



## **CITY OF SUNNYVALE, CALIFORNIA**

**REQUEST FOR PROPOSALS**

**FOR THE**

**OPERATION OF SUNNYVALE TENNIS CENTER  
755 SOUTH MATHILDA AVENUE  
SUNNYVALE, CALIFORNIA**

**PROPOSALS DUE:**

**WEDNESDAY, November 30, 2011 AT 4:00 PM**

**To:**

**Scott Morton  
Park Superintendent  
Public Works Department  
PO Box 3707  
Sunnyvale, CA 94088-3707**

**(May be hand delivered to City of Sunnyvale Municipal Corporation Yard  
located at 221 Commercial St. See Attachment "A" for map)**

**(408) 730-7596**

**[smorton@ci.sunnyvale.ca.us](mailto:smorton@ci.sunnyvale.ca.us)**

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Attachment A - Sunnyvale Municipal Corporation Yard Map

Attachment B - Sunnyvale Tennis Center Site Map

Attachment C - Ancillary tennis court list

Attachment D - Annual Revenues Summary 2008-2010

Attachment E - Floor Plans for Site Buildings

Attachment F - Proposed Yearly Operations Summary Plan

## **I. INTRODUCTION AND PURPOSE**

The City of Sunnyvale is seeking proposals from qualified individuals or organizations interested in entering into a license agreement to provide the management, operations and maintenance of the Sunnyvale Tennis Center (See Attachment B) at 755 S. Mathilda Avenue, Sunnyvale, California, and ancillary tennis facilities (See Attachment C), commencing on April 1, 2012.

## **II. GOALS AND OBJECTIVES**

The City of Sunnyvale is well known for excellence in customer service and fiscal responsibility. The City seeks a tennis center operator who shares these essential values and who will incorporate them into the public tennis programs at the Sunnyvale Tennis Center.

The City's specific objectives in selecting a tennis program operator are noted below:

- A.** Enter into a business relationship with an effective, experienced and qualified entity to operate the Sunnyvale Tennis Center. (The City prefers to enter into a license agreement with a single provider.)
- B.** Manage the tennis center as a revenue generating service and provide a growing financial return to the City.
- C.** Ensure provision of quality tennis programs and services, including (in no priority order):
  - 1. Provide a balance of play and court use for all ages, user groups and ability levels including, but not limited to, lessons, league play, club use, tournaments, and court rentals that will maximize participation and provide strong financial return for licensee and City.
  - 2. Provide a computerized, on-line registration, court reservation, and fee collection system.
  - 3. Provide a high quality tennis pro shop with merchandise for sale, and tennis-related services such as equipment rental and on-site string repair.
  - 4. Provide for operation of a high quality, moderately-priced food and beverage service to meet the demand of tennis center patrons.
- D.** Timely and responsive customer service.
- E.** Establish and maintain positive relationships with related community and tennis groups including the Sunnyvale Tennis Club and the United States Tennis Association.
- F.** Promotion of the Sunnyvale Tennis Center and tennis in Sunnyvale.
- G.** Verifiable, full disclosure of financial and program data.

H. Provide for the day-to-day custodial service and basic maintenance of the Tennis Center courts and buildings.

### **III. BACKGROUND**

A. **City of Sunnyvale Recreation Services** – The City offers a full-range of arts and recreation program opportunities and services. Recreation programs include sports, aquatics, golf, tennis and other health and wellness activities. The Las Palmas Tennis Center in Sunnyvale is an integral component to the City’s array of recreational facilities and services. Tennis activities are offered year-round.

B. **History of Sunnyvale Tennis Center** – The Tennis Center was developed in 1976 on 6.5 acres immediately north of Las Palmas Park and included 10 tennis courts, pro shop, men’s and women’s locker/shower facilities, small arbor, and 44 parking spaces. In 1979 three additional courts were added along with other improvements. Finally in 2000 an additional three courts (bringing the total number of courts to the current 16) lighting for the center court, expanded parking spaces, and a food concession area were added. An enclosed seating area adjacent to the food concession was constructed in 2005.

C. **Program and Financial Data** – Three years of program financial data is attached (Attachment D, Annual Revenues Summary 2008-2010).

D. **Tennis Center Hours of Operation and Court Fees**

The operation of the Center has been contracted out for 35 years, generally in five-year increments. The operator has managed the tennis facility under the terms of a license agreement.

The Tennis Center operator also has exclusive use of courts at all City parks (with one court per park to remain open for unreserved public use at all times) and at Sunnyvale Middle School and Fremont High School, in coordination with school schedules.

The Center is open Monday through Sunday from 8:30 am-10:00. Services include court rentals, youth and adult group/private lessons, tennis conditioning classes, clinics, camps, tournaments and USTA events.

Current court fees are: Residents are \$8/hr weekdays 8:30 a.m. – 10:00 p.m. and \$10/hr weekdays after 4:00 p.m., weekends and holidays. Non-Residents are \$10/hr weekdays 8:30 a.m. – 10:00 p.m. and \$12/hr weekdays after 4:00 p.m., weekends and holidays.

