



Item No.

REPORT TO THE CITY COUNCIL

DATE: SEPTEMBER 13, 2016

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: STEVEN ADAMS, CITY MANAGER

RE: CONSIDERATION OF AGREEMENT FOR MANAGEMENT OF THE KING CITY MUNICIPAL GOLF COURSE (REVISED)

RECOMMENDATION:

It is recommended the City Council approve an Agreement with Yolanda Frudden for management of the King City Municipal Golf Course.

BACKGROUND:

In 2012, the City entered into a five-year Agreement with PS Golf Management for ongoing management and maintenance of the King City Municipal Golf Course. Yolanda Frudden was one of the managing partners at that time. Since then, she has taken over sole management of the golf course.

The Agreement provided the option of renegotiating the Agreement for an additional five year period if exercised 60 days prior to the end of the first term. Ms. Frudden has requested consