

CITY OF PALMER ACTION MEMORANDUM No. 09-043

SUBJECT: Authorize the City Manager to Negotiate and Execute a Professional Services Contract with Convention Sports and Leisure International to Conduct a Feasibility Study for the Community and Convention Center for a Sum Not to Exceed \$40,000

AGENDA OF: July 14, 2000

Council action:	Authorized
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Approved for presentation by B. B. Allen, City Manager B. B. Allen

Route To:	Department/Individual:	Initials/Date:	Remarks:
X	Originator –	<i>Fei</i> 6/30/09	
X	City Clerk	<i>JR</i> 7/7/09	
X	City Attorney	<i>[Signature]</i> 7/7/09	
X	Director of Administration	<i>[Signature]</i> 6/30/09	
	Director of Community Development		
	Director of Community Services		
	Director of Public Safety		
	Director of Public Works		

Attachment(s): Convention Sports and Leisure International Engagement Letter
 City of Palmer Request for Proposal, pages 1 – 16
 Please see IM 09-054 and Resolution 09-033

Certification of Funds:

	No fiscal impact.	
X	Funds are budgeted from this account number:	01-01-05-6030
X	Funds are not budgeted. Budget modification is required. Affected account number:	See Resolution 09-033

Director of Administration Signature: *[Signature]*

Summary statement: The City of Palmer issued a Request for Proposals (RFP) on May 27 for proposals to conduct a feasibility study for the Community and Conference Center. The proposals were due on June 12. A total of 30 companies and two plan houses downloaded the document from the City's website. Seven of the companies were from out of state. Three proposals were received at City Hall on or before June 12.

The three proposals were evaluated by a panel of three senior staff members based on the

published criteria. All three rated Convention Sports and Leisure International (CS&L) with top marks. The proposals were then given to the Focus Group Chair, Ray Ritari, for his review. Mr. Ritari has been involved with the construction of two major public facilities in Madison, Wisconsin during his career. At the June 24 Community Focus Group Meeting, the proposals were discussed and general consensus reached that the City was lucky to have a firm of national standing interested in the job.

CS&L is based in Minneapolis, Minnesota. The firm is currently under contract in Fairbanks where they are working on a Convention Center, and has done work for the City of Homer and the City of Soldotna since 2002.

In addition to vast experience in planning and the construction of public facilities, particularly community and convention centers, CS&L offered a longer and more thorough public process and has also advised the City of Homer, that their initial plans were too ambitious. All the reviewers noted these three attributes as particularly noteworthy.

Administration recommendation: Approve action memorandum no. 09-043.



June 26, 2009

Ms. Sara Jansen
Special Assistant
City Manager's Office
City of Palmer
231 W. Evergreen Avenue
Palmer, AK 99645

Dear Ms. Jansen:

This letter sets forth our understanding of the terms and objectives of the engagement of Conventions, Sports & Leisure International ("CSLI") to provide professional planning services to the City of Palmer ("City") related to feasibility study of a potential new community and conference center ("Center") in Palmer, Alaska. This letter also provides the nature and limitations of the services to be provided and the related fee arrangement.

Scope of Services

The following study tasks have been developed to assist the City and other project representatives in the evaluation of the potential Center. These tasks comprise a methodology for a comprehensive feasibility study consistent with those we have completed very successfully in communities of all sizes throughout North America. We have considered some efficiencies that may be realized from the work completed under the Matanuska-Susitna Borough Tourism Infrastructure Needs Study and City of Palmer Community Center Focus Group meeting packet and minutes. The scope of work includes the following tasks:

- Task 1. Market Demand Analysis
- Task 2. Market Supportable Facility Program Analysis
- Task 3. Event Levels Analysis
- Task 4. Preliminary Construction Costs Analysis
- Task 5. Site/Location Analysis
- Task 6. Financial Operations Analysis
- Task 7. Economic Impact and Cost/Benefit Analysis
- Task 8. Funding Alternatives Analysis
- Task 9. Preparation of Reports/Presentations

As an initial step in the engagement, we will work with you and other project representatives to establish the specific project goals and timeframe. An initial planning meeting will take place to collect pertinent project data and to identify the local organizations, officials and others that we will need to meet with at the outset of the study.

Task 1. Market Demand Analysis

The purpose of this task is to identify and evaluate the likely event markets for a potential new conference and community center, in Palmer, Alaska. The specific steps to be conducted as part of this task are summarized below and on the following pages.

Step 1. Existing Market Conditions Analysis

The purpose of this step is to define and evaluate the local market characteristics of the Palmer area as well as the existing event facility infrastructure (i.e., conference, meeting, cultural, community, arts and spectator facilities).

Analysis of population, visitor and related demographics can help form the basis of market demand for cultural, entertainment, performing arts and leisure activity sectors. Data regarding the size, demographics and growth potential of the Palmer regional market over the next several years will be assembled and compared to other similar-sized markets. We will utilize measurement techniques that may include metropolitan area, geographic concentric rings, and other such types of analysis. The evaluation of these characteristics will serve as an important component of our analysis of market demand among particular event categories that draw from the local population base. Similar data for comparable markets will also be gathered and analyzed as part of this step.

Additionally, the primary components of a successful conference destination/event package will be evaluated in order to assess the area's ability to support added conference, meeting and other event activity. This aspect of the analysis is critical in understanding the community's visitor industry resources and infrastructure.

The analysis will include a review of Palmer area market data, both current and projected, to assess the area's ability to accommodate added event activity (i.e., typically economic impact-generating events that have a significant portion of out-of-town attendance). Characteristics to be evaluated as part of this overall analysis task include the following:

- committable, convention-quality hotel properties and rooms;
- existing/planned conference, event and hotel facilities in the local area;
- hotel cost structures;
- key demographic and socioeconomic characteristics and trends, such as population, disposable income, retail sales, entertainment spending, corporate base and other such indicators;
- proximity issues to major metropolitan markets;
- air, rail, ground transportation and shuttle access;
- entertainment offerings and attractions;
- key community resources; and
- other such characteristics.

Further, as the information is available, we will collect and review data associated with existing local conference, civic, cultural, arts, spectator and event facilities, including facilities offered within area hotels.