E. **Issues To Be Considered by Proposer During Proposal Preparation**

1. Currently the restaurant is operated by a contractor of the licensee. The City would consider proposals for alternative food concession operations or structures.

2. The Tennis Center does not include the Co-op Sports Program at middle schools; however, access to school tennis courts remains with the Center.

3. By City policy, all tennis play at parks and City-controlled courts must conclude by 10:00 p.m.

#### **IV. SITE DESCRIPTION**

The Sunnyvale Tennis Center is located at 755 South Mathilda Avenue on a 6.5 acre parcel of land owned by the City of Sunnyvale. It is surrounded by a variety of different uses including a single-family home residential area to the west, a 2.7 acre Cherry Orchard owned by the City to the east, a mix of high density housing and retail businesses to the north and the 18 acre Las Palmas Park to the south. Improvements on the site include:

1. Tennis Courts (16, all are lit and one has bleachers for viewing)
2. Parking facilities (70 spaces in a paved and striped asphalt parking lot with room for approximately 30 additional cars in an unimproved area)
3. Pro Shop building (1981, 960 sq. ft.)
4. Locker/ restroom building (1981, 810 sq. ft.)
5. Food Concession building (2001, 480 sq. ft.)
6. Enclosed seating area building (2007, 640 sq. ft.)
7. Two storage sheds (200 sq. ft. ea.)

(See Attachment “E”, Floor Plans for Site Buildings)

**All facilities including building and courts should be considered to be provided to a future operator in an “as-is” condition.**

#### **V. INSTRUCTIONS, SELECTION PROCESS AND KEY DATES**

**A. Submission of Proposals** - Proposers shall submit an original plus four (4) copies of the proposal. Proposals should be submitted in a sealed envelope, clearly marked “Request for Proposals for the Operation of Sunnyvale Tennis Center” prior to Wednesday, November 30, 2011, at 4:00 p.m. to Scott Morton, Superintendent of Parks, P.O. Box 3707, Sunnyvale CA, 94088-3707 (mailed) or to 221 Commercial St., Sunnyvale CA (hand-delivered).

**B. Pre-Proposal Walkthrough** – A pre-proposal walkthrough of the

Sunnyvale Tennis Center facility located at 755 S. Mathilda Ave., Sunnyvale, California, will be held on Wednesday, November 9, 2011, at 1:00 p.m. **Attendance is mandatory.** The purpose of the walkthrough is to discuss City objectives, to allow proposers to examine the facility, to answer proposer questions, and/or to clarify the City's requirements, if necessary. Written addenda may be issued to all prospective proposers if deemed appropriate and necessary by the City. Those who wish to participate in the walkthrough should meet at the Pro Shop building promptly at 1:00 p.m.

The City shall presume that any proposer who submits a proposal is thoroughly familiar with all specifications and requirements of the Request for Proposals (RFP). The failure or omission to examine any form, instrument or document or to examine the existing facility and/or equipment and furnishings shall in no way relieve the proposer from any obligation in respect to the proposal.

- C. **Proposal Preparation** – The proposal should clearly describe proposer's expertise and experience in the provision of public tennis programs and services. The proposal must closely adhere to the requirements of this RFP and must be presented in the established format. Failure to comply with RFP requirements may result in rejection of a proposal.
- D. **Questions about Proposal Procedures or Specifications** – Questions regarding the specifications or proposal procedures, etc., should be addressed to Scott Morton, Park Superintendent at [smorton@ci.sunnyvale.ca.us](mailto:smorton@ci.sunnyvale.ca.us) or (408) 730-7596. All information provided in the Request for Proposals and its supporting documents is based on information from a variety of sources. No representation or warranty is made with respect thereto. Additional feasibility and marketing studies, etc., are the responsibility of the proposer.
- E. **Late Proposals** – Any proposal received after the proposal deadline cannot be considered.
- F. **Rights Reserved by the City** – The City reserves the right to:
1. Postpone the date and time announced for receipt of proposals by issuance of an Addendum at any time prior to the deadline for receipt of proposals;
  2. Make such investigations as deemed necessary to determine the ability of proposer to perform the specified services;
  3. Reject any proposal if the evidence submitted by or investigation of the proposer or City's past experience with proposer under another contract fails to satisfy the City that the proposer is properly qualified to successfully perform the obligations of the license;
  4. Reject any or all proposals;

5. Determine the proposal(s) most advantageous to the City;
6. Consider proposals for a period of sixty (60) days following the deadline for receipt of proposals before deciding which proposal, if any, to accept;
7. Reject all proposals and operate the Tennis Center with City staff, if following the consideration of all proposals that is determined to be the most advantageous to the City.

**G. Modification or Withdrawal of Proposals**

1. Before Date and Time for Receipt of Proposals - Proposals that contain mistakes discovered by a proposer before the date and time for receipt of proposals may be modified or withdrawn by written notice to the City's Superintendent of Parks, Scott Morton, received prior to the deadline. Any modification shall be clearly identified as such and shall be made in writing, executed and submitted in the same form and manner as the original proposal.
2. After Date and Time for Receipt of Proposals - A proposer alleging a mistake in a proposal may be permitted to withdraw its proposal if the proposer alleges that the mistake made proposal pricing materially different than intended, provided that the proposer gives written notice of the mistake and the manner in which it occurred to the City's Superintendent of Parks, Scott Morton, within five (5) calendar days following the deadline for receipt of proposals and the City's Superintendent of Parks, Scott Morton, deems it to be in the best interest of the City.

