



Schoenbauer Consulting, LLC
5054 Drew Ave. S.
Minneapolis, MN 55410

March 19, 2013

To: City of Red Wing
315 West 4th Street
Red Wing, MN 55066

RE: Professional Consulting Services Proposal –Mississippi National Golf Links Study

This letter proposal outlines a scope of services, fee schedule, and other elements, which, if approved, constitute an Agreement between **City of Red Wing**, herein referred to as the OWNER, and **SCHOENBAUER CONSULTING, LLC**, herein referred to as the CONSULTANT.

The OWNER hereby retains the CONSULTANT to provide professional services associated with **undertaking a planning study and public process to evaluate the long-term use and viability of Mississippi National Golf Links**, located in Red Wing, MN, hereinafter referred to as the PROJECT.

The CONSULTANT's services shall include the following:

A. SCOPE OF SERVICES

Scope of Services A.1 – Project Initiation, including:

- a. **Undertake staff meeting** – to gather pertinent project information, define outcomes, refine public process, and establish complete list of stakeholders
- b. **Finalize planning team and scope of work** – to ensure project budget allocations are consistent with desired outcomes within the context of not-to-exceed planning budget
- c. **Onsite property review** – to better understand characteristics of the site and general opportunities and constraints (Owner to provide mapping as needed, does not include preparation of graphics)
- d. **Prepare memorandum summarizing findings** – to confirm scope of work and points of emphasis; will proceed to next step after City authorization to proceed

Scope of Services A.2 – Undertake Economic Evaluation/Fiscal Impact Analysis of Golf Course Operation/Enterprise Function, including:

- a. **Compile existing financial data** – as previously collected by the City of Red Wing as related to the Mississippi Links National Golf Course
- b. **Provide a high-level financial analysis** – of the golf enterprise and an assessment of potential economic risk to the City for continuing the operation; consider up to 3 golf course operational scenarios
- c. **Report the results of the analysis** – including an approximate “gap” between the private/public market capability and the approximate true cost to run the golf course as a 36 (or fewer) hole course
- d. **Attend up to two meetings** – with staff to review analysis
- e. **Attend one council meeting** – to review findings and answer questions

Scope of Services A.3 – Facilitate public process/outreach – to gain input from defined stakeholder groups, including:

- a. **Facilitate City Council Workshop** – to define/confirm public values, planning areas of concern, issues to address; confirm stakeholders and public process
- b. **Facilitate public process** – includes the use of agreed upon public outreach/engagement tools to solicit input from stakeholders; for efficiency, the public process will occur over the course of a 2 to 3 day period, and will include a series of interviews/focus groups/work sessions and an open house; includes *coordination* of online engagement tool (such as MindMixer or Granicus) as provided by outside vendor (under separate City of Red Wing program)

Scope of Services A.4 – Prepare report of findings/recommendations – to define outcomes from the public process (incorporating economic evaluation/fiscal impact analysis findings), including

- a. **Prepare draft report of findings** – summarizing all information gathered through the public process; points of focus include:
 - i. Defining community issues
 - ii. Summarizing ideas generated as a result of public process
- b. **Prepare draft report of recommendations/action plan** – based on findings; will define reasonable options for consideration and associated recommendations; final recommendations will be included after consideration by the City Council; note that recommendations will focus on defining options worthy of further consideration and basis for subsequent project phase(s); points of focus include:
 - i. Evaluating the economic and community merits of land use alternatives
 - ii. Defining viability of each option
 - iii. Recommending option(s) of greatest merit for further consideration
- c. **Undertake City Council Work Session** – to review findings and recommendations/action plan
- d. **PROJECT OUTCOME: Prepare final reports** – completed after final public review and City Council direction on findings and recommendations/action plan
- e. **Optional service:** Additional open house; public feedback, etc. at request of City at hourly rates listed below

B. PROJECT TEAM

- a. The project team will consist of the following:
 1. **Schoenbauer Consulting, LLC** (5054 Drew Avenue S., Minneapolis, MN 55410) – project lead firm, principal-in-charge, public process, and planning
 2. **WSB & Associates, Inc.** (701 Xenia Avenue South, Suite 300, Minneapolis, MN 55416) – day-to-day project management, public process, and planning
 3. **Springsted** (380 Jackson Street, Suite 300, Saint Paul, MN 55101) – lead firm on economic evaluation/fiscal impact analysis of golf course operation/enterprise function

