



JONESBORO
ADVERTISING & PROMOTION COMMISSION

REQUEST FOR PROPOSAL (RFP)

Operations and Management Partner for the Jonesboro Sportsplex

Jonesboro, Arkansas

Date Issued: April 15, 2024

Issued by: Jonesboro Advertising and Promotions Commission

Proposal Due Date: May 13, 2024

Statement of Confidentiality

This Request for Proposal (RFP) contains confidential and proprietary information that is the property of the Advertising and Promotions Commission (the A&P) of the City of Jonesboro which is provided for the sole purpose of permitting the recipient (the "Proposer") to respond to the RFP. The recipient agrees to maintain such information in confidence and not to copy nor disclose this information to any person outside the group directly responsible for responding to its contents. The contents of this document may not be used for any purpose other than the preparation of a response to this RFP. Proposals will be rejected for failure to comply with this confidentiality statement.

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The Advertising and Promotions Commission of the City of Jonesboro, Arkansas is seeking a partner organization to operate and manage the Jonesboro Sportsplex. The building is in the design phase and is to be sited at the Corner of Race Street and McClellan Drive in Jonesboro, Arkansas.

I. PROJECT OVERVIEW

The intent of this Request for Proposal (RFP) is to identify management organizations qualified and capable of operating and managing the Jonesboro Sportsplex (the Sportsplex). The Sportsplex will accommodate the following core features:

- 25-meter, 8-lane indoor recreation pool
- A 50-meter, 8-lane indoor competition pool with 300 deck seating for participants and 1,200 spectator seats on a mezzanine level
- Locker rooms
- Family Bathrooms
- Multipurpose hardcourt gym lined for multiple sports (8 basketball courts)
- Multipurpose hardcourt events space (4 basketball courts)
- Community rooms
- Food and Beverage Kitchen and Dining area
- Multiple administrative offices (4) and meeting rooms (2)

The Sportsplex feasibility study can be found on the City of Jonesboro's website [at this link](#).

II. PROJECT BACKGROUND

Background: The Sportsplex has been in the planning stages since 2018. Its amenities are based on multiple City community surveys and meetings, a market study performed by Pinnacle Indoor, and a conceptual layout and business plan created by Eastern Sports Management.

Design: The Sportsplex construction will be ~200,000 sf and comprised of a two-story aquatics center (~60,000 sf) and two multipurpose hardcourts gyms (~111,000 sf)

Team: The architect and civil engineering for the expanded Sportsplex is Hasting + Chivetta and Crafton Tull. The general contractor is Nabholz Construction.

Funding: The Sportsplex expansion will cost an estimated \$77M. The expansion is expected to be financed primarily with tax-exempt municipal bonds secured by lease revenues. The primary source of funds to pay rent and other operating expenses is a prepared food tax passed in 2021.

Operations: The A&P is inviting organizations to submit detailed proposals to provide overall sports and aquatics center management which may include programming across all age groups including seniors, aquatic/land group exercise instruction, swim meet sales and operation, childcare, after-school, summer camps, sports league operation, sports tournament sales and

operations, and oversight and customer service in accordance with the specifications and conditions in this RFP.

The A&P desires an operational partner with substantial experience managing and operating aquatics and sports tourism centers in a public setting. The goal of the partnership is to best serve the residents of Jonesboro with sports programming and space rentals, to draw sports tourists to Jonesboro through tournaments and events, and to reduce or eliminate the need for an operational subsidy. The financial plan proposed by prospective operational partners must reflect those goals.

Because the project will be primarily financed with tax-exempt municipal bonds, management of the sportsplex must be operated pursuant to a qualified management contract in accordance with the conditions set forth in Revenue Procedure 2017-13. These conditions include, but are not limited to the following:

- Payments to the operational partner for management services must be reasonable compensation for the services rendered.
- Compensation to the operational partner cannot be based on a share of net profits from the operation of the facility.
- The operational partner will not be responsible for bearing any share of net losses from the operation of the facility.
- The term of the contract, including all renewal options, cannot exceed the lesser of 30 years or 80 percent of the reasonably expected economic life of the facility.
- The A&P must maintain a significant degree of control over the facility, including approval of annual budgets, capital expenditures, rates to be charged for use of the facility, and the general nature and type of use of the facility.
- The A&P must bear risk of loss with respect to the facility.
- The operational partner will not be entitled to take any depreciation, investment tax credit, deduction for payment of rent, or any other tax position inconsistent with the operational partner's position as a service provider to the A&P.
- The operational partner may not be owned or operated by individuals that serve on the A&P board.