**H. Cost of Proposal Preparation** – The City of Sunnyvale will not pay costs incurred by the proposer in proposal preparation. All such costs shall be borne by the proposer. All submitted materials shall become the property of the City of Sunnyvale.

**I. Proposal Evaluation and Award** – This is a Request for Proposals for qualified proposers with expertise and experience in the provision of public tennis programs. A review committee composed of City staff will evaluate written proposals based upon the stated evaluation criteria and identify the proposer most likely to meet the City's needs.

**J. Evaluation Criteria** -- Completeness of Proposal and Adherence to Specified Format including:

- Proposer qualifications and experience
- Proposed tennis programs and services
- Facility maintenance plan
- Financial stability and return to the City
- Extent of proposed Tennis Center Facilities improvements

- Quality of equipment and furnishings
- Yearly Operations Summary and Business Plan
- Thoroughness of Start-Up Strategy
- Overall quality of the proposal

Proposers may be required to make an oral presentation before the City review committee at a City site.

The selection process will conclude with City's identification of the proposer whose proposal is most likely to meet the City's needs. License negotiations will closely follow.

Should license negotiations fail to conclude with an agreement acceptable to both parties, the City may release, at its own discretion, the first considered proposer and begin negotiations with subsequent candidate(s). City Council retains the final authority to approve any long-term license agreement. Until the license agreement is executed, the City retains its rights to reject any and all proposals.

All proposals shall be made public once a successful proposal is selected and proposers are notified (with the exception of financial disclosures required in Section VI – Documentation of Financial Responsibility).

## **KEY DATES**

Issuance of RFP – October 24, 2011

Mandatory pre-proposal walkthrough – November 9, 2011

Proposals due to City – November 30, 2011

City reviews proposals – December 1, 2011 through December 9, 2011

City may interview a short list of proposers – December 12 – December 15, 2011

City Determines Successful Proposer – December 2011

Notifications to unsuccessful proposers – December 2011

License Agreement negotiations begin– December 2011

Parks & Recreation Commission reviews License Agreement – February 8, 2012

City Council considers final License Agreement – February 28, 2012

Successful Proposer begins operation of Tennis Center – April 1, 2012

The City reserves the right to modify the schedule as needed and will notify proposers of any modifications.

**K. Non-Collusion Certification** – By submitting a proposal, the proposer is certifying that he/she has not directly or indirectly been collusive with any other proposer in the preparation and submission of the proposal. If at any time it shall be found that the person, firm or corporation engaged in collusive activity, the person, firm or corporation shall be liable to the City for all loss or damage which the City may suffer as the result of the

collusive activity, including but not limited to, the cost of advertising and awarding a replacement license for the service. This does not restrict the ability to collaborate with other individuals or groups to submit a joint proposal.

## **VI. DOCUMENTATION OF FINANCIAL RESPONSIBILITY**

The City reserves the right to, and may ask for the following documentation prior to scheduling an interview with Proposer:

1. Certified financial audits or copies of filed federal tax returns for the past three (3) years in separate envelopes delineating the corresponding year.
2. Letters of reference from a major bank or lending institution.
3. Representation that the proposer is not in default under any lease or purchase contract.
4. A statement describing any litigation in which the entity and principals have been involved during the past five years.
5. A statement regarding any past or current bankruptcies involving the entity, the principals, or any affiliates during the past seven years.

Financial information shall be kept confidential to the extent permitted by law. The City reserves the right to perform a background or credit check on any proposer or its principals. Additional information may also be requested.

## **VII. PROPOSAL FORMAT AND CONTENT**

Proposals shall include the specific information identified below. To expedite review by the City, information must be presented in the following sequence and format by letter/ number.

### **A. Proposer Qualifications and Experience**

1. Legal structure of entity submitting proposal; i.e. sole proprietor, partnership, corporation, etc. If a partnership or corporation, indicate the ownership, rights and roles of each member of the partnership or corporation. Preference will be given to a single proposal providing multiple programs or services. Single proposers, consisting of consortiums, joint ventures, or other partnership ventures, must clearly establish that all license negotiation responsibilities will rest solely with one individual, firm or legal entity.
2. All principals of entity submitting proposal, and a contact person with contact address, phone number, and e-mail.
3. Business and personal references of all principals as well as for the proposing entity, if applicable.
4. Related experience of principals, including number of years, type of

- business, positions held, special training, certifications, level of authority, etc.
5. Verifiable track record of success in similar or related business operations. Provide the name and location of all existing operations and any operations managed in the past five years.
  6. Evidence of financial ability to fulfill probable license commitments, including ability to provide equipment and furnishings.
  7. Any additional information that will assist the City in evaluating the proposal.