Information collected and analyzed will include, but will not be limited to the following:

- existing convention, conference, civic, exhibition, meeting, spectator, arts, cultural facility physical components, configuration and related issues;
- event characteristics (type, number, length of stay, origination of attendees);
- square footage and occupancy/utilization by type of space;
- event seasonality;
- lost business information; and
- rental and service rates.

The results of this step will be used in combination with data prepared throughout the study to assess Palmer's competitive position within the state and regional marketplace and its ability to accommodate additional event demand. By understanding the type of business currently accommodated within the community, we can focus our recommendations on facility development that could add to the overall level of events, attendees and economic impact.

Step 2: Industry Characteristics and Trends Analysis

The convention, tradeshow, meeting, community, cultural and entertainment industries have undergone significant change over the past decade. Issues impacting the industry, including fluctuating demand for space, technological amenities, hotel availability, service levels and other such characteristics, have been joined by recent events such as the nationwide economic slowdown. In addition, supply growth has impacted demand levels in individual markets. The purpose of this step is to evaluate recent trends in the industry that may impact the development of the Center and event levels in Palmer. Throughout this step, we will evaluate these and related trends, summarizing the potential impact on the proposed Center. An evaluation of these trends will be important in "framing" and placing overall market demand estimates into the context of the industry, presently and into the foreseeable future.

Step 3. Comparable and Competitive Facility Analysis

In evaluating the market demand for a potential facility, it is important to gain an understanding of the competitive and comparable facility environment. Within this step, we will assemble and review the physical and operational characteristics of existing and planned facilities in Alaska and the greater region that could compete with the proposed project, including the Wrangell Nolan Center. CSL's recent engagements in Alaskan markets, including our current work in Fairbanks, has provided critical insight into the existing inventory of competitive facilities located throughout Alaska.

Projects around the country that may offer some element of comparable insight will also be evaluated. For comparable projects, we will focus on identifying and analyzing facilities in markets similar to Palmer.

The types of data that will be assembled for comparable and competitive projects includes the following.

- facility type and marketing focus;
- exhibit, meeting, ballroom space and capacities;
- fixed and temporary seating components;
- cultural, arts and office space component offerings;
- future expansion plans;
- layout, staging and design features;
- event characteristics (levels, attendance, utilization, future bookings, etc.);
- ancillary services and amenities;
- operating revenues and expenses;
- rental terms;
- available parking;
- area demographics;
- hotel availability, quality and proximity to the facility;
- visitor industry tax rates (i.e., hotel/motel tax);
- convention & visitor bureau marketing resources;
- location characteristics and transportation access; and
- other such characteristics.

In addition, as a part of this analysis, a number of case studies will be developed concerning comparable facilities in similar communities to Palmer which will address the respective facilities' level of use, rates, financing, source of public subsidies, size and operating expense, as well as other key facility/market information. This analysis will assist in providing data as to how Palmer could compete within specific event markets, as well as later assisting in the evaluation of the associated financial operations, operation structure, marketing, and economic and fiscal impacts of a potential Palmer conference and community center.

Step 4. Market Surveys

The purpose of this step is to develop primary industry market research specific to Palmer. In-person one-on-one interviews and/or focus groups with key local individuals and business leaders will be conducted in Palmer near the outset of the study to gain an understanding of the local market's attitudes with regard to the market potential for conference and community center development.

These interviews could include individuals such as representatives/officials of the City, Chamber/CVB, Borough, academic institutions, hoteliers, event facility managers, restaurateurs, business and nonprofit organization leaders, arts organizations and other civic and visitor industry representatives.

Beyond these local interviews, we will interview a sample of potential non-local users of a potential Palmer Center. Such interviews are an important component of our study approach, allowing us to go beyond simply relying on competitive and comparable facility data.

The analysis may include organizations or individuals from the following event segments:

- association conventions/conferences;
- corporate and trade events;
- public/consumer shows;
- SMERF events (social, military, education, religious, fraternal);
- community banquets, meetings, festivals and related events;
- local civic, service and religious organizations;
- promoted/touring performing arts/spectator events;
- performances/events produced by local arts groups;
- cultural events; and
- other such events.

Event organizer survey results will be analyzed to provide summaries of the following data specific to added facilities:

- likelihood of utilizing a potential Palmer Center;
- reasons for not choosing the Palmer area;
- space/seating levels required to attract the event;
- overall hotel room requirements;
- parking requirements;
- other important community requirements to attract the event;
- event seasonality;
- length of event data;
- event attendance data;
- past facility use;
- requirement/preference for technology-related amenities;
- issues with respect to the proximity to nearby airports;
- perceptions of the Palmer area; and
- other related event information and relevant opinions.

CSL's past work in Alaska communities such as Soldotna, Homer and Fairbanks has provided us a unique understanding of Alaskan event markets and market niches. Further, our extensive survey work in recent years for these previous engagements will provide a useful comparison to survey results pertaining to a potential Palmer Center.

By combining the results of this step with the analysis results generated in previous steps, we will be able to identify the event markets that represent the primary sources of demand for a potential event facility, upon which future facility recommendations and event estimates are made.

Task 2. Market Supportable Facility Program Analysis

The purpose of this task is to synthesize findings of the previous task to analyze and translate market demand into a market supportable facility program for a potential Palmer Center. As is typical for event facilities in communities similar to Palmer, it is likely that the facility focus will be multi-purpose in nature, integrating a variety of functional components to allow for accommodation of a diversity of event types. Importantly, the conduct of this task and subsequent tasks is dependent on the conclusion that sufficient market demand exists to support the proposed project. Should insufficient market demand be indicated, you would have the option to terminate the study and we would bill you for services rendered to date. The analysis will focus on:

- exhibit, meeting and ballroom/multipurpose space;
- community, museum display, assembly/performance and space;
- fixed and temporary seating levels;
- size of support space and other functional areas;
- amount and type of other revenue-producing areas;
- space configuration and aesthetic features;
- theme and branding possibilities;
- infrastructure needs;
- possibilities for future expansion and spin-off development (including restaurants, office, retail and housing units); and
- important technological and other amenities.

This data will also be used to identify any external factors that could significantly affect the ability of the facility to maximize its potential. We will discuss opportunities and constraints concerning these characteristics and issues. Factors to be identified include:

- availability of quality, committable hotel rooms;
- parking needs;
- transportation infrastructure/accessibility;
- event attendee transportation within the area; and
- other such characteristics.