The A&P encourages all applicants to review Revenue Procedure 2017-13 for a more detailed list of the conditions required for a qualified management contract involving bond-financed facilities.

III. JONESBORO OVERVIEW

Jonesboro, Arkansas is the economic, medical, educational, and retail hub of a 12-county area in Northeast Arkansas. With a population of just over 80,000, Jonesboro serves as the county seat of Craighead County and the home of Arkansas State University and its 14,000 students. Serving as the largest city between Little Rock, St. Louis, and Memphis, there are over 14 million people within a four-hour drive, perfectly positioning us as a hub of commerce, investment, and recreation.

Jonesboro's economy is well-insulated against economic forces that cripple other communities. With a strong foundation in manufacturing, Jonesboro is home to industry giants like Nestle, Frito-Lay, Unilever, Post Consumer Brands, and Riceland Foods. Jonesboro-based Hytrol Conveyors builds the systems that move packages for companies like Amazon, FedEx, and the United States Postal Service.

The last 10 years have seen Jonesboro make significant investments in outdoor recreation. Craighead Forest Park is quickly becoming a beacon of mountain biking following the addition of new trails and improvements on existing trails. Multi-million-dollar investments in baseball, soccer, and softball facilities bring thousands to Jonesboro for tournaments regularly.

Deep in tradition and Southern hospitality, Jonesboro is always ready to play the host.

IV. SPORTSPLEX SCOPE OF SERVICES

The operator will be responsible for:

- The cost of all aspects of the facility's operation including staffing, operating supplies, utilities, and contractual services.
- Staffing of the center including operations, programming, administration, and maintenance.
- All cleaning and maintenance functions associated with the interior of the building.
- Maintaining all the building's mechanical and operating systems including regular and routine care, cleaning, inspecting, repairing, and replacing expendable components of equipment.
- All facility and program equipment (including sports and aquatics).
- Operating the facility seven days a week.
- Offering, promoting, and advertising, and operating sports and aquatics programs and services in all areas of the facility.

The Scope of Services will be subject to refinement and negotiation with the selected Proposer based on the Proposal submitted.

V. MINIMUM QUALIFICATIONS

The A&P is seeking an organization that is highly regarded in the field of sports tourism and aquatics facility management, that understands and appreciates Jonesboro's needs regarding the Sportsplex, and has a qualified and established management staff. Proposers must meet or exceed the following criteria:

- Proposer must be legally capable of operating within the State of Arkansas.
- Proposer must have extensive and current experience in managing, owning, and/or operating multi-sport venues that provide leagues, tournaments, camps, clinics, training, aquatics programs, fitness activities, special events, and facility rentals for a variety of sports, aquatics, and recreational activities. Single-sport operators will not be considered.
- Proposer must provide no fewer than three references from accounts where Proposer is currently or has previously provided full-time, on-site sports facility management.
- Proposer must provide EBITDA statements for three sports facilities it has managed in the past three calendar years, in sufficient detail that represents a fair and accurate portrayal as to the financial viability of the organization to run such a facility in a financially sustainable way. At least one example must be for a sports facility Proposer currently operates.

VI. PROPOSAL SUBMISSION

By 4PM on May 13, 2024, submit ten (10) complete hard copies of the proposal in a sealed envelope to:

Craig Rickert, Executive Director
Jonesboro Advertising & Promotion Commission
225 S. Main St. Suite 102
Jonesboro, AR 72401

and a complete electronic copy to craigapcommission@gmail.com

Proposals must arrive at the issuing office on or before the listed time and date due. Proposals received after this time may be returned unopened at the A&P's sole discretion. Proposals shall be valid for 90 days.

VII. PROPOSAL AND REVIEW SCHEDULE

- Advertise/Issue RFP - April 15-22nd, 2024.
- RFP Questions- Until Noon on May 3, 2024
- RFP's Due - May 13, 2024, by 4:00pm CST
- Opening RFP's - May 14, 2024
- RFP Review- May 27-June 17, 2024
- Notice of Intent to Award – July 15, 2024

VIII. GENERAL PROPOSAL INFORMATION

Proposal Questions

Direct all questions regarding RFP documents by email to the A&P at: craigapcommission@gmail.com. All questions must be submitted by 4:00PM EST, on May 3, 2024. Questions and answers will be provided by email to all Proposers on the RFP holders list. Questions submitted after the deadline will not be addressed.