**B. Proposed Tennis Programs and Services**

Proposal shall include a detailed description of the proposed services, including, but not limited to:

1. Type(s) and description of services or programs proposed, including instruction/lessons, tournaments, league play, junior tennis and school aged programs.
2. Number of hours and participants planned for each program or service.
3. Proposer's approach to scheduling. Proposed hours of operation, including holidays.
4. Proposed staffing plan including involvement of principal(s) and/or owner(s) in operations.
5. Names, qualifications, and certifications of operator's current teaching and management staff.
6. Intended use of various areas of the facility including ancillary courts.
7. Safety plan covering the various types of programs and activities included in this proposal.
8. Pro Shop services and merchandising plan including model inventory summary.
9. Food concessions plan.
10. Other information, as necessary, to fully describe proposed services.

**C. Facility Maintenance**

The proposal shall provide the operator's plan for the frequency and description of custodial and basic maintenance of the buildings and courts at the Tennis Center. Offsite courts at parks and school sites as well as the landscaping and pathways around the Tennis Center are currently maintained by the City.

**D. Financial**

1. Methodology for determining fees; proposed fee schedule for court

usage and instruction programs, and general pricing strategy for food/beverage and merchandise sales.

2. Anticipated income and how registration and income will be verified and reported to the City for the operator and all teaching professionals and subcontractors.
3. Proposed license term, such as five years with an opportunity to extend in five year increments if both parties agree. The City is open to consider longer terms for proposals that include substantial investments in facility upgrades.
4. Proposal for increasing gross revenue beyond the 2008-2010 totals and proposed rent structure/revenue sharing plan.

**E. Tennis Center Facilities Improvements**

The City has a capital improvement program to maintain the, courts, parking lots, lighting, pathways, and surrounding landscaping. Eight of the courts are currently being renovated by the City and will be completed before a new operator starts. However, there is currently no City funded project to renovate or replace the existing buildings.

The proposal shall indicate if the proposer intends to invest in the remodel or alteration of the tennis buildings or facilities, including the proposed amount of operator investment. Proposal should indicate building use requirements (including exclusive use) and a plan for maintenance of the remodeled building(s).

**F. Equipment and Furnishings**

Since City facilities will be unfurnished, the proposal shall include a list of the equipment and furnishings that operator will provide for the proposed programs or services.

**G. Yearly Operations Summary and Business Plan**

The proposal shall include a Proposed Yearly Operations Summary (see Attachment “F” Proposed Yearly Operation Summary Plan) for each of the first three (3) years of the proposed term of the license. The operator’s proposed business plan shall address:

- Proposed financial return to the City
- Budget plan
- Financial stability
- Financial transparency

**H. Start-Up Strategy**

The proposal shall include a description of the proposed start-up strategy including, but not limited to:

1. Furnishings
2. Expendable equipment
3. Supplies and materials for the operation of services and programs
4. Staffing level including all required positions, qualifications, functions, and pay rates
5. Proposed marketing plan
6. Proposed written revenue handling procedures and policies
7. Proposed written safety procedures and policies
8. Proposed reservation/point-of-sale system and related equipment.
9. Customer service plan
10. Proposed plan for establishing and maintaining positive relationships with tennis and community groups including the Sunnyvale Tennis Club and the United States Tennis Association
11. Other information, as necessary, to fully describe start up strategy