The results of this task will provide you and other project representatives with a clear understanding of the type of facility that should be considered.

Task 3. Event Levels Analysis

Based on the results of the market demand and building program analyses, we will quantify the level and characteristics of events and activities that could be attracted to and retained at a potential Center, during a stabilized year of operations. The market potential will be presented for those sources of demand that are identified as being supportable in the Palmer area. These event sources could include conventions, conferences, meetings, exhibitions, civic, spectator, performing arts, local community uses and other events/activities.

The measures of event demand to be focused on will include:

- event levels and utilization by event segment;
- potential attendance (including visitor) levels by activity or use;
- origin of attendees/exhibitors (i.e., local vs. non-local) and associated traffic levels;
- length of event data;
- facility space and functionality requirements (exhibit, meeting, banquet, seating, staging, technology, assembly, etc.) by event type;
- hotel requirements;
- parking requirements; and
- seasonality data.

Task 4. Preliminary Construction Cost Analysis

Based on the program information, unique site features, local cost characteristics and other relevant features, we will provide preliminary cost estimates for the recommended facility and/or facility concepts. The cost estimates will focus on per-unit data adjusted for conditions in the Palmer area and cost data of comparable facilities modified for time and locations. The estimates will focus on the building programs and configurations developed in previous study tasks.

Task 5. Site/Location Analysis

The focus of this task is on the site factors that impact event/show planners, attendees and the overall marketability and economic/financial success of a potential new conference and community center. We will work with you and other project representatives to identify a set of potential sites for evaluation.

As part of this analysis, we will evaluate how each site addresses important selection factors including, but not limited to:

- site parcel size, suitability, visibility and image potential;
- hotel concentrations and adjacencies;
- entertainment/restaurant adjacencies;
- parking availability;
- ease of pedestrian access;
- access to transportation hubs and related transportation issues;
- ability to accommodate future growth;
- ability to stimulate future entertainment industry development; and
- other similar amenities.

We will work with the City and other project representatives to agree upon a weighted set of evaluation criteria and will develop a site analysis matrix. Using this matrix, potential sites will be rated for each characteristic, highlighting the strengths and weaknesses of each. Ultimately, specific sites will be recommended as most appropriate for the proposed Center development.

Task 6. Financial Operations Analysis

Based on the results of the market demand, event levels and market supportable building program research and analysis, we will prepare a financial operating analysis for the potential Palmer facility. Specifically, we will develop a computer-based model incorporating comparable facility data and the estimated levels of event utilization and attendance derived from the market analysis in order to develop estimates with regard to facility operating revenues and expenses.

Revenues including rental, food service, event service, parking, advertising and sponsorship revenues, and other such sources will be estimated. Expenses including salaries (permanent and event driven staff costs), utilities, maintenance, supplies, insurance, contract service costs and others will be estimated. Further, we will work with you to develop other non-operating revenue and expense assumptions in order to provide initial estimations of the overall financial return and risk structures associated with the project.

We will present estimates of financial performance for the facility's operations for a stabilized year of operations. The comparison of revenues and expenses will enable you to evaluate the level of facility-supportable revenues or public subsidies that may be required for annual facility operations.

Task 7. Economic and Cost/Benefit Analysis

In this task, we will estimate the economic and fiscal (tax) impacts associated with the operation of the proposed Center. The operation of a conference and community center typically attracts some level of out-of-town visitation to the community. The non-local visitors (i.e., event attendees, exhibitors, guests, producing organization personnel, etc.) brought into the community by facility operations represents the basis for added local economic and fiscal impacts.

As part of this analysis, we will develop estimates of total incremental out-of-town visitors to the Palmer area generated as a result of a potential facility. We will then apply appropriate per-visitor spending estimates using industry data adjusted to the local area. The resulting visitor spending levels will be segmented by industry and applied to economic impact multipliers.

The multipliers, specific to Palmer and provided by leading input/output multiplier models, will be used to estimate total economic output, earnings and employment generated as a result of a potential facility. From these economic impact variables, we will apply appropriate local, regional and statewide tax rates to estimate the added tax revenue generated as a result of the project, and any additional spin-off development.

The completion of the economic and fiscal impact analysis will allow for a comparison of key costs and benefits associated with the development and operation of a potential Center in Palmer. If more than one program scenario was previously developed, costs and benefits will be comparatively evaluated to allow City and the community to assess issues related to return on investment.

Task 8. Funding Alternatives Analysis

The development of public assembly facilities throughout the country typically involves a significant level of public funding. Many communities are willing to provide for such funding given the potential economic and fiscal impacts of the project.

As part of this analysis, we will identify and summarize financing sources and the extent to which facility development may require funding from external sources to fund project operations and debt service. The analysis will focus on both financing mechanisms (type of bonds or certificates) and the project revenue sources (hotel, sales, restaurant, car rental and other such taxes) that could be used to fund potential facility development and ongoing operations.

Typically, funding for public assembly facilities is tied to the industries that benefit from facility operations. This analysis will focus on numerous sources of revenue for project funding including taxes on hotel, car rental, food and beverage sales, mixed drinks, taxicabs and other such industries. Order-of-magnitude estimates of revenue potential from each viable revenue source will be prepared and potential funding sources will be prioritized.

Importantly, potential partnering and funding options as used by similar communities will be identified and analyzed, including the feasibility of developing the potential Center as a joint venture with an existing or future hotel or with another business or event facility. In the past several years, our project team has been involved with many similar projects around the country that have incorporated creative partnerships with the private sector to assist in defraying facility development costs. Some additional potential private sector funding possibilities for the potential facility development that will be identified and analyzed will include sponsorships, naming rights, franchising, branding, upfront service provider fees and facility component build-outs.

Task 9. Preparation of Reports/Presentations

In this final task, we will prepare a final written report summarizing our findings and conclusions for all tasks. We will summarize these matters in a draft report, which will be submitted to you prior to finalizing the document. If the study is terminated before initiating Task 2, we will prepare a written report encapsulating the first task of work. Within the report, an executive summary will be included at the outset, and each task will include an introduction, conclusion, methodology, recommendations and resources utilized.

