



UNIVERSITY OF SOUTH CAROLINA

AMENDMENT NO. 1 TO SOLICITATION

TO: ALL VENDORS

FROM: Charles Johnson, Procurement Manager

SUBJECT: SOLICITATION NUMBER: USC-RFP-3159-CJ

DESCRIPTION: Outsourcing of Management of the Fitness Operations of the Gregory Health and Wellness Center (GHWC) on the USC Lancaster Campus

DATE: July 14, 2017

This Amendment No. 1 modifies the Request for Proposals only in the manner and to the extent as stated herein.

Questions and Answers

BIDDER SHALL ACKNOWLEDGE RECEIPT OF AMENDMENT NO. 1 IN THE SPACE PROVIDED BELOW AND RETURN IT WITH THEIR BID RESPONSE. FAILURE TO DO SO MAY SUBJECT BID TO REJECTION.

Authorized Signature

Name of Offeror

Date

THE FOLLOWING QUESTION(S) WAS SUBMITTED BY VENDOR A:

Question # 1: Will the contractor be able to install turnstiles so as to restrict access to the facility to its membership? (Note: This restriction on access would not apply to persons not considered members but who are permitted to use the facility for USCL activities as listed in Article III, Section 5.)

ANSWER: YES

Question # 2: If the utilities are transitioned over to the contractor as stated in Article III, Section 4 of the RFP, will USCL consider investing in new fitness equipment for the facility with a value of \$300,000?

ANSWER: USCL will be unable to invest in fitness equipment due to the up-front cost and cumbersome, time-consuming process that this kind of purchase would require of a state institution. The shared cost of utilities in the first three years will allow for the same financial responsibility on USCL and relieve that from the contractor. We are proposing a progressive assumption of utility costs by the contractor. Please see pp. 21-22 in the RFP document for further explanation.

Question # 3: If USCL is not willing to invest in new fitness equipment for the facility with a value of approximately \$300,000, is USCL willing to pay for all utilities?

ANSWER: See answer to question # 2 above.

Question # 4: Is USCL willing to limit the access referred to in Article III Section 5 to full-time students, faculty and staff?

ANSWER: We need part-time students to continue to receive ½ price membership rates. Part-time faculty/staff continue to receive free membership. Please note that currently very few faculty/staff take advantage of this benefit.

Question # 5: Is USCL willing to exclude faculty and staff from Article III, Section 5 if USCL does not invest in new fitness equipment as requested in Question 2 above?

ANSWER: We are not willing to exclude faculty and staff as this is a valued recruitment factor when we hire new faculty/staff for the campus. Please note that currently very few faculty and staff take advantage of this benefit.

Question # 6: Is USCL willing to remit to the contractor a fee of \$60 per covered student per year not to exceed a total of \$72,000 per year in exchange for allowing those USCL students to have general access to the facility?

ANSWER: The fee is currently \$50 per FTE student which has to be approved by the USC Board of Trustees office. Fees can be increased but increases are subject to scrutiny by the USC Budget Office and the aforementioned Board approval.

Question # 7: Is USCL willing to forego the Annual Guarantee to USCL of \$72,000 on pages 42-43 of the RFP, provided that the Percentage of Annual Net Revenue from fitness operations at the GHWC, if any, shall still be paid?

ANSWER: Unfortunately, we are unable to do this.

Question # 8: Comparing the Maximum Contract period described in Article I on page 3 with the Term of Contract paragraphs on Article VII B on page 39, is the maximum contract duration five (5) years?

ANSWER: The maximum contract term for contract awarded from the solicitation is five (5) years.

Question # 9: Is USCL willing to make the Option to Renew located in Article VII B on page 39 mutual, such that the contractor also may elect each year to provide notice to USCL that the contractor elects not to renew the contract, provided this must be done at least 30 days prior to the annual renewal date?

ANSWER: We are unable to do this.

Question # 10: If USCL will have a right to terminate the contract for convenience as stated in Article VII B on page 40, what early termination right will the contractor have if it concludes in its discretion that its losses incurred under the contract are not sustainable?

ANSWER: It is the practice of the University to only allow termination of the contract for convenience by the University. Early termination rights cannot be extended to a contractor.