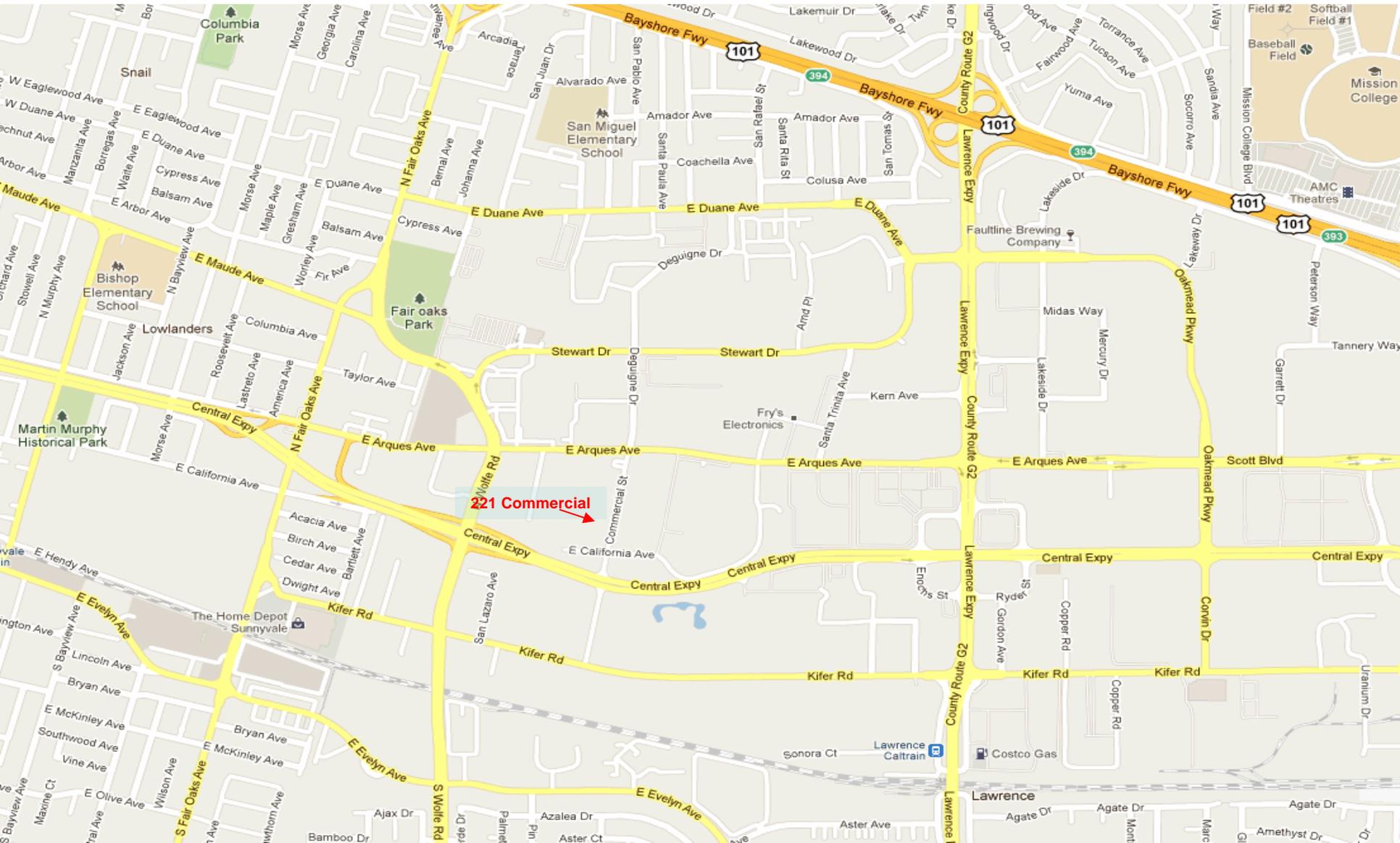
**I. Signature**

The proposal must be signed by the proposer or an officer, partner or other representative duly authorized to sign such proposals on behalf of the proposer. If not signed by the proposer, a notarized resolution of the governing board of the entity establishing such authority to the signer must be attached.

**INFORMATION DISCLAIMER:**

The information contained herein is in summary form. It is believed to be accurate. However, no warranties are expressed or implied.

Map of City of Sunnyvale Corporation Yard  
221 Commercial Street



# SUNNYVALE TENNIS CENTER



Locker Room

Restaurant

Pro Shop

Center Court

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

# SUNNYVALE TENNIS CENTER BUILDINGS



## City of Sunnyvale Tennis Courts

PARK	ADDRESS	# OF COURTS	# OF LIT COURTS
BRALY PARK	704 Daffodil Court	2	2
COLUMBIA PARK	734 Morse Avenue	2	2
ENCINAL PARK	445 N. Macara Ave	2	2
FREMONT HIGH SCHOOL	1279 SUNNYVALE SARATOGA RD	7	7
LAKEWOOD PARK	834 Lakechime Drive	2	2
SV TENNIS CENTER	850 Russet Drive	16	16
ORCHARD GARDENS PARK	238 Garner Drive	2	0
ORTEGA PARK	636 Harrow Way	2	2
PONDEROSA PARK	811 Henderson Avenue	2	2
SERRA PARK	730 The Dalles Ave	4	4
SUNNYVALE MIDDLE SCHOOL	1080 Mango Avenue	6	6
WASHINGTON PARK	840 West Washington	2	2
TOTAL		49	47

