

STERLING MANAGEMENT CONTRACT

Request for Proposals

The Town of Natick Board of Selectmen through the then Town Administrator issued a Request for Proposals for Golf Course Management Services specific to Sassamon Trace.

The RFP was issued in accordance with Chapter 30b of Mass. General Laws.

The RFP required all submissions be submitted no later than 2:00 P.M., August 8, 2000.

A pre-proposal conference was included in the RFP on July 18, 2000 at 10:00 A.M.

The proposal under Section I - 11 clearly required a proposer to submit separate sealed envelopes for Part I "NON-COMPENSATION TECHNICAL PROPOSAL FOR OPERATION OF THE NATICK MUNICIPAL GOLF COURSE" and Part II "PRICE PROPOSAL FOR THE OPERATION OF THE NATICK MUNICIPAL GOLF COURSE".

The RFP issue was quite extensive and under Part Four Criteria for Selection covered in detail the evaluation process.

Management Firm Selection

As required in the RFP, all technical proposals were reviewed and interviews conducted by the Town of Natick Golf Course Oversight Committee and the then Acting Town Administrator Paul Cohen.

The Town received five proposals and based upon interviews conducted in August, the Golf Course Oversight Committee voted to recommend Sterling Management. Reference September 25, 2000 document Memo to Board of Selectmen.

Also attached is a Memo from Paul Cohen to the Board of Selectmen dated September 22, 2000, seeking approval to enter into negotiations with Sterling Management.

The Golf Review Committee during it's interview with Paul Cohen questioned Mr. Cohen on the RFP process and if the fee proposals were opened prior to the selection process.

Mr. Cohen responded the Management Firm was selected solely on the basis of meeting the RFP criteria.

Mr. Cohen negotiated any issues relative to fees and stated the Town accepted Sterling's fee proposals as they were within the project budget for such services.

Mr. Cohen also indicated during the interview that the Town of Natick was responsible for the Monitoring and Golf Cart Lease.

As a followup to the Citizen's Report of April 7, 2003, the Town's Administrator Phil Lemnios requested an opinion from the Comm. of Mass. Office of Inspector General concerning the RFP Process and selection of Sterling Management.

A letter was issued on May 1, 2003 from the Office of the Inspector General stating the process does not invalidate the Contract.



The Commonwealth of Massachusetts

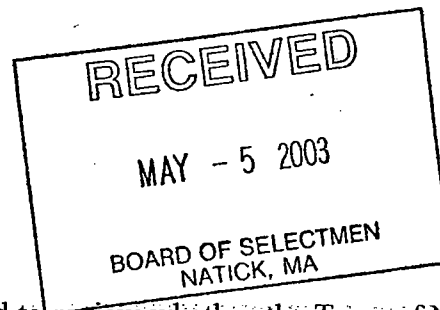
Office of the Inspector General

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May 1, 2003

Phillip E. Lemnios
Town Administrator
13 East Central Street
Natick, MA 01760



Dear Mr. Lemnios:

As you know, this Office has been asked to review whether the Town of Natick properly evaluated proposals received by the Town in response to a request for proposals (RFP) for the operation and management of the Natick Municipal Golf Course and whether the Town properly completed a written rationale for the contract award. This Office requested documents relating to the request for proposals (RFP) process conducted between July and September 2000 for management of the Natick Municipal Golf Course. This Office has received full cooperation from the Town in conducting our review.

Based upon review of these documents, it appears that the Town received five proposals in response to its RFP issued in July 2000. The Town determined that the proposal submitted by Sterling Golf Management, Inc. was the only proposal that met all of the minimum evaluation criteria set forth in the RFP. The Town also determined that Sterling Golf Management, Inc. met all of the comparative evaluation criteria for a highly advantageous proposal. Since the Town only received one proposal that met the minimum evaluation criteria, the Town's failure to complete the comparative evaluation phase of the RFP process does not invalidate the contract. M.G.L. c. 30B requires that only proposals which meet the minimum evaluation criteria be evaluated using the comparative evaluation criteria.

In addition, a memorandum to the Board of Selectmen from the Acting Town Administrator, dated September 22, 2000, explains in writing the rationale for the contract award to Sterling Golf Management, Inc. as required by M.G.L. c. 30B, §6(h).

If you have any questions, please feel free to call me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Elizabeth M. Hayward', with a long horizontal flourish extending to the right.

