Respondent's proposal use innovative technology and techniques?		1. How well does the proposed transition plan and scheduling timeline meet the Township's needs? 2. How well does the project management plan meet the Township's needs? 3. Does the Respondent provide innovative or interesting ideas for youth programs, in particular youth programs targeted at minority or underprivileged children?		1. Does the Respondent document a record of reliability of timely delivery and on-time and on-budget implementation? 2. Does the Respondent demonstrate a track record of service as evidenced by on-time, on-budget, and contract compliance performance? 3. Does the Respondent document industry or program experience? 4. Does the Respondent demonstrate knowledge of applicable law and regulations governing the operation and maintenance of public golf courses? 5. Does the Respondent have a record of moral integrity?		1. To what extent does the Respondent rely on in-house resources vs. contracted resources? 2. Are the availability of in-house and contract resources documented? 3. What equipment does the Respondent offer for use at the Golf Course Facilities and the proximity of the available equipment to the Golf Course Facilities?		1. Documentation of experience in performing similar work by employees and when appropriate, sub-contractors? 2. The qualifications of the Respondent's management, supervisory and other key staff to be assigned to the Golf Course Facilities during management and operation, with emphasis upon documented experience in successfully completing undertakings of a similar size and scope to those required by this RFP? 3. Does the Respondent make use of business capabilities or initiatives that involve women, the disadvantaged, small and/or minority owned business establishments? 4. Does the Respondent demonstrate cultural sensitivity in hiring and training staff?		1. Relative cost: How does the Golf Course Fees proposed by the Respondent compare to other similarly scored proposals? 2. Full explanation: Is the price and its component charges, fees, etc. adequately explained or documented? 3. Does the Respondent's proposal accept the full risk of operations of the Golf Course Facilities?		1. If required, are suitable bonds, warranties, or guarantees provided? 2. Does the proposal include quality control and assurance programs?		1. Does the vendor have sufficient financial resources to meet its obligations? 2. Does the Respondent have the financial strength to perform under the Contract?			
	Evaluator	Base Score	Weighted Score	Base Score	Weighted Score	Base Score	Weighted Score	Base Score	Weighted Score	Base Score	Weighted Score	Base Score	Weighted Score	Base Score	Weighted Score	Base Score	Weighted Score	TOTAL
David Cronheim	3	90	4	60	4	20	4	20	3	30	2	40	4	20	4	40	28	320
John Gross	4	120	4	60	4	20	4	20	4	40	2	40	4	20	4	40	30	360
William Nestor	3	90	3	45	5	25	3	15	4	40	3	60	5	25	5	50	31	350
Leonard R. Lepore	5	150	4	60	5	25	4	20	5	50	4	80	5	25	5	50	37	460
Mayor Robert Parisi	5	150	5	75	4	20	4	20	5	50	5	100	4	20	5	50	37	485
Bill Kehoe	5	150	4	60	4	20	5	25	4	40	5	100	5	25	5	50	37	470
Totals:	20	600	20	300	22	110	19	95	21	210	16	320	22	110	23	230	163	1975
Average:	4.1666667	125	4	60	4.333333333	21.66666667	4	20	4.166666667	41.66666667	3.5	70	4.5	22.5	4.667	46.666667	33.333	408

1 - Poor or Unsatisfactory 2 - Weak /Below Average 3 - Average or Satisfactory 4 - Good /Above Average 5 - Excellent



March 12, 2019

Anne DeSantis, RPPO, QPA  
Purchasing Agent  
Township of West Orange  
66 Main Street  
West Orange, New Jersey, 07052

RE: Request for Proposal for Rock Spring Golf Course

Ms. DeSantis:

Thank you for including Century Golf Partners in your Request for Proposals for operation, management and maintenance services for the Golf Course and Clubhouse Facility at Rock Spring Golf Course. We are honored to have been considered for the role.

We have fully reviewed the RFP materials, as well as the answers provided to questions asked by other prospective bidders. We have also evaluated the golf operations and considered our potential approach to the business.

Unfortunately, we have made the decision not to submit a response to your Request for Proposals. While we believe our experience and our approach would be highly successful at Rock Spring, the terms under which the contract is to be let do not fit with our overall business goals. The two year term, even with possible one-year extensions, is simply too short for us to fully implement our business plan. Furthermore, without fundamental financial or operational data, we do not have sufficient information from which to formulate a meaningful proposal.

We believe Rock Spring is a high quality facility with tremendous potential, and would be very interested in partnering with the Township in its operation. In the event you do not receive a proposal that satisfies your needs, we would welcome the opportunity to introduce ourselves, present our operational plan for Rock Spring, and discuss alternative management structures that would be mutually beneficial.

Again, thank you for the opportunity to submit a proposal for the management of the Rock Spring Golf Course. Feel free to contact us with any questions.

On Behalf Of Century Golf Partners,

A handwritten signature in black ink, appearing to read "Doug Howe".

Doug Howe  
Partner  
972-490-2610  
[dhowe@centurygolf.com](mailto:dhowe@centurygolf.com)

A handwritten signature in black ink, appearing to read "Greg Adair".

Greg Adair  
Partner  
972-980-2202  
[gadair@centurygolf.com](mailto:gadair@centurygolf.com)



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**FRANCIS J. GIANTOMASI**  
fgiantomasi@csglaw.com  
(O) 973.530.2022  
(F) 973.530.2222

March 6, 2019

***Via Regular Mail and Email***

Richard D. Trenk, Esq.  
Trenk, DiPasquale, Della Fera & Sodono, P.C.  
347 Mt. Pleasant Avenue, 3rd floor  
West Orange, NJ 07052

Re: Rock Spring Golf Club Development – Notice of Intent to Bid

Dear Mr. Trenk:

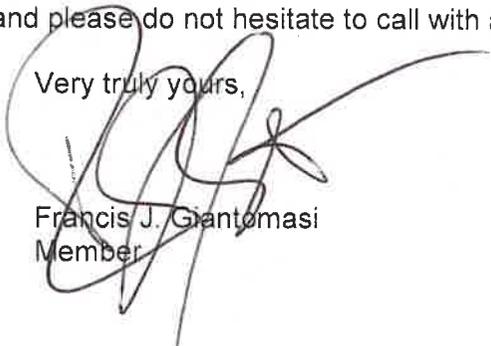
Per our call last week, you are aware this firm represents M & M Reality Partners, LLC (“M & M”) in connection with the planned development of the Rock Spring Golf Club property located at 90 Rock Spring Road, in the Township of West Orange (“Township”) also known as: Block 46.01, Lot 22; Block 160, Lot 2; Block 160, Lot 10; Block 160.01, Lot 30; Block 160.01, Lot 34 on the Township tax map (the “Rock Spring Property”).

Allow this letter to serve as notice that M & M wishes to submit a proposal for development of the Rock Spring Property pursuant to a Request for Proposals (“RFP”) to be published by the Township in the upcoming months. M & M requests that it be placed on any prospective RFP list or database of developers for the Rock Spring Property, and also asks to be included on any correspondence regarding the RFP moving forward.

M & M is particularly well-suited to develop the Rock Spring Property due to its diversified background of creative and successful developments both in Essex County and statewide. M & M would welcome the opportunity to schedule a pre-bid meeting with Mayor Parisi, yourself, and/or Township Officials in the near future to discuss its design and development concepts.

Thank you for your consideration and please do not hesitate to call with any questions.

Very truly yours,

  
Francis J. Giantomasi  
Member

c: Joseph Marino  
Anthony Marino