# ATTACHMENT D

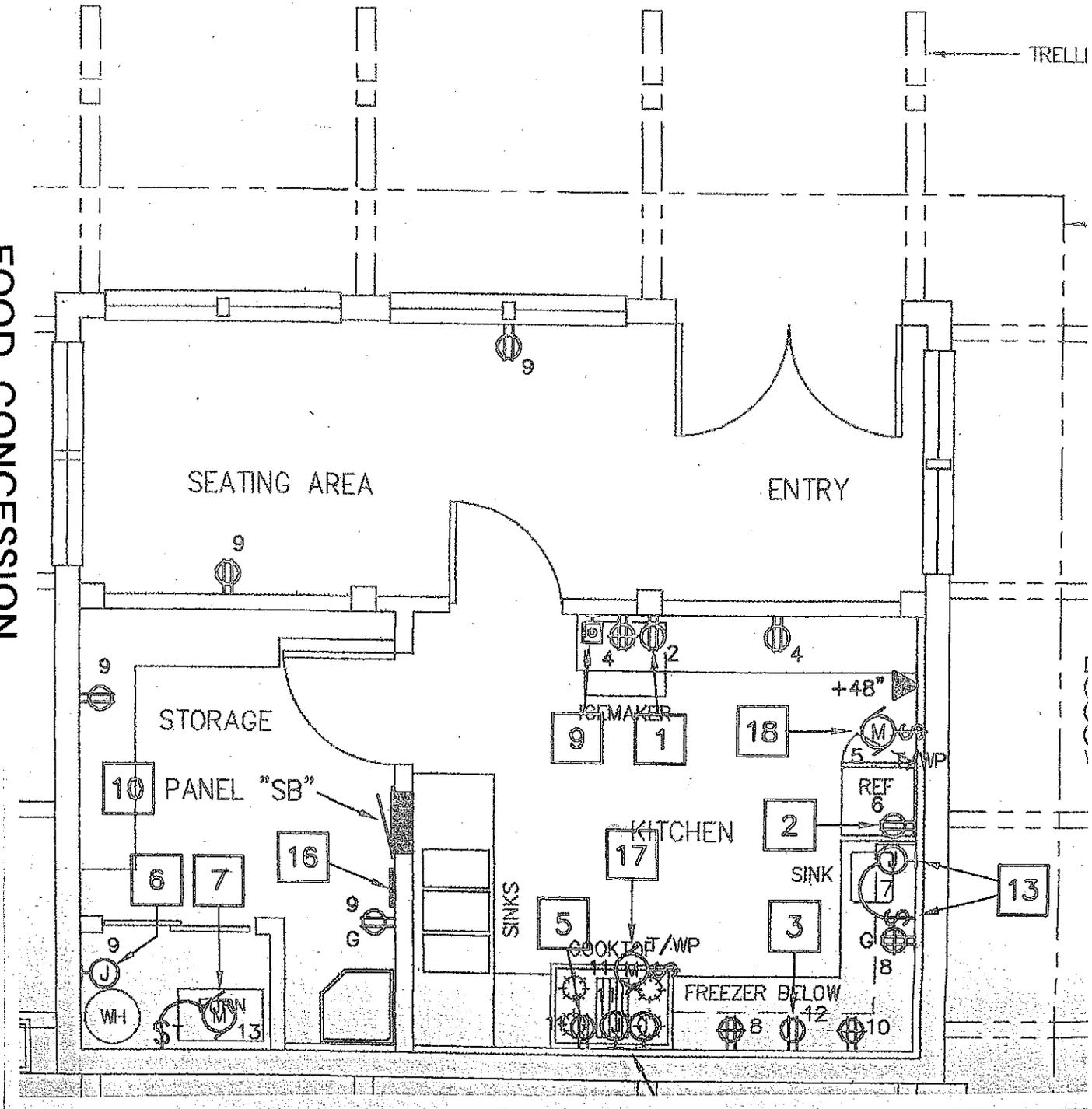
## Sunnyvale Tennis Center Annual Revenue Summary 2008 to 2010

	2008	2009	2010
<b><u>Operator Revenue</u></b>			
<i>Court Rental Fees</i>	190,647	189,655	202,586
<i>Group Instruction</i>	152,466	148,395	117,604
<i>Private Instruction</i>	335,542	345,955	351,391
<i>Pro Shop Sales/Rentals/Services</i>	87,010	62,668	57,116
<i>Tournament Fees</i>	10,485	9,176	0
<i>Restaurant Rent</i>	9,600	9,600	9,600
<b>Total:</b>	<b>\$785,750</b>	<b>\$765,449</b>	<b>\$738,297</b>
<b><u>City Revenue</u></b>			
<i>Operator Rent <sup>1</sup></i>	79,728	79,728	79,728
<i>% of Gross Sales <sup>2</sup></i>	12,681	11,666	10,310
<b>Total:</b>	<b>\$92,409</b>	<b>\$91,394</b>	<b>\$90,038</b>

