

BACKGROUND

The City of Costa Mesa prides itself on outstanding recreational programming and excellent customer service. One of the most popular recreational facilities in the City is the Costa Mesa Tennis Center (CMTC). The Tennis Center serves the local community through a variety of programs targeted at all levels of play. Like most municipal tennis centers, CMTC offers youth and adult leagues and tournaments, court reservations for the general public, and tennis lessons, both group and private, at all levels of play, from beginner to advanced. These programs are targeted at Costa Mesa residents, as well as players from neighboring Cities, or tourists visiting the area. The Tennis Center can also be used for larger tournaments and events that may have a regional draw as well.

The City is committed to providing accessible and affordable year-round tennis opportunities for the Costa Mesa community to engage in and enjoy. The Costa Mesa Parks and Community Services Department is seeking a tennis center operator/concessionaire that shares in these essential values and will continue to promote them throughout the various programs and activities at the Costa Mesa Tennis Center. The City is seeking an operator with an innovative team that will market, advertise and expand services at the Tennis Center, making it a premiere tennis recreation destination in Orange County.

The Costa Mesa Tennis Center is a City Owned, roughly 93,000 square foot facility located at TeWinkle Park, 880 Junipero Drive. The City of Costa Mesa owns the Park and the Tennis Center, including twelve (12) lighted courts, a pro shop, and courtyard. There are also 55 parking stalls adjacent to the Center that are designated parking for the CMTC. The recommended hours for the Tennis Center are 8:00 a.m. to 9:00 p.m. Monday through Saturday and 8:00 a.m. to 5:00 p.m. on Saturdays and Sundays.

SCOPE OF WORK

The City is seeking a public/private partnership for the full operation of the Tennis Center. The Operator will be responsible for the coordination and management of the public use of courts, including the provision of a variety of classes, programs, tournaments, community events, and competitions for the community. This includes year-round competitive and social programs that are available to all members of the public. Competitive programs should be recognized by the respective professional associations (USTA and USAPA). The Operator will be expected to work with the Newport Mesa Unified School District, as well as other local school districts, private schools, and leagues for league play and tournaments.

The City's specific objectives in selecting a tennis operator include the following:

A. Objectives

1. Enter into a lease agreement with an experienced and qualified entity to operate the Costa Mesa Tennis Center. The City prefers to enter into a lease agreement with a single provider.
2. Manage the Tennis Center as a revenue generating facility to provide programming opportunities to the community while providing a growing financial return to the City.
3. Establish and maintain a positive working relationship with City staff and work cooperatively to ensure the Tennis Center is properly maintained, fair

and transparent in their operation, and successful in providing programming to the community.

4. Manage the Tennis Center in a manner committed to ensuring that players of all ages, abilities and socioeconomic backgrounds are welcome and have programming options available to them.
5. Explore, evaluate, and create opportunities to incorporate Pickleball play into the Tennis Center in a way that maximizes court use and availability to the community.

B. Responsibilities of the Operator

Operations

1. Establish operating hours as approved by the City:
 - i. Center is to be accessible to the public from 8:00 a.m. to 9:00 p.m., Monday through Saturday and 8:00 a.m. to 5:00 p.m. Sundays, unless otherwise agreed to by City.
 - ii. Center is to be open every day throughout the year, weather permitting, with a limited number of holiday exceptions approved by City.
2. Provide all equipment necessary to operate and program the Tennis Center including but not limited to balls, racquets, sweepers, ball baskets and ball machines.
3. Accept court reservations to walk-in participants as well as over the phone.
4. Develop and provide a website with an online reservation system that will allow users to easily reserve courts and provide transparency over court utilization. The online registration system should also provide a customer relationship management system.
5. Operation of a functioning pro-shop, which can include merchandise sales, concessions and other related services as approved by City. Merchandise and concessions should serve Tennis Center patrons as well as Skatepark, Bark Park users, and park patrons.
6. Utilize point of sale registers and provide verifiable, full disclosure of financial and program data.
7. Operator has the right to set fees and charges for all activities, programs and services, merchandise and concessions, however, all fees and charges shall be competitive with comparable facilities in the area and are subject to final approval by City. Any increases must be approved by City manager or designee.
8. Establish telephone and internet utilities in Operators' name and Install/Maintain alarm system monitoring and maintenance.
9. Provide Scholarship and Fee Assistance Programs for low-income families, subject to CITY approval. Examples of this may include free/low-cost lessons, drop-in play, and/or camps.
10. Provide outreach to local non-profit organizations to create equitable opportunities for all youth for both instruction and play.

Programming

1. Ensure provision of quality programs and services that include a balance of play and court use for all ages, user groups and ability levels including, but not limited to, lessons, league play, club use, tournaments, and court rentals that will maximize participation.
2. Provide priority access of courts to Costa Mesa residents and organizations.
3. Establish and maintain positive relationships with community and professional tennis groups, including the United States Tennis Association, USA Pickle ball Association, area schools and higher learning institutions. This also includes working with existing instructors, leagues, schools and organizations who have an established home base at the Costa Mesa Tennis Center.
4. Stay up to date on Tennis Center best management practices and bring forward new ideas for programming, activities, and maximization of the Tennis Center.
5. Promotion of the Costa Mesa Tennis Center and its programs.

Staffing

1. Hiring, supervising and compensating all Tennis Center instructors and staff required for operation.
2. Complete background checks for all staff members and instructors that is consistent with the CA Department of Justice guidelines.

Maintenance

1. Operator is responsible for opening and closing the facility, including the locking and unlocking of all gates and doors to the facility.
2. Maintain the courts including the following:
 - i. Court cleaning
 - ii. Net replacement and maintenance
 - iii. Touch ups to lines and striping
3. Maintain the interior of the Pro Shop including the following:
 - i. Repair/replacement of flooring and fixtures
 - ii. Maintenance of restrooms
 - iii. Maintenance of small repairs (plumbing, lighting, etc.)
 - iv. Minor paint touch ups
4. Maintain the shrubs and landscaping inside the fenced tennis center, including the planters near the pro shop and in courtyard area (see Tennis Center Facility Boundaries; Exhibit A).
5. Repair damages to the Pro Shop, interior & exterior, due to vandalism, and report to City staff/Police Department if necessary.
6. Operator to utilize and maintain any extra storage units located on site. Must meet City's approved standards, (i.e., Tuff Shed.)
7. Maintain challenge court bleachers, including periodic inspections, cleaning, and repairs.
8. Operator is to inspect and report all issues in a timely manner.
9. Tennis Court light outages should be reported when a minimum of 3 need replacing. The City is allowed 5 business days to satisfy the request.

10. Maintain, install and replace awnings, shade covers, etc. that are attached to the building or the lattice patio structure.
11. Provide for the day-to-day custodial service and basic maintenance of the Tennis Center courts and buildings.

Reporting

1. Submit an annual report to the Parks and Community Services Director including data and statistics of operations including but not limited to attendance, activities, improvements, programs, trends, etc.
2. Submit an annual certified financial audit by auditors approved by the City.
3. Track and record complaints from the public regarding the operation and maintenance of the Tennis Center. Provide periodic updates to City staff.

C. Responsibilities of the City

1. City shall provide a Pro Shop building.
2. City will identify 55 parking spaces in the parking lot nearest the center off Junipero Drive for use by Tennis Center participants.
3. City will maintain landscaping, lighting, parking lot, driveways and walkways outside of fenced Tennis Center and pro shop.
4. City will maintain fences and gates. Operator to notify the City when such maintenance is needed.
5. City will be responsible for repainting of the exterior of the pro shop as deemed necessary by City and for repair of any and all damage to tile roof unless caused by the willful misconduct of Operator's officers, employees or guests.
6. Maintenance and repair of court lighting to include bulbs, ballasts, poles, wiring, switch gear and cabinets will be the responsibility of the City. New lighting/fixtures are to be considered capital improvements.
7. Americans with Disabilities Act requirements are to be maintained by the City with proper notification from the operator.
8. Complete quarterly inspections of the Tennis Center and a facility maintenance report.

TERMS OF CONTRACT

The term is expected to be for five (5) years with two (1) one-year option to renew. Longer initial and extended terms will be considered depending upon the Proposer's submission regarding use of City facilities and equipment.

FINANCIAL TERMS

A. Payments and fees are as follows:

1. Operator shall pay the City a monthly fee of 20% of all gross revenue generated by the Costa Mesa Tennis Center. The fee shall be separated into two areas:
 - i. 15% of all gross monthly revenue sources (i.e. lessons, tournaments, court rentals, passes, pro shop sales, etc.) or \$3,500 per month, whichever is greater, shall be deposited as General Fund revenue.
 - ii. 5% of all gross Tennis Center revenue will be placed in the Tennis Center Maintenance Fund (see below).

2. Minimum monthly fee subject to CPI increases annually, not to exceed 3% per year.
 3. Operator will provide monthly revenue reports with a breakdown by category (i.e. lessons, tournaments, rentals, concessions)
 4. All rates and terms subject to negotiation.
- B. The City shall consider a partial or full abatement of lease payments before the start of and throughout the term of the contract during the years the Operator is performing capital improvements, subject to negotiation and the extent of the proposed improvements. Capital improvements may include court resurfacing, replacement of nets, center straps, windscreens, pro shop improvements, etc.
1. Any Capital Improvements wishing to be considered shall be submitted to the Parks and Community Services Director along with a quote from a City Approved vendor.
 2. All such capital improvements shall be considered property of CITY when completed.
- C. Payment to City will be due on or before the 15th of the following month. For example, the January payment would be made on or before the 15th of February.
- D. Operator shall reimburse City for utility charges (water and electricity) on a monthly basis, as costs are incurred; operator shall work with City staff on ways to reduce the usage of both electricity and water and to create an energy saving environment, i.e. limit lighting usage to operating courts, limit water used for court cleaning, and other changes recommended by City
- E. City shall establish a Tennis Center Maintenance Fund to cover future capital needs. The Maintenance Fund can also be used for repairing any unforeseen damage (e.g. from storms or accidents) not covered by Operator's insurance.
1. The Maintenance Fund is to be funded by 5% of the gross revenue generated by the Center. (There will not be a minimum monthly payment for the Maintenance Fund.)
 2. Expenditures from the Maintenance Fund will be controlled by the City. Operator will have no rights to the funds in the Maintenance Fund account.
 3. In the event that the Maintenance Fund is not sufficient for replacements or repairs, the Department will consider making those replacements and repairs with additional funding services. The City, in consultation with the Operator will review annually the amounts to be held in the Maintenance Fund with the goal of increasing it so that there will be sufficient funds to cover repairs and replacements over the lifecycle needs of the Center, which shall be reviewed in 5-year increments.

Costa Mesa Tennis Center – Facility Boundaries