In addition to the written report, we will present one or more oral presentations. Under this study scope, a presentation will be made following the conclusion of Task 1, presenting our findings and recommendations related to the market demand analysis of the study. In addition, a presentation could be made at the conclusion of all tasks to the project stakeholders, a presentation may also be made that could include a presentation and/or press conference to a larger group of constituents.

Professional Fees and Expenses

Total professional fees for any engagement will depend on the number of hours required to complete the project and skill levels of the assigned personnel.

Professional fees associated with all nine tasks of the scope of services outlined will not exceed \$35,000. Out-of-pocket expenses including travel costs, postage, telephone, report preparation and reproduction will be billed separately and will not exceed \$5,000 (unless expressly authorized by you). These fee and expense figures assume two in-person visits. At your request, we could undertake more than two visits if desired, and would bill you for incremental out-of-pocket expenses incurred as a result of travel. Professional fees and out-of-pocket expenses will be billed and are payable on a monthly basis.

Should additional work be required beyond the scope of services detailed herein, professional fees will be billed on an hourly rate basis. Total professional fees for additional services will depend on the number of hours required to complete the services and skill levels of the assigned personnel.

Timing

We are prepared to commence this engagement upon receipt of notice to proceed. The project tasks included in this study are based on a typical conference and community facility feasibility project. We anticipate that study tasks will take 12 to 14 weeks to complete. The following exhibit presents the anticipated timeline for the study and its primary tasks.

Anticipated Project Timing

	week	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Task 1. Market Demand Analysis															
Task 2. Market Supportable Facility Program Analysis															
Task 3. Event Levels Analysis															
Task 4. Preliminary Construction Costs Analysis															
Task 5. Site/Location Analysis															
Task 6. Financial Operations Analysis															
Task 7. Economic and Cost/Benefit Analysis															
Task 8. Funding Alternatives Analysis															
Task 9. Preparation of Reports/Presentations															
Meetings and Presentations															
	A									A/B					A/B

A = meetings between CSL and City representatives
B = CSL deliverables

In addition, regular progress updates will be forwarded to you in-person or via conference call during the study period. Furthermore, we anticipate completing this study in full, performing all work as set forth in this engagement letter. In the event that a decision not to proceed occurs within the time frame finally agreed upon for this engagement, we will cease our work, and bill you for time incurred on the project at that point in time.

Conditions of Work

Any findings and recommendations presented as a part of this engagement will reflect the analysis of primary and secondary information provided by the City and other involved parties. Information provided by third parties will not be audited or verified, unless otherwise noted, and will be assumed to be correct. As any projected information provided as a part of this engagement will be based on various trends and assumptions, there will be differences between the information presented and actual results because events and circumstances frequently do not occur as expected and those differences may be material.

Due to the inherent uncertainty involved with predicting future events and local/industry conditions, CSL will make no representation or warranty as to the findings or recommendations contained within any of our analyses, including any estimates, and shall have no liability for any representations (expressed or implied) contained in, or for any omissions from, such information. Any finding or recommendation made by CSL will be based on the scope of services as defined herein. CSL cannot be held responsible for any future marketing efforts and/or other management actions on which the future performance of any event facility will depend. The work performed as a part of this engagement is intended solely for the internal use of the City and authorized representatives.

* * * * *

If you are in agreement with the aforementioned, please indicate by signing in the space provided below, and returning this letter to CSL International. If you would like to discuss this letter, please contact Bill Krueger at (952) 476-5900, extension 204.

Very truly yours,



CSL International

The arrangements described above are acceptable to us and set forth the satisfactory basis which to proceed with this engagement.

By:

Title:

Date:



CITY OF PALMER
231 W. Evergreen Avenue • Palmer • Alaska • 99645
• Telephone 907-745-3271 • Fax 907-745-5443 •

REQUEST FOR PROPOSAL 09-003
Feasibility Study for Community and Conference Center

PROJECT ABSTRACT

The City of Palmer is requesting proposals from qualified firms to develop a feasibility study to assess the desirability of constructing a community and conference center to incorporate meeting spaces for 100 to 350 people, a multi-purpose meeting/performing arts space, museum display spaces, space for visitor information, and possibly cooperative non-profit offices.

RELEASE DATE
May 26, 2009

A pre-bid conference has been scheduled for 11:00 a.m. Tuesday, June 2, 2009 at the City of Palmer Council Chambers, 231 W. Evergreen Avenue, Palmer, AK 99645.

SUBMISSION DEADLINE
June 12, 2009 @ 2:00 p.m.

For additional information, please contact:
Sara Jansen, Special Assistant, City Manager's Office
(907) 761-1315

See Section 9, for instructions on submitting proposals.
See Section 12, Submission Checklist.

A Request for Proposals process is different from an Invitation to Bid. The City expects Proposers to propose creative, competitive solutions to the City's stated problem or need, as specified below. The City reserves the right to limit the Scope of Work prior to award. If the City Manager determines that it is in the best interest of the City to do so, the City may reject all proposals.

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1. Overview of Project
2. Minimum Qualifications to Submit a Proposal

3. Acronyms/Definitions
4. Scope of Services
5. Statement of Qualifications and Requirements
6. Cost
7. Payment
8. Submittal Instructions
9. Proposal Evaluation and Award Process
10. Terms, Conditions and Exceptions
11. Submission Checklist

Attachment A

Certification of indemnification and compliance with terms and conditions of RFP.

Attachment B

Proposal Certification – *this is a mandatory submittal and must be the first page of your proposal!*

Attachment C

Sample Contract

1. OVERVIEW OF PROJECT

The City of Palmer (the "City") is requesting proposals from qualified firms to conduct a feasibility study for a Conference and Community Center (CCC) in Palmer, Alaska. There may be an additional component of cooperative non-profit offices.

The City is investigating the construction of a new facility to serve a variety of community needs. The concept for the center includes:

- multi-purpose meeting and conference space for up to 350 people;
- a multi-purpose assembly space for approximately 300 to 350 people to host public meetings, general assemblies and performing arts events with advanced technological equipment;
- unique and innovative museum display space;
- provisions for visitor information distribution;
- a partial kitchen for use by caterers, and
- possibly a cooperative office space to be shared by 12 to 20 local non-profit organizations to facilitate cost savings and cooperative project approaches.

The two primary project purposes are to provide a community venue for meetings, gatherings and performance and to attract state wide conferences into town and encourage economic development in the City of Palmer. Although the City does not anticipate the CCC to be a revenue generator in itself, costs for construction and operations and maintenance need to be identified.