C. FEES FOR PROFESSIONAL SERVICES

- a. **Maximum hourly-not-to-exceed project fee of \$25,000.** For services as outlined under **scope of services A.1, A.2, A.3, and A.4** above, an **hourly-not-to-exceed maximum fee of \$20,000.** Scope of services maximum fee for A.2 above is limited to \$5,000. A maximum of \$5,000 is set aside from the overall project budget for potential additional professional services (e.g., golf course expertise) as authorized by the City.

Hourly rates for each anticipated project team member:

Professional	Firm	Title	Hourly Rate
Jeff Schoenbauer	Schoenbauer Consulting	Senior Principal	\$140
Kathy Schoenbauer	Schoenbauer Consulting	Senior Principal	\$140
Breanne Rothstein	WSB & Associates, Inc.	Planner	\$90
Addison Lewis	WSB & Associates, Inc.	Planning Asst.	\$62
Nick Dragsich	Springsted	Fiscal Impact Analyst	\$220
Patty Kettles	Springsted	Dir. Quantitative Services	\$190

- b. Timesheets recording all time shall be submitted with invoices.
- c. Expenses related to all services will be billed in addition to the fee, at direct cost.

D. PAYMENT TO THE CONSULTANT

- a. Payment requests for services will be submitted upon completion of services as outlined under A. above.
- b. Payments for CONSULTANT's services shall be due and payable within 30 days from the date of receipt of invoice.
- c. Interest in the amount of 1.5% month shall accrue to all overdue balances.

E. INSURANCE REQUIREMENTS AND LIMITATION OF LIABILITY

- a. As per City of Red Wing typical requirements, as follows:

Article 26 Insurance

- 26.1 A certificate of insurance for each type of insurance required under this Contract must be filed with City's Authorized Agent within 30 days of this Contract and prior to commencement of any work under this Contract. With the exception of the professional liability certificate, each policy must contain a 30-day notice of cancellation, nonrenewal or material change to all named and additional insured. In regard to the professional liability certificate, it must include at least a 30-day cancellation provision, except for nonpayment of premium, which must be at least 10 days. The Contractor represents that the professional liability policy is paid in full to its current expiration date of April 15, 2014. The City shall be named as an additional insured on all required insurance certificates, except on the professional liability certificate.
- 26.2 Contractor must maintain and furnish satisfactory evidence of the following insurance policies:
- 26.2.1 Loss by any means, of all data furnished to Contractor by City, and for partially completed data for which City has made payment.
- 26.2.2 *Workers' Compensation Insurance:* Contractor will provide Workers' Compensation insurance for all Contractor employees and, in case any work is subcontracted, Contractor will require the subcontractor to provide Workers' Compensation insurance in accordance with the statutory requirements of the state of Minnesota, including Coverage B, Employer's Liability, at limits not less than \$100,000.00 bodily injury by disease per employee; \$500,000.00 bodily injury by disease aggregate; and \$100,000.00 bodily injury by accident. Evidence of subcontractor's insurance must be filed with Contractor.
- 26.2.3 *Commercial General Liability:* Contractor will maintain insurance protecting Contractor from claims for damages for bodily injury, including sickness or disease, death and for care and loss of services as well as from claims for property damage including loss of use which may arise from operations under this Contract whether such operations be by Contractor or by a subcontractor or by anyone directly or indirectly employed under this Contract. Unless otherwise specified within this Contract, Contractor's insurance minimum amounts will be as follows:
\$1,000,000.00 – per occurrence
\$2,000,000.00 – annual aggregate
In addition, the following coverages should be included:
Bodily Injury and Property Damage
Products and Completed Operations Liability
Blanket Contractual Liability
Name City as an Additional Insured
- 26.2.4 *Commercial Automobile Liability:* Contractor will maintain insurance protecting Contractor from claims for damages for bodily injury, including sickness or disease, death and for care and loss of services, as well as from claims for property damage including loss of use which may arise from operations under this Contract whether such operations be by Contractor or by a subcontractor or by anyone directly or indirectly employed under this Contract. Unless otherwise specified within this Contract, Contractor insurance minimum amounts will be as follows:
\$1,000,000.00 – per occurrence Combined Single limit for Bodily Injury and Property Damage.
In addition, the following coverages should be included:
Owned, Hired and Non-owned Automobile
Name City as an Additional Insured
- 26.2.5 *Professional/Technical, Errors and Omissions, and/or Miscellaneous Liability Insurance:* Unless otherwise specified within this Contract, Contractor insurance minimum amounts will be as follows:
\$1,000,000.00 - per claim
\$2,000,000.00 - annual aggregate