Elizabeth M. Hayward

Chapter 30B Counsel



Town of Natick
Massachusetts

01760

Philip E. Lemnios
Town Administrator

April 23, 2003

Elizabeth M. Hayward, Esq.
Office of the Inspector General
John W. McCormick
State Office Building
Room 1311
Boston, MA 02108

Dear Ms. Hayward:

Enclosed are the documents you requested regarding the award of a management contract to Sterling Golf Management. Enclosed in this mailing:

- ◆ A copy of the Request for proposal dated July, 2000
- ◆ A variety of documents detailing the decision process
- ◆ Copies of five bid responses received

If you have any questions please do not hesitate to contact me at 508-647-6403. Thank you.

Sincerely,

Philip E. Lemnios
Town Administrator

Cc: Board of Selectmen



September 25, 2000

To: Natick Board of Selectmen

From: Golf Course Oversight Committee

Re: Selection of a Management Team to Manage the Natick Golf Course

The Natick Golf Course Oversight Committee's first and most important responsibility is to recommend to the Office of the Town Administrator of Natick a management team to run the Natick Golf Course, now under construction. The management team will tend to the daily operation of the golf course beginning with the grow-in phase.

The requirements of the Request For Proposals (R.F.P.) were carefully and explicitly laid out to each proponent so that there would be no misunderstandings as to what the Town of Natick expected of the management company selected to operate the town's precious asset. The committee held five meetings that included extensive interviews with each of the following companies: Arello, Inc., Environmental Golf, Environmental Landscape, Executive Decisions, and Sterling Management, and members of the committee surveyed individuals who played golf or had knowledge of the courses managed by the five proposing companies.

After much discussion, it is the unanimous decision of this committee that the Town of Natick hire Sterling Management to oversee the daily operations of the Natick Golf Course. Their approach was highly professional and they demonstrated an enthusiastic willingness to work with Natick to make the golf course a success. Sterling has taken over the management of several popular golf courses in the Greater Boston Area bringing success to difficult situations. These are courses which due to poor management had deteriorated to a point where play had diminished. We are referring to Putterham Meadows in Brookline, Newton-Commonwealth in Newton, Chelmsford Golf Course in Chelmsford, and Franklin Park in Boston.

It is vital that the Natick Golf Course be managed by an experienced team with both the necessary skills and the resources to back them up so as to assure the Town of Natick that it will have a financially successful facility that golfers will find both enjoyable and challenging. We believe that a partnership with Sterling Management will insure both of these requirements.

We would also like to thank Acting Town Administrator Paul Cohen for all his hard work and assistance to help us reach an informed decision.

Respectfully submitted,



Edward Salamoff, Chairman

David Baier

Barbara Chinetti

Michael Dank

Peter Garland

Golf Course

Town of Natick Massachusetts

01760



Frederick C. Conley
Town Administrator September 22, 2000

TO: Board of Selectmen
FROM: Paul E. Cohen, Acting Town Administrator
RE: Golf Course Management RFP

As authorized under the provisions of Chapter 164 of the Act of 1998, I am seeking your approval to enter into negotiations with **Sterling Golf Management, Inc.** of Newton Massachusetts for the management of the Natick Municipal Golf Course for the period of January 1, 2001 through December 31, 2003. I am taking this action upon the advice and recommendation of the Golf Course Oversight Committee.

Five golf course management companies submitted proposals in response to the Town's Request for Proposals. The Golf Course Oversight Committee and I reviewed each of the non-compensation technical proposals and interviewed representatives from each of the golf course management companies. Sterling Golf Management clearly stood above the other four companies, especially with respect to experience in operating municipal golf courses. Sterling has successfully managed and maintained the following municipal golf courses: Newton Commonwealth, Putterham Meadows in Brookline, Chelmsford Country Club, and Franklin Park.

Sterling Golf Management also demonstrated a plan to accurately report and collect all revenues collected at the site, articulated clear plans for junior and community golf programs, and possesses the ability to adhere to the environmentally safe pesticide and fertilization program requirements for the golf course. Based upon a review of the minimum qualifications contained in the RFP, Sterling Golf Management is the only respondent that meets all of the minimum criteria for selection. On Monday evening, Kevin Osgood the President of Sterling Golf Management, Inc. will be present at your meeting to briefly discuss his company's qualifications and to answer any questions that you may have.



PEC
8/22/2000

Golf Course RFPs

Arellio Env. Golf Env. Lan. Exec. Dec Sterling

Minimum Criteria

Conduct Business in MA	yes	yes	yes	yes	yes
Operate 2 courses 96-00	yes	yes	?	yes	yes
1 course in NE or Mid-Atl	yes	no?	yes	yes	yes
1 course with Municipality	yes	yes	yes	no?	yes
Grow-in during 96-00	yes	yes	?	yes	yes
Superintendent administ IPM	yes	yes	yes	yes	yes

Operations Experience

Oprtns: 2 crse NE, 1 mun, 10yrs	?	?	?	yes	yes
Operations: 1 crse, 5 yrs public					
Operations: 1 crse public				yes	
Operations: 0 course public					

Programs

Recr, lessons, clinics, jnr golf	yes	yes	yes	yes	yes
Junior golf					
Golf Supplies					
None					

Grow-In Experience

2 or more, one 9 hole		yes	?		yes
One 9 hole				yes	
Less than 9 hole					
None	?				

Town of Natick, Massachusetts

CONTRACT FOR
GOLF COURSE MANAGEMENT SERVICES

NATICK MUNICIPAL GOLF COURSE

THIS AGREEMENT, executed this 19th day of December, A.D., 2000, by and between the TOWN of NATICK, MASSACHUSETTS, acting through the BOARD OF SELECTMEN, party of the first part, hereinafter called "OWNER" AND STERLING GOLF MANAGEMENT, INC. 212 KENRICK STREET, NEWTON, MASSACHUSETTS 02458 His, her, their, its heirs, executors, administrators, successors, and assigns, party of the second part, hereinafter called "MANAGER."

WHEREAS, the OWNER wishes to retain the services of a qualified, experienced golf course management company to operate a nine hole public access golf course at a site on Route 27 and West Street commonly know as the Natick Municipal Golf Course in the Town of Natick, Middlesex County, Massachusetts, and;

WHEREAS, The OWNER desires to engage the golf course management company to render the professional services described in this Agreement and the golf course management company is qualified and willing to perform such services, and;

WHEREAS, sufficient authority exists in the Natick Town Charter and statute for these purposes and other necessary approvals have been obtained;

NOW THEREFORE, in consideration of the foregoing and the mutual promises contained herein, and intending to be legally bound hereby, the parties hereto agree as follows:

That OWNER'S "Request for Proposals," issued June of 2000 for said concession, and that MANAGER'S proposal response to said Request for Proposal together with any attachments thereto, is by reference made a part of this AGREEMENT as if it were herein fully set forth. In the event of a conflict between the provisions of such documents, the following order of precedence shall apply: first this

Agreement; second, the Owner's Request for Proposals; and third, the Manager's proposal.

SECTION ONE: DEFINITIONS

The term "gross receipts," as used herein shall be construed to mean the total amount received by or accruing to the OWNER from greens fees and cart rentals only.

The term "Premises" as used herein shall be construed to mean the buildings, improvements, landscape, equipment locations, structures, facilities, walkways, cart ways, and all areas related to the operation of subject concession and being that area depicted in Exhibit "A", attached hereto and made a part hereof.

SECTION TWO: TERMS OF AGREEMENT

2.1

OWNER covenants and agrees to allow free ingress and egress to MANAGER through and over the premises, and being that area known as the Natick Municipal GOLF COURSE, TOWN OF NATICK, MIDDLESEX COUNTY, MASSACHUSETTS, for the purpose of management, maintenance, and operation of a public golf facility and as described herein.

2.2

The term of this AGREEMENT shall be for a term beginning JANUARY 1, 2001 to DECEMBER 31, 2003. It is anticipated that the opening of the golf course for public access play will be between July 1st and August 15th of the Year 2001.

2.3

OWNER covenants and agrees to pay to MANAGER, as compensation for course management services, a flat fee sum as described in the attached document entitled "FORM C Natick Municipal Golf Course Management & Operations. Monthly payments shall be due and payable within ten (10) days after the end of each month of each year that this AGREEMENT is in force.

2.4

MANAGER agrees to complete and submit for each calendar year a reviewed financial statement of MANAGER'S operation. Said financial statement shall be submitted no later than

MARCH 20th of the year following the conclusion of each calendar year of operation. The financial statement shall include, but not be limited to a record of rounds of play, and an income and expense statement by detailed category. Any financial records pertaining to this AGREEMENT or operations under or by this agreement, are subject to audit by the OWNER. OWNER reserves the right to request audited financial statements from the MANAGER'S operation if it deems necessary.