The City seeks a study to conduct a minimum of five year financial pro forma and identify the potential user pool and stakeholders that will utilize the facility. Key components of the study will include size and location of facility, delineation of the interior space by function, marketing

strategies, funding sources including potential partners, and necessary and desirable technological inclusions. The study should address size and potential design as well as programmatic needs to reflect current uses and future needs of the community.

The final study will be presented to both the City of Palmer Community Center Focus Group and the City Council. To that extent, the successful proposer must be willing and prepared to integrate their work with an open public process. Close coordination between the firm and city personnel will be necessary.

Background sources include the Matanuska-Susitna Borough Tourism Infra-structure Needs Study and City of Palmer Community Center Focus Group meeting packets and minutes. These are available on the municipal websites.

The budget range for the project is approximately \$25,000.

2. MINIMUM QUALIFICATIONS REQUIRED TO SUBMIT A PROPOSAL

A minimum of three (3) years of performing feasibility studies for is required to submit a proposal. Particular focus will be given to the successful completion of similar projects, and those individuals/companies who are not experienced in this scope of work are asked not to submit as their proposal will be deemed non-responsive. In addition, a demonstrated ability to meet the required time schedule is required.

3. ACRONYMS/DEFINITIONS

For the purposes of this RFP, the following acronyms/definitions will be used:

City	The City of Palmer and any agency identified herein.
City Staff	Any City of Palmer department director or their designee
Department	Any City of Palmer department including the Administration, Community Development, Community Services, Public Safety, or Public Works.
Feasibility Study	An analytical tool which presents the basic assumptions of the conceptual project idea by investigating the facilities and technology needed for the project and the financial aspects of the project including identification of the market.
Evaluation Committee	An independent committee comprised of a majority of City officers or employees established to evaluate and score proposals submitted in response to a RFP.
PMC	Palmer Municipal Code
Proposer	The company submitting a proposal in response to this RFP.

May	Indicates something that is not mandatory but permissible.
RFP	Request for Proposal - a written statement which sets forth the requirements and specifications of a contract to be awarded by competitive selection under PMC 3.21.210.
Shall/Must	Indicates a mandatory requirement. Failure to meet a mandatory requirement may result in the rejection of a proposal as non-responsive.
Should	Indicates something that is recommended but not mandatory. If the proposer fails to provide recommended information, the City may, at its sole option, ask the proposer to provide the information or evaluate the proposal without the information.
Successful proposer	The organization/individual that is awarded and has an approved contract with the City of Palmer for the services identified in this RFP.
Will	Expected or required.

4. SCOPE OF SERVICES

The feasibility study shall address the following items, but is not limited to these items. Each section of the Study shall have an introductory overview and a conclusion by the authors:

4.1 Executive Summary

4.1.1 Determine the demand for the facility

4.1.2 Assess the feasibility

4.1.3 Estimate capital streams

- Technological
- Conference fees
- Community
- Pipe and Drape - Decorations

4.1.4 Estimate revenue cost

4.1.5 Recommend operating model

4.1.6 Determine impacts on Palmer - overview

4.2 Brief Interpretation

4.2.1. Overview and Scope of the Study

4.3 Methodology

4.3.1. Decision Making and Process

4.3.2 Recommended Management Structure

- In-house or Contract Staff

4.3.3 Resources

4.3.4 Net Value, Internal Rate of Return and Pay Back Period, as applicable

4.4 Findings and Recommendations

4.4.1 Subject property description and analysis

- Size of facility to meet projected demand
- Specific usage spaces within square footage
 - Community Programs
 - Creative Museum Displays
 - Multi-Purpose Assembly/Performing Arts Space
 - Flexible Meeting Rooms
 - Mechanical, etc.
- Meeting spaces delineated - conference, small meeting and breakout space
- Technical and A/V requirements
- Catering facilities

4.4.2 Operation model based upon concept identified in the RFP

4.4.3 Financial projections

4.4.4 Specific impacts on Palmer

- Community Events
- Other facilities
- Community Events

4.5 Industry Trend Analysis

4.5.1 Demand Analysis-Conference, Meeting/ Convention

4.5.2 Supply Analysis-Conference, Conventions /Meetings

4.6 City Logistics

4.6.1 Brand

- 4.6.2 Location
- 4.6.3 Infrastructure
- 4.6.4 Cost
- 4.6.5 Other facilities
 - Actual and projected housing and room needs in support of facility
 - Actual and projected restaurants and other support industries
- 4.7 Supply and Demand Analyses
 - 4.7.1 Alaska Supply Demographics
 - 4.7.2 Palmer Supply Demographics
 - 4.7.3 Comparable Purpose-Built Facilities (Wrangell Nolan Center, others)
 - 4.7.4 Alaska Demand Demographics – Who Will Come and Why?
 - Breakdown of Target Markets
 - 4.7.5 Palmer Demand Demographics
 - Projections : Palmer Demand vs. Supply
 - Palmer Demand - Supplier Perspective
 - Market Segments
 - Demand Projections
 - 4.7.6 Demand for National Market/Demographics
- 4.8 Financial Projections
 - 4.8.1 Capital requirement
 - 4.8.2 Operating result
 - 4.8.3 Financial return
 - 4.8.4 Funding resources
- 4.9 Appendixes with referenced resource detail

This is intended only to provide a general overview of what is envisioned and in no way represents a complete list. The City expects the Proposer to provide creative options that will best serve Palmer citizens.

5. STATEMENT OF QUALIFICATIONS AND REQUIREMENTS

To achieve a uniform review process, and obtain the maximum degree of comparability, the proposal submitted in response to this RFP must be no more than twenty (20) pages in length (excluding letter of transmittal, resumes, title page(s), index/table of contents, attachments, dividers or other forms, if required). Please provide the name, address, phone number, fax number, website URL for your firm and any other firm or firms that you would team with on this

matter, together with the name, address, phone, fax and email for the person whom the City should contact in regard to the RFP. If you propose to team with another firm, please provide the same information requested in this Statement for that firm. Please detail each of the following points in your Proposal:

5.2 Table of Contents - Clearly identify the materials by section and page number.

5.2 Letter of Transmittal - Limited to two (2) pages.

5.2.1 Briefly state your firm's understanding of the services to be performed and make a positive commitment to provide the services as specified.