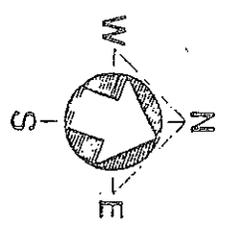
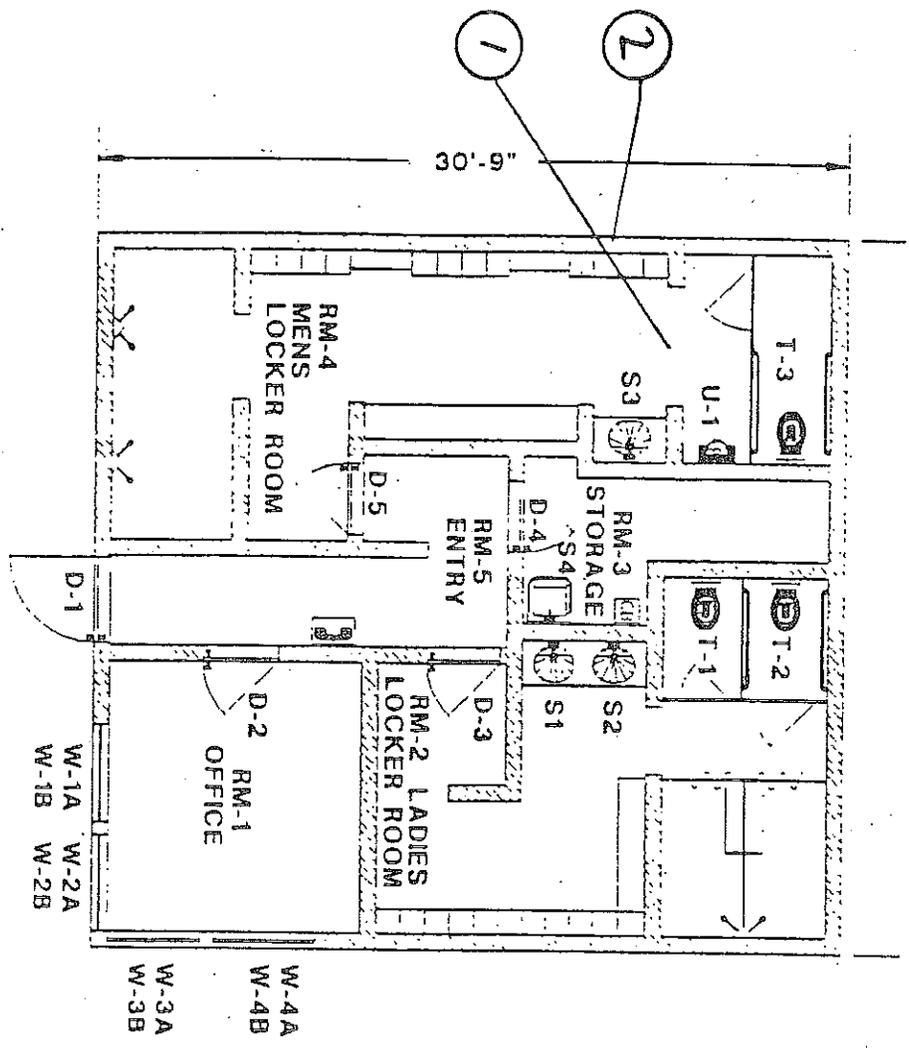
<sup>1</sup>Licensee to remit \$76,000/year, adjusted each year by the percentage change of court reservation fees approved by the City, not to exceed the percentage change in the Bay Area CPI.

<sup>2</sup>Licensee to remit 5% of all gross revenues in excess of \$515,000, adjusted each year by the percentage change of court reservation fees approved by the City, not to exceed the percentage change in the Bay Area CPI.