2.5

OWNER and MANAGER mutually agree that there will be no adjustment of the rental due under this AGREEMENT except as follows:

In the event the premises are substantially damaged or destroyed, the AGREEMENT may be terminated and all liability for future compensation shall cease, or may be suspended, at the discretion of OWNER in accordance with SECTION TWO, Paragraph 12.

2.6

Insurance policies, performance guaranties, any and all documents, reports, and other items which may be required for the operation and management of this concession shall be promptly submitted by MANAGER to the OWNER at the times herein or hereafter specified.

2.7

This AGREEMENT has been established to provide a service, or services, to the citizens of the TOWN OF Natick. MANAGER'S failure to comply with various provisions of this AGREEMENT may cause a loss of services to said citizens and visitors, and also may cause untimely delays in the administration of this AGREEMENT, thereby depriving OWNER of the agreed upon services and/or a loss of revenue. MANAGER'S failure to comply with provisions of this AGREEMENT will subject MANAGER to a progressive system of liquidated damages, as described below.

A. Category 1 - Less Serious Violations

1. Violations of the below listed provisions of the AGREEMENT are considered to be of a less serious nature, but may result in untimely delays in the

administration and/or renewal of the AGREEMENT and in loss of or inappropriate services to the using public at the golf course facility:

SECTION TWO - Paragraphs 4, 8, and 12.

SECTION THREE - Paragraphs 3, 4, 6, and 15.

2. The parties hereto agree that the loss incurred by OWNER for repeated violations of the above listed provisions of the AGREEMENT shall be as follows:

If MANAGER violates any of the above stated provisions of the AGREEMENT, MANAGER shall be sent a written notification stating which provision was violated and a date by which said violation must be corrected. If MANAGER has not corrected the violation by the stated date, MANAGER agrees to pay the following as liquidated damages: The payment for liquidated damages for failure to comply with the AGREEMENT and written notice thereof, shall be \$1,000.00. If, at the end of a seven day period from the stated date of the correction, or if the violation is repeated, either of which shall constitute an additional violation, MANAGER agrees to pay an additional sum of \$1,500.00 as additional liquidated damages.

B. Category 2 - More Serious Violations

1. Violations of the below listed provisions of the AGREEMENT are considered to be of a more serious nature, and which will result in a loss of revenue to the OWNER, loss of services to the using public at the golf course facility, or damage to OWNER'S property which may necessitate the expenditure of OWNER'S funds for repairs:

SECTION TWO - Paragraphs 9, 14, 16, and 18.

SECTION THREE - Paragraphs 2, 5, 11, 13, and 14.

SECTION FOUR - All Paragraphs.

SECTION FIVE - Paragraph 2.

2. The parties hereto agree that the loss incurred by OWNER for repeated violations of the above listed provisions of the AGREEMENT shall be as follows:

If MANAGER violates any of the above stated provisions of the AGREEMENT, MANAGER shall be sent a written

notification stating which provision was violated and a date by which said violation must be corrected. If MANAGER has not corrected the violation by the stated date, MANAGER agrees to pay the following to OWNER as liquidated damages:

The payment for liquidated damages for failure to comply with the AGREEMENT and written notice thereof, shall be \$1,500.00. If, at the end of a seven day period from the stated date for correction, the violation still has not been corrected, or if the violation is repeated, either of which shall constitute an additional violation, MANAGER agrees to pay an additional sum of \$2,500.00 as additional liquidated damages.

C. All liquidated damages required by this subsection 2.7 must be paid within thirty (30) days of written notification from OWNER to MANAGER.

D. This AGREEMENT may be terminated by OWNER at its sole discretion if compliance has not been obtained after two (2) sums for liquidated damages have been assessed for the same violation, not necessarily within the same year. OWNER may opt to invoke the greater of the two penalties for a subsequent violation of the same specified paragraph prior to termination.

E. This provision in no way constitutes a waiver of MANAGER'S obligation to comply with the above stated or any other provisions of the AGREEMENT, or a waiver of OWNER's full range of rights and remedies hereunder including termination of the AGREEMENT.

C. Category 3 - Violations warranting Contract Termination

1. Violations of the below listed provisions of the AGREEMENT are considered to be of the most serious nature, and which will result in a loss of revenue to the OWNER, loss of services to the using public at the golf course facility, or damage to OWNER'S property which may necessitate the expenditure of OWNER'S funds for repairs:

SECTION TWO - Paragraphs 6, 10, 13, 15, and 17.

SECTION THREE - Paragraphs 1 and 8.

SECTION FIVE - Paragraph 1.