5.2.2 Give the name(s) of the person(s) who are authorized to make representations for your firm, their titles, address, and telephone numbers.

5.2.3 The letter must be signed by a corporate officer or other individual who has the authority to bind the firm.

5.2.4 An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly licensed to practice in the State of Alaska.

5.2.5 Statement of interest and qualifications which shall, at a minimum, address the following areas.

- Firm Organization - The proposal should state the size of the proposer's firm, the size of the firm's staff, the location of the office from which the work on this engagement is to be performed, and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis. If the firm is a joint venture or conglomerate, the qualifications of each firm comprising the joint venture or conglomerate should be separately identified, and the individual that is to serve as the primary contact with the City should be noted. Included in this section shall be company background/history and why firm is qualified to provide the services described in this RFP. In addition, the length of time the firm has been providing services described in this RFP to the public and/or private sector. Please provide a brief description.
- Firm Experience - The proposer's demonstrated experience, abilities, and past performance in designing projects of this magnitude – be specific. Please list any other information that relates directly to the proposer's ability to perform the requested services. In particular, the City is interested in similar engagements with other municipalities. Indicate the scope of work, date, engagement partners, total hours and the name and telephone number of the principal client contact.

- Firm Personnel - The proposal shall identify the planner/designer/architect assigned to the City, and any other management staff, including other supervisors and specialists, who would be assigned to this project. The experience of all of the personnel referenced in this section must be included.
 - Number of employees both locally and nationally.
 - Location(s) from which employees will be assigned.
 - Also include resumes for key staff to be responsible for performance of any contract resulting from this RFP.

- Company Ownership - If incorporated, the state in which the company is incorporated and the date of incorporation. *An out-of-state or out-of-City firm must become duly qualified to do business in the City of Palmer by acquiring a City of Palmer business license.*

- Contract Failures - Disclosure of any alleged significant prior or ongoing contract failures, contract breaches, any civil or criminal litigation or investigation pending which involves the firm or in which the firm has been judged guilty or liable. This is a mandatory disclosure.

- Location(s) of the company offices and location of the office servicing any City of Palmer account(s).

5.2.6 Project Planning - Please provide a complete project plan detailing all short-term and long-term project milestones, deliverables, tasks, dependencies, resources, costs, and timeline required for the successful completion of the plan.

5.2.7 Identification of Anticipated Potential Implementation Problems - The proposal should identify and describe any anticipated potential implementation problems, proposer's approach to resolving these problems and any special assistance that will be requested from the City.

5.2.8 Methodology - The expected organizational arrangements of the firm and the proposed method of performing the defined services. Such description should include, at a minimum, identification of the lead planner/designer/architect to be assigned to the project and the general workflow.

5.2.9 State whether the firm has been engaged under contract by any State or Municipal agency located within the State of Alaska during the last two (2) years? If "Yes," specify when, for what duties, and for which agency.

5.3 References

Firms shall provide a minimum of five (5) references for similar projects performed for private, state and/or large local government clients within the last three years. The City may contact any or all business references for validation of information submitted.

5.4 Subcontracting

The City anticipates that the duties of this project will not be subcontracted. Any intention to subcontract, and the name of the proposed subcontracting firms, must be clearly identified in the proposal. The reasons for subcontracting must be stated. Following the award of the contract, no additional subcontracting will be allowed without the prior written consent of the City.

6. COST

Sealed cost proposals shall be submitted under separate cover at the same time as the proposal. No municipal contracts shall be awarded wherein the fee is stated as a percentage of the project cost. The City desires to award the contract to the firm or individual that demonstrates the ability to provide the highest quality of service at the best cost. To accomplish this goal, the most important evaluation emphasis will be placed upon the experience and qualifications of key individuals assigned to the project by the firms. Cost proposals are required to allow the city to obtain benchmarks for negotiation purposes.

7. PAYMENT

Payment for services must be negotiable to meet the City requirements. The City generally pays for services billed on a monthly Net 30 basis, upon receipt of an invoice and confirmation of the receipt of those services by the City's designated contact. The City does not issue payment prior to receipt of goods or services.

8. SUBMITTAL INSTRUCTIONS

- 8.1 A pre-proposal conference shall be held on June 2, 2009 at Palmer City Hall at 11:00 a.m. in the Palmer Council Chambers located at 231 W. Evergreen Avenue, Palmer, AK 99645. This is a non-mandatory meeting.
- 8.2 The Pre-Proposal conference is intended to provide prospective proposers the opportunity to ask questions or receive clarification from City representatives of any requirements of this RFP.
- 8.3 Proposers shall carefully review this RFP for defects and questionable or objectionable materials. Proposers comments concerning defects and questionable or objectionable material in the RFP must be made in writing and received by the City's designated contact not later than the pre-proposal conference date and time noted above.

8.4 RFP TIMELINE

TASK	DATE/TIME
Pre-Proposal Conference	June 2, 2009, 11:00 am
<u>Deadline for submission</u>	June 12, 2009, 2:00 pm
Evaluation period	June 15 – 22, 2009
Selection of company	On or about June 23, 2009

NOTE: These dates represent a tentative schedule of events. The City reserves the right to modify these dates at any time, with appropriate notice to prospective proposer.

8.5 SUBMITTALS - Proposers shall submit one (1) original proposal marked "MASTER" and five (3) identical copies to:

City of Palmer,
Attn: Sara Jansen
231 W. Evergreen Avenue
Palmer, AK 99645

Proposals shall be clearly labeled in a sealed envelope or box as follows:

REQUEST FOR PROPOSAL NO.: RFP 09-003

PROPOSAL SUBMISSION DEADLINE: 6/12/2009

FOR: Palmer Community and Conference Center Feasibility Study

8.6 RECEIPT - **Proposals must be received at the above-referenced address no later than 2:00 p.m., Alaska Time, June 12, 2009.** Proposals that do not arrive by proposal deadline time and date WILL NOT BE ACCEPTED. Proposers may submit their proposal any time prior to the above stated deadline.

8.7 ERRORS - The City will not be held responsible for proposal envelopes mishandled as a result of the envelope not being properly prepared. Facsimile, e-mail or telephone proposals will **NOT** be considered.

