

Memorandum

To: John J. Williams, Mayor
Thru: Mark Fowler, Purchasing & Contracting Officer *[Signature]*
From: Rachel Parra, NPRSA Director *RP*
Date: 5/16/2006
Re: Waiver of Formal Bid Procedure

Routed From
Mayor's Office to:
Clerk *Original*
Assembly
Legal
Finance
Assessing
Planning
Roads
SBB
Purchasing
Other *NPRSA*
Date: 5-22-06

This memo serves as a request to waive the formal bidding procedures for the purchase of a Full Swing Golf Simulator for the Nikiski Community Recreation Center (NCRC). The NPRSA Board of Directors approved purchase of this item at their regular board meeting on February 27, 2006.

In pursuit of a golf simulator, I have found there is a full gamut of simulators on the market, ranging in quality and price. I have evaluated a number of simulators, ranging from \$2,500 to \$80,000. And while the Full Swing Golf simulator is not the cheapest, nor the most expensive, I have found that it would be in the best interest of the borough as well as the North Peninsula Recreation Service Area to utilize the Full Swing Golf Simulator. Full Swing meets all the criteria in our specifications.

Upon reference checks, Full Swing Golf (FSG) comes highly recommended and is very reputable. FSG has sold approximately 50 units in Alaska alone. Many of these units are over 10 years old, however, because of their quality, continual upgrades & support, which is at no-cost for the life of the product, these units are top of the line in technology and remain complex enough to keep repeat customers time and again. There is a long-term cost benefit to the borough and NPRSA in choosing an FSG simulator.

NPRSA plans to use the simulator to generate revenue at its community center. We feel that having a high quality unit will not only draw repeat customers within our community, but in surrounding communities as well. FSG simulator units are a proven investment and can pay for themselves in as little as two years. This system would make a great enhancement to the community center.

I formally request authorization to enter in to an agreement with Full Swing Golf for the purchase and installation of a golf simulator for the Nikiski Community Recreation Center, not to exceed \$50,000. All expenditures for this project will be charged to account number 459.61110.06353.48513.

Thank you for your consideration.

[Signature]
Approved: John Williams, Mayor

5-22-06
Date

FINANCE DEPARTMENT
FUNDS VERIFIED
\$50,000.00
ACT # 459.61110.06353.48513
BY: CBW DATE: 5/18/06

Chapman, Craig

From: Parra, Rachel
Sent: Monday, May 22, 2006 8:44 AM
To: Chapman, Craig
Subject: RE: glolf simulator

Craig----

To answer your questions.....

Everyone will pay for use including Service Area residents.

The fees that have been suggested are as follows (please keep in mind the SA Board has not adopted these fees):

The simulator will be rented on an hourly basis.

Mon-Thur 10am-8pm \$20.00/hr (\$200.00/day @ 100% occupancy)

Fri-Sat 10am-8pm \$24.00/hr (\$240.00/day @ 100% occupancy)

Occupancy/Revenue based on a 30-day month w/ 4 weekends

<u>Occupancy</u>	<u>1 Month Revenue</u>	<u>Time It takes to Pay For Itself</u>
100%	\$5120	10 months
90%	\$4608	12 months
80%	\$4096	1 yr 1 month
70%	\$3584	1 yr 2 months
60%	\$3072	1 yr 5 months
50%	\$2560	1 yr 8 months

Hope this helps.

Rachel

-----Original Message-----

From: Chapman, Craig
Sent: Thursday, May 18, 2006 2:32 PM
To: Parra, Rachel
Cc: Fowler, Mark; Wallace, Cathey
Subject: glolf simulator

Rachel,

your memo requesting sole sourcing for the purchase of a golf swing simulator indicates that this will be a revenue generator for the service area. Can you tell me how much revenue you are forecasting; ie fees, #'s, will service area members have to pay, etc?

Craig