Rejection of Proposals

The A&P reserves the right to reject any or all Proposals, or portions thereof, submitted in response to this RFP. Proposals may be rejected for reasons including, but not limited to:

1. Failure of the Proposer to adhere to one or more of the provisions established in the RFP.
2. Failure of the Proposer to submit a Proposal within the time requirements established herein.
3. Failure of the Proposer to adhere to ethical and professional standards before, during, or following the Proposal process.

4. Failure to provide information that is specifically requested in this RFP.

Modification or Withdrawal of Proposal by Proposer

Any Proposer may modify its Proposal at any time, in writing, prior to the scheduled closing time for receipt of proposals, provided communication of such is received by the A&P prior to the closing time. Any modification of a proposal must include a statement that the modification amends and supersedes the prior offer. Withdrawn Proposals may be resubmitted prior to the time and date the Proposals are due, provided that they are then fully in conformance with the RFP.

IX. PROPOSAL REQUIREMENTS

Proposals submitted in response to this request should follow the requirements listed below.

A. Introductory Letter

- The introductory letter shall address the Proposer's understanding of the work to be accomplished, its willingness and commitment, if selected, to provide the services offered, a brief outline of Proposer's strengths in providing the required services, and a description of why Proposer believes its organization should be selected. The letter should also acknowledge agreement with stipulations and requirements of this RFP.
- The letter shall be addressed to the A&P and shall include the Proposer's name, as well as the printed name, title, telephone number, and email address of the officer authorized to represent Proposer in any correspondence, negotiations, and signing of any contract that may result.
- The letter must be signed by the Proposer, if an individual, or by a legal representative of the Proposer authorized to bind the entity in contractual matters and shall include a description of Proposer's current legal status (i.e., corporation, partnership, sole proprietor, joint venture, etc.).

B. Organization Experience and Qualifications

The Proposer should describe its organization's capabilities by providing the following:

- A profile of the organization and describe its legal structure, principal officers, and organizational structure.
- A copy of any organization profile, sales brochure, or other documentary information pertaining to the organization.
- A brief narrative of key personnel including the proposed facility manager and principals of Proposer's firm/organization. Please provide the essential functions and requirements for each of the key Sportsplex personnel.

- A complete and detailed history of Proposer's facility management experience over the last five years. Include contact information. Where applicable. Prior experience operating sports and aquatics facilities should be summarized.

Management and Operations

All of the following shall be based on the core amenities listed previously. Proposals must include the following information:

C. Operations Plan

- An overview of critical milestones for starting operations when the new facility construction is completed to include activities, timing, roles, and metrics.
- Based on the facility and your approach to programs and services, provide a staffing plan showing coverage during a normal operating day.
- A proposed management organizational chart for the facility. Identify all full time and part-time positions and their operational roles. Where applicable, please clearly delineate which personnel are "shared" across other facilities, e.g., IT manager.
- A description of Operational reports to be provided on a monthly or quarterly basis.
- Communications approach or plan for coordinating with the A&P on issues related to the facility and Park assets outside of the facility.
- An overview of your safety and risk management plan for the facility and pools.

D. Marketing Plan - describe the overall approach to market the facility, including:

- An overview of marketing and promotional efforts that will further the goals of the Sportsplex as a premier sports tourism venue and maximize the economic impact on the region.
- A description of Proposer's approach to booking/scheduling, promoting, advertising, and marketing events, programs, and services.
- Identification of any synergies, alliances, key relationships, and other marketing opportunities Proposer will establish between other facilities it manages and how these could benefit the Sportsplex.

E. Programs and Services Plan

- Describe proposed hours of operation to include operating both pools. Please identify the months of operation for the outdoor aquatic's features.

- Provide program course descriptions, quantity, and sample schedule for one month.
- Provide details on how you would design, implement, administer, and evaluate high-quality operations.
- Describe how you would evaluate the quality of services and programs on an ongoing basis to include addressing customer feedback.
- Be able to map the specifics of your staffing plan to the components of program and service delivery.