8.8 DISCREPANCIES - If discrepancies are found between two or more copies of the proposal, the master copy will provide the basis for resolving such discrepancies. If one copy of the proposal is not clearly marked "MASTER," the City may reject the proposal. However, the City may at its sole option, select one copy to be used as the master.

8.9 FORMAT - For ease of evaluation, **the proposal should be presented in a format that corresponds to and references sections outlined within this RFP, and should be presented**

in the same order. Responses to each section and subsection should be labeled so as to indicate which item is being addressed. Exceptions to this will be considered during the evaluation process.

- 8.10 DOCUMENTATION - If complete responses cannot be provided without referencing supporting documentation, such documentation must be provided with the proposal and specific references made to the tab, page, section and/or paragraph where the supplemental information can be found.
- 8.11 FORMAT - Proposals are to be prepared in such a way as to provide a straightforward, concise delineation of capabilities to satisfy the requirements of this RFP. Expensive bindings, colored displays, promotional materials, etc., are not necessary or desired. Emphasis should be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements, and on completeness and clarity of content.
- 8.12 DETAILS - Descriptions on how any and all equipment and/or services will be used to meet the requirements of this RFP shall be given, in detail, along with any additional information documents that are appropriately marked.
- 8.13 SIGNATURE - The proposal must be signed by the individual(s) legally authorized to bind the company. See Attachment B of this RFP for the signature page and additional requirements.
- 8.14 CITY CONTACT - ***For purposes of addressing questions concerning this RFP, the sole contact will be Sara Jansen, 231 W. Evergreen Avenue Palmer, AK 99645, 907 761-1315 or sjansen@palmerak.org. Upon issuance of this RFP, other City employees will not answer questions or otherwise discuss the contents of this RFP with any prospective companies or their representatives.*** This restriction does not preclude discussions between by proposer with the City for the purpose of conducting business unrelated to this procurement.
- 8.15 REVIEW - Proposers who believe proposal requirements or specifications are unnecessarily restrictive or limit competition may submit a request for administrative review, in writing, to Sara Jansen at 231 W. Evergreen Avenue, Palmer, AK 99645. To be considered, a request for review must be **received** before the pre-proposal conference.
- 8.16 RESPONSE - The Special Assistant shall promptly respond in writing to each written review request, and where appropriate, issue all revisions, substitutions or clarifications through a written amendment to the RFP.
- 8.17 RESPONSE DETAIL - Administrative review of technical or contractual requirements shall include the reason for the request, supported by factual information, and any proposed changes to the requirements.
- 8.18 LICENSING - Proposers are cautioned that some services may contain licensing requirement(s). Proposers shall be proactive in verification of these requirements prior to

Proposal submittal. Proposals, which do not contain evidence of the proposer's possession of the requisite licensure, may be deemed non-responsive.

9. PROPOSAL EVALUATION AND AWARD PROCESS

9.1. Proposals shall be consistently evaluated and scored on a 100 point scale in based upon the following criteria listed in descending order of precedence:

9.1.1. Firm Experience – Experience of the Firm – 30 points

This is based upon demonstrated knowledge of the principles and standards of tourism, conference and meeting space, and the economics of multi-purpose facilities planning. Number of years professional master plan design experience, number of years conducting this type of project, and number of years of direct experience with a government entity. This will be based upon information provided in 5.2.5.

9.1.2. Key Individual Assigned to the Project – 30 points

Availability, work load and qualifications of the individual who will be assigned key project responsibilities. Previous and current projects this person has or is currently engaged upon and their demonstrated knowledge of the principles and standards of park and open office planning.

9.1.3. Methodology/Technical Approach – 25 points

The methodology and approach should describe the philosophy that will be used in servicing the City's requirements. The Firm should highlight its strengths and describe their understanding of the required services. The methodology should be described in sufficient detail to demonstrate familiarity with executing this type of project and should identify areas where the firm can add value. The approach should be used to suggest innovations that can be applied by the City to help make the project as cost effective and efficient as possible. This will be based upon information provided in Section 6.2.7.

9.1.4. Communication – 10 points

This is based upon the written proposal submitted by each firm. Is it clearly written? Does it conform to the stipulations or Section 8.9 through 8.12?

9.1.5. Cost – 5 points

9.2. The evaluation committee may contact the references provided in response to Section 5.3 of the RFP; contact any proposer to clarify any response; contact any current users of a proposer's services; solicit information from any available source concerning any aspect of a proposal; and seek and review any other information deemed pertinent to the evaluation process. The evaluation committee shall not be obligated to recommend the lowest priced proposal, but shall recommend award in the best interests of the City of Palmer.

- 9.3. Each proposer must include in its proposal a complete disclosure of any alleged significant prior or ongoing contract failures, contract breaches, any civil or criminal litigation or investigations pending which involves the proposer or in which the proposer has been judged guilty or liable. Failure to comply with the terms of this provision may disqualify any proposal. The City reserves the right to reject any proposal based upon the proposer's prior history with the City or with any other party, which documents, without limitation, unsatisfactory performance, significant failure(s) to meet contract milestones or other contractual failures.
- 9.4. Clarification discussions may, at the City's sole option, be conducted with companies who submit proposals determined to be acceptable and competitive. Proposers shall be accorded fair and equal treatment with respect to any opportunity for discussion. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing companies.
- 9.5. A Notification of Intent to Award shall be issued in accordance with PMC 3.21.210 D. Any award is contingent upon the successful negotiation of final contract terms and upon approval of the City Council. Negotiations shall be confidential and not subject to disclosure to competing companies unless and until an agreement is reached. If contract negotiations cannot be concluded successfully, the City upon written notice to all companies may negotiate a contract with the next highest scoring proposer or withdraw the RFP.

10. TERMS, CONDITIONS AND EXCEPTIONS

- 10.1. Performance of the proposer may be rated semi-annually following contract award and then annually for the term of the contact by the using City department in six categories: customer service; timeliness; quality; technology; flexibility; and pricing. The proposer will be notified in writing of its rating.
- 10.2. This procurement is being conducted in accordance with PMC 3.21.210.
- 10.3. The City reserves the right to alter, amend, or modify any provisions of this RFP, or to withdraw this RFP, at any time prior to the award of a contract pursuant hereto, if it is in the best interest of the City to do so.
- 10.4. The City reserves the right to waive informalities and minor irregularities in proposals received.
- 10.5. The City reserves the right to reject any or all proposals received upon a determination of the City Manager that such rejection is in the City's best interest (PMC 3.21.210 H).
- 10.6. Any irregularities or lack of clarity in the RFP should be brought to the attention of the City's designated contact person as soon as possible so that corrective addenda may be furnished to prospective proposers.

- 10.7. Proposals must include any and all proposed terms and conditions, including, without limitation, written warranties, maintenance/service agreements, license agreements, lease purchase agreements and the proposer's standard contract language. The omission of these documents renders a proposal non-responsive.
- 10.8. Alterations, modifications or variations to a proposal may not be considered unless authorized by the RFP or by addendum or amendment.
- 10.9. Proposals which appear unrealistic in the terms of technical commitments, lack of technical competence, or are indicative of failure to comprehend the complexity and risk of this contract, shall be rejected.
- 10.10. Proposals may be withdrawn by written or facsimile notice received prior to the proposal opening time. Withdrawals received after the proposal opening time will not be considered. Proposers transmit proposal withdrawals by facsimile at their own risk. The City will not be responsible for any error or failure in facsimile transmission or receipt.
- 10.11. The price and amount of this proposal must have been arrived at independently and without consultation, communication, agreement or disclosure with or to any other company or prospective company. Collaboration among competing companies about potential proposals submitted pursuant to this RFP is prohibited and may disqualify the proposer.
- 10.12. No attempt may be made at any time to induce any company or person to refrain from submitting a proposal or to submit any intentionally high or noncompetitive proposal. All proposals must be made in good faith and without collusion.
- 10.13. Prices offered by a Proposer in their proposals are an irrevocable offer for the term of the contract and any contract extensions. The awarded company agrees to provide the purchased services at the costs, rates and fees as set forth in their proposal in response to this RFP. No other costs, rates or fees shall be payable to the awarded company for implementation of their proposal.
- 10.14. The City is not liable for any costs incurred by proposers prior to entering into a formal contract. Costs of developing the proposals or any other such expenses incurred by the company in responding to the RFP, are entirely the responsibility of the company, and shall not be reimbursed in any manner by the City.
- 10.15. All proposals submitted become the property of the City and will be returned only at the City's option and at the company's request and expense. The master copy of each proposal shall be retained for official files and will become public record after the award of a contract. If a company wishes individual pages which contain actual business propriety information to be held confidential, each page shall be marked and an explanation furnished of its propriety nature. In addition to marking individual pages, the proposal cover will also be annotated with the words "THIS PROPOSAL CONTAINS

PROPRIETARY INFORMATION.” Confidential and Proprietary information is not meant to include any information which, at the time of disclosure, is generally known by the public and/or competitors.

10.16. The City will look solely to the successful proposer for the performance of all contractual obligations which may result from an award based on this RFP, and the awarded company shall not be relieved for the non-performance of any or all independent counsel.

10.17. Work on the contract shall not begin until after the awarded company has submitted acceptable evidence of the required insurance coverages. Failure to maintain any required insurance coverage or acceptable alternative method of insurance will be deemed a breach of contract. The awarded company must maintain, for the duration of its contract, insurance coverage including Professional Liability (\$1,000,000 per claim) and:

Worker’ Compensation

\$500,000 Employers Liability and Workers Compensation as required by Alaska State Worker’s Compensation statutes

Minimum Limits

Statutory

Comprehensive General Liability

Bodily Injury and Property Damage Liability
Premises Operations including explosion, collapse, and underground; Products and Complete Operations; Broad Form Property Damage; Blanket Contractual; Personal Injury; Owner’s/Consultant’s Protection

Minimum Limits

\$1,000,000
Combined Limit Each Occurrence and \$2,000,000 Aggregate

Comprehensive Automobile Liability

Bodily Injury and Property Damage, including all owned , hired and non-owned automobiles

Minimum Limits

\$1,000,000 Combined Limit per Accident

10.18. Each company must disclose any existing or potential conflict of interest relative to the performance of the contractual services resulting from this RFP. Any such relationship that might be perceived or represented as a conflict should be disclosed. By submitting a proposal in response to this RFP, proposers affirm that they have not given, nor intend to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant or any employee or representative of same, in connection with this procurement. Any attempt to intentionally or unintentionally conceal or obfuscate a conflict of interest will automatically result in the disqualification of a company’s proposal. An award will not be made where a conflict of interest exists. The City will determine whether a conflict of interest exists and whether it may reflect negatively on the City’s selection of a company. The City reserves the right to disqualify any company on the grounds of actual or apparent conflict of interest.

10.19. The City will not be liable for Federal, State, or Local excise taxes.

10.20. Execution of Attachment B of this RFP shall constitute an agreement to all terms and conditions specified in the RFP, including, without limitation, the Attachment C contract form and all terms and conditions therein, except such terms and conditions that the company expressly excludes. Exceptions will be taken into consideration as part of the evaluation process.

10.21. The City reserves the right to negotiate final contract terms with any company selected pursuant to PMC 3.21.210 F-G. The contract between the parties will consist of the RFP together with any modifications thereto, and the awarded company's proposal, together with any modifications and clarifications thereto that are submitted at the request of the City during the evaluation and negotiation process. In the event of any conflict or contradiction between or among these documents, the documents shall control in the following order of precedence: the final executed contract, the RFP, any modifications and clarifications to the awarded company's proposal, and the awarded company's proposal.

10.22. Company understands and acknowledges that the representations above are material and important, and will be relied on by the City in evaluation of the proposal. Any company misrepresentation shall be treated as fraudulent concealment from the City of the true facts relating to the proposal.

10.23. No announcement concerning the award of a contract as a result of this RFP can be made without the prior written approval of the City.

11. SUBMISSION CHECKLIST

This checklist is provided for company's convenience only and identifies documents that must be submitted with each package in order to be considered responsive. Any proposals received without these requisite documents shall be deemed non-responsive and not considered for contract award.

Documents to be submitted with proposal:

1. One MASTER and five (3) copies of technical proposals packaged separately.
2. Requested number of copies of cost proposals packaged separately.
3. Attachment B of the RFP completed, signed and notarized.
4. Primary Company Attachment A signed with confidentiality/exceptions noted.
6. Primary Company Information provided.