On request, Contractor must submit a financial statement signed by a Certified Public Accountant, which provides evidence that Contractor has adequate assets to cover any deductible, which applies to this policy.

This policy will provide coverage for all claims Contractor will become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Contractor's professional services required under this Contract.

26.3 Contractor must:

- 26.3.1 Include legal defense fees in addition to its liability policy limits, with the exception of 26.2.5 above; and
- 26.3.2 Obtain insurance policies from an insurance company having an "AM BEST" rating of A⁺VI or better.

26.4 City reserves the right to immediately rescind this Contract if Contractor is not in compliance with the insurance requirements and retains all rights to pursue any legal remedies against Contractor. All insurance policies must be open to inspection by City, and copies of policies must be submitted to City's Authorized Agent upon written request.

F. CLIENT'S RESPONSIBILITY

- a. Full project coordination with one individual representing the CLIENT's interests; includes implementation, administration and costs associated with online engagement tool (such as MindMixer or Granicus).
- b. Coordinating all meetings associated with the project.
- c. Providing all base mapping and other pertinent information needed for the project in printed version for work onsite and electronic version for office use.
- d. Completing all AutoCad or related technical drawings based on information needed by the Consultant in various forms.

G. CONSULTANT'S RECORDS AND DOCUMENTS

- a. The CONSULTANT shall maintain records for time and expenses for the duration of the project.

H. TERM, TERMINATION, SUCCESSORS, ASSIGNS, AND RESOLUTION OF DISPUTES

- a. The term of the Agreement shall be concurrent with the work authorized.
- b. Termination may be accomplished by either party at any time by written notice, and shall be effective upon payment in full for all services performed to the date of receipt of such notice.
- c. Neither the Owner nor Consultant shall assign, sublet or transfer his interest in this Agreement without the written consent of the other.

I. EXTENT OF AGREEMENT AND APPLICABLE LAW

- a. This Agreement represents the entire and integrated Agreement between the Owner and Consultant and supersedes all prior negotiations, representations, or Agreements, whether written or oral, with respect to the PROJECT. This Agreement may be amended only by written instrument signed by both the Owner and Consultant.

J. PROJECT SCHEDULE

- a. All project work shall be completed by **July 15, 2013**, unless expressly authorized otherwise in writing by the Owner. Key target dates are as follows:

Task/Service	Target Date
Execute contract	April
Project Initiation	April
Facilitate public process: City council workshop Stakeholder interviews Open house Additional outreach (e.g., MindMixer or Granicus)	May May June June
Undertake economic evaluation	May/June
Draft report of findings & recommendations	June
Facilitate city council work session	Late June
Deliver final reports	July 15

The Owner hereby contracts for the Services as outlined above in this Agreement.

IN WITNESS HEREOF the CLIENT and the CONSULTANT have made and executed this Agreement, this 26th day of April, 2013.

Schoenbauer Consulting, LLC
5054 Drew Avenue South
Minneapolis, MN 55410

Signature: _____

Printed Name: Jeff Schoenbauer
Title: CEO, Cofounder

City of Red Wing
315 West 4th Street
Red Wing, MN 55066

Signature: _____

Printed Name: Dennis Egan

Title: Mayor

Signature: _____

Printed Name: Kay Kuhlmann

Title: City Council Administrator

Signature: _____

Printed Name: Kathy Seymour Johnson

Title: City Clerk