FOOD CONCESSION

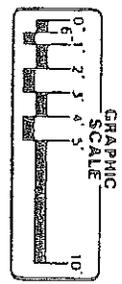


LAS PALMAS LOCKER BUILDING

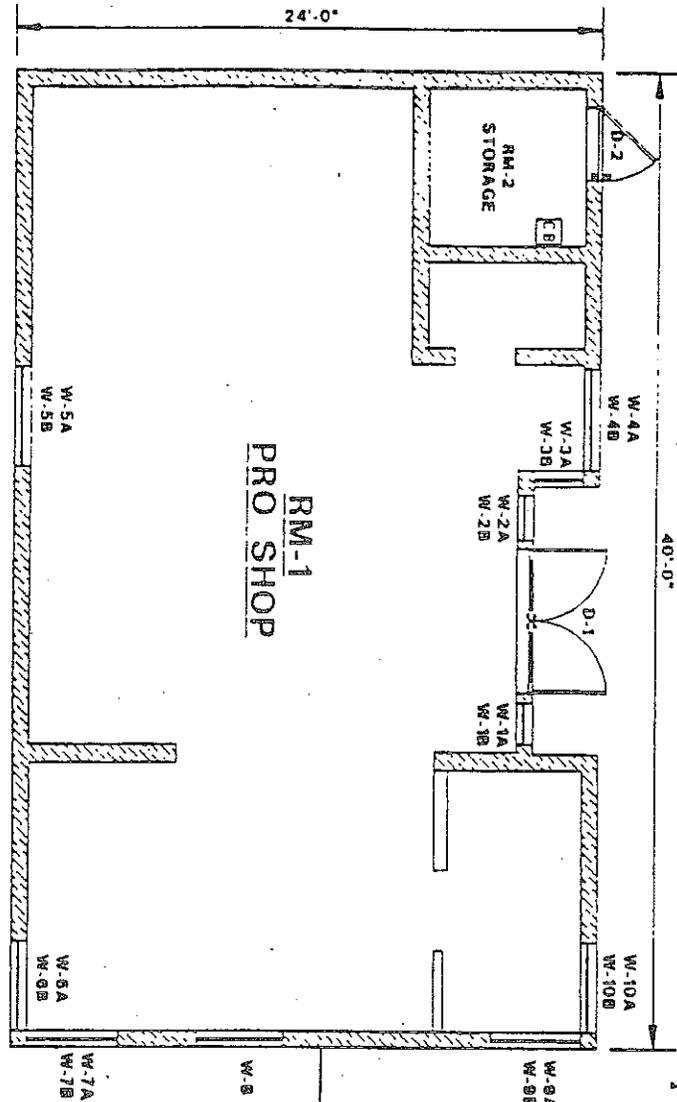


 PUBLIC PHONE LOCATION

 EXTERIOR/INTERIOR WALLS-BLOCK



LAS PALMAS PARK PRO SHOP

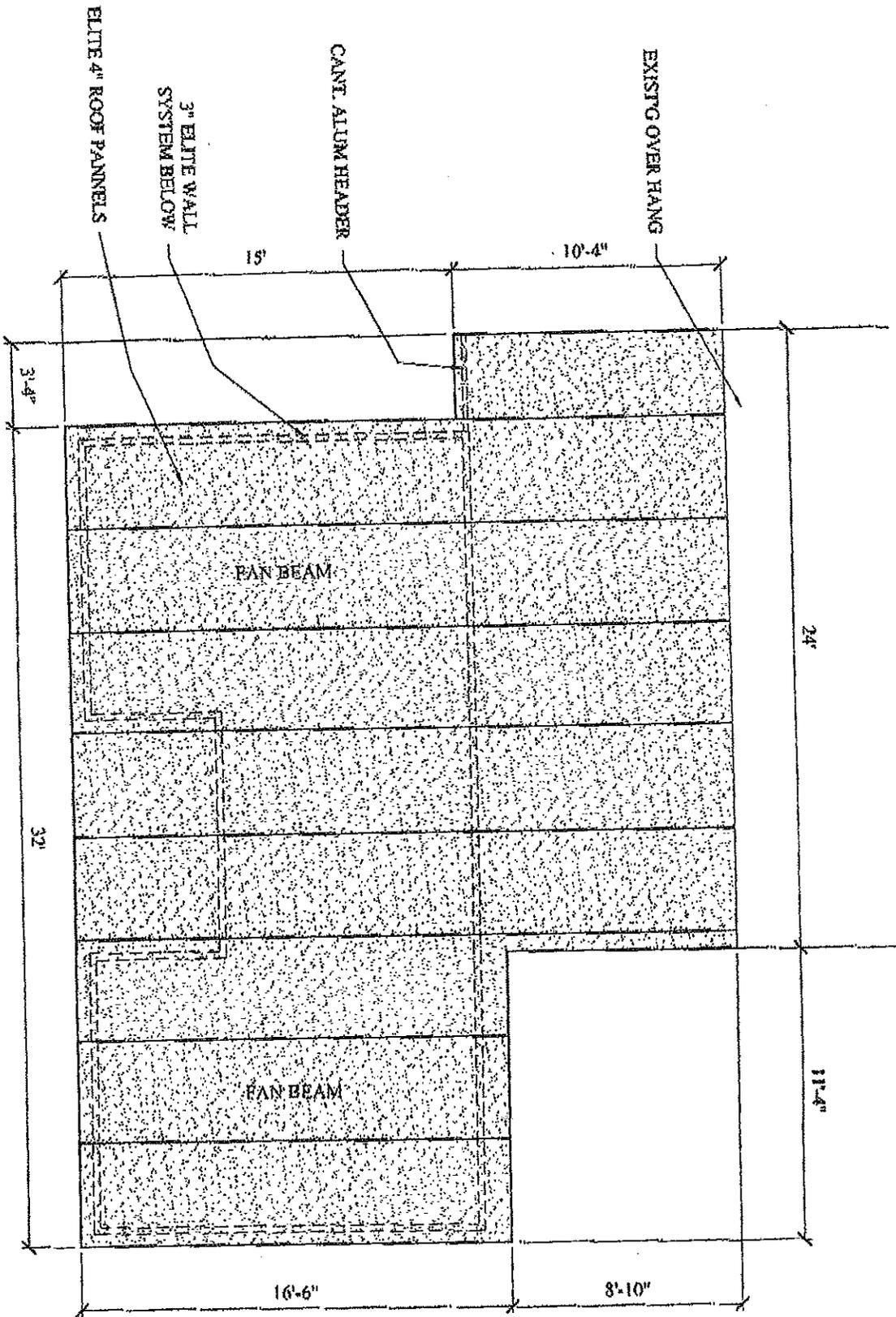


--- EXTERIOR BLOCK WALLS  
--- INTERIOR WALLS



ENCLOSED SEATING AREA

ROOF PLAN  
SCALE: 1/4" = 1'-0"



Confirmation: \_\_\_\_\_

Date: \_\_\_\_\_

REV	DATE	BY	CHKD	DESCRIPTION
1	03/01/06	AS	SS	ASSHOW

DATE: 03/01/06  
 DRAWN BY: AS  
 CHECKED BY: SS  
 PROJECT: ASSHOW



A4

**Proposed Yearly Operations Summary  
for Management, Operation and Maintenance of Sunnyvale Tennis Center**

for Year \_\_\_\_ of a \_\_\_\_\_-year agreement.

<b>Revenues:</b>	
Court Fees	\$
Instruction Fees	\$
Tournament Fees	\$
Food/Beverage Sales	\$
Merchandise Sales	\$
Other (Specify)	
Year _____ Total Gross Revenues	\$
<b>Expenses:</b>	
Labor/Management	\$
Office Supplies	\$
Expendable Equipment	\$
General Supplies	\$
Maintenance/Repairs	\$
Insurances and Misc. Expenses (taxes, interest, etc. – specify)	\$
Marketing/Publicity	\$
Other Expenses (specify)	
Return to City (rent, %, etc.)	\$
Year _____ Total Operating Expenses	\$
Year _____ Net Operator Profit or (Loss)	\$
<b>Debt Retirement:</b>	
Year _____ Total Debt Retirement	\$