

RESOLUTION NO. 24542

A RESOLUTION AUTHORIZING THE MAYOR ON BEHALF OF THE CITY OF CHATTANOOGA TO ACCEPT A PROPOSAL AND TO NEGOTIATE AND ENTER INTO A LEASE AGREEMENT FOR THE OPERATION OF THE MOCCASIN BEND GOLF COURSE LOCATED ON MOCCASIN BEND ROAD

WHEREAS, the City and County own property consisting of approximately 156 acres identified as a portion of State Tax Map No. 145-001 and currently leased to Moccasin Bend Golf Club, Inc.; and

WHEREAS, on August 1, 2005, six proposals from the following groups were received in response to RFP: Buddy Templeton/West and Tim Gilbert, Moccasin Bend Golf Club, Inc., Gibby Gilbert/David Drake, Chattanooga Has Bids, Inc., HMS Golf, and Friends of Moccasin Bend/Redstone Golf Management; and,

WHEREAS, said groups were interviewed and proposals were reviewed based upon the Comparative Evaluation Criteria outlined in said RFP: and,

WHEREAS, HMS Golf submitted the best proposal for the lease and operation of the golf course, a summary of said proposal is attached hereto and incorporated herein by reference thereto as though fully and completely copied verbatim herein; and

WHEREAS, it is in the best interest of the citizens of Chattanooga to authorize the Mayor to negotiate a new lease agreement with HMS Golf for the operation of the Moccasin Bend golf course.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA;

That the proposal from HMS Golf for the lease and operation of the property jointly owned by Hamilton County and the City of Chattanooga known as the Moccasin Bend golf course located on Moccasin Bend Road be accepted, subject to the conditions outlined in the attached proposal summary, and that the Mayor is hereby authorized to negotiate and execute a lease agreement and any other necessary documents relating to the operation of said course.

ADOPTED: September 6, 2005

RN:isc

**Moccasin Bend Golf Course
Highlights of Highest Rated Proposal**

HMS Golf

James W. Haslam and James W. Haslam, Jr.

- Estimated revenue to City/County \$1,913,000 over 15-year lease term (assuming golf course generates same revenue as 2004).
- Minimum lease rental of at least \$1,875,000 over 15-year lease term.
- Proposed establishing an annual capital improvements reserve fund of 4% of gross revenues (estimated at \$34,000 per year based upon 2004 operations).
- Proposed minimum capital improvements of \$400,000 to rebuild greens to USGA standards and upgrade irrigation system in year one and \$125,000 to renovate clubhouse in year two.
- Has diverse experience in golf course management.
- Proposes to hire more full-time employees which should help with better maintenance of course and amenities.
- Would utilize a three-person local committee to help determine agendas, short and long-term planning for golf course, and renovations.
- Desires to implement plans that will encourage junior play through reduced rates.
- Shows a keen desire to drive Moccasin Bend Golf Course to its full potential and can do so more inexpensively than others because HMS has its own construction company and operates over 30 courses in the Southeast which provides buying power to reduce expenses.
- Overall highest rated proposal for lease payment and proposal for planned capital improvements.