F. Financial Plan

- Provide a proposed fee plan for programs and rentals to include pools and the hardcourt areas, summer camp, and after-school programs.
- Provide a list of income assumptions, expense assumptions, tournament sales, youth programming assumptions and sales, league sales, and rental sales.
- Provide a 5-year revenue and expense projection.
- The financial plan must satisfy the conditions for qualified management contracts set forth in Revenue Procedure 2017-13 described above.

G. Maintenance Plan

- Provide a daily, weekly, and monthly maintenance plan (or checklists) for the facility to include maintaining all major systems.
- Identify the type vendors who would be contracted to deliver maintenance services and what provisions the Proposer will take to ensure maintenance is conducted.

H. Other

- Please include any other information that would apply to Proposer's complete operational plan. This may include alternative Proposals for additional services such as physical therapy or other related services.

X. PROPOSAL EVALUATION AND SELECTION

A. Written Evaluation

A sub-committee made up of Community members will serve as the Selection Review Committee to review and evaluate the Proposals received. The Committee's evaluation criteria may include, but shall not be limited to, each of the following:

1. Operator Experience/ Qualifications (including past Sportsplex operations experience if applicable).
2. Management and Operations
3. Marketing and Communications
4. Programs and Services
5. Sportsplex Fee Structure
6. Financial Strength / Stability

The Selection Review Committee reserves the right to reject any or all Proposals, or portions thereof, to negotiate modifications of Proposals, and to negotiate specific elements within a Proposal.

B. Interview Evaluation

Finalists from the written evaluation may be invited to participate in an additional interview evaluation process. The number of finalists will be determined by the Selection Review Committee. The interview evaluation process will provide an opportunity for Proposers to make a presentation to clarify their Proposals and for the Selection Review Committee to ask additional questions related to the Proposal and Scope of Services. The Selection Review Committee will notify finalists of the interview evaluation time and location and allow for a reasonable period of time for finalists to prepare presentations. The Selection Review Committee, at its discretion, may elect to forgo the interview evaluation.

C. Successful Proposer Determination

The Selection Review Committee shall determine the final ranking of Proposers considering both the written evaluation criteria and make their recommendations to the full A&P Commission. The A&P Commission will make the final decision. The A&P's decision is final. Upon determination of the successful Proposer, the A&P will issue a Notice of Intent to Award, in writing, notifying all Proposers of the conclusion of the RFP process and the A&P's selection of the successful Proposer.

After the A&P has selected a Proposer, it will negotiate with that Proposer to enter into a Management Agreement that is acceptable to both parties, based on the Proposal and the goals and objectives of the A&P. The Management Agreement will contain, among other provisions, the scope of management services, the duration of the Management Agreement, insurance and indemnity requirements, and a variety of other legal provisions, including those required by public contracting laws. The A&P envisions a specified term Management Agreement with a renewal option. Proposers may propose additional extensions for the A&P's consideration.

If in the judgment of the A&P, the A&P and the preferred partner cannot agree on the terms of an Operating Agreement within a reasonable time, the A&P may elect to begin negotiations with its next highest rated Proposer, and so on. The A&P may also elect to reject all Proposals.

XI. DISCLOSURE OF PROPOSAL CONTENTS

All proposals and supporting documents, except such information that discloses proprietary or financial information submitted in response to qualification statements, becomes public information held in custody of the A&P after the proposal submittal date given in this RFP.

- a. The A&P assumes no liability for the use or disclosure of technical or cost data submitted by any proposer.
- b. Nevertheless, if a proposal contains information that the respondent does not want disclosed to the public, or used for any purpose other than the evaluation of this offer, all such information must be indicated with the following or similar statement:

"The information contained on page(s)_____ shall not be duplicated, used in whole or in part for any purpose other than to evaluate the proposal provided; that if a contract is awarded to this firm as a result of the submission of such information, the A&P shall have the right to duplicate, use or disclose this information to the extent provided in the contract or to the extent provided by law. This restriction does not limit the right of the A&P to use the information contained herein if obtained from another source. This non-disclosure does not pertain to any legal action filed, threatened, or contemplated against A&P where the disclosure of the information is relevant to a claim or defense at issue, regardless of whether the Proposer is a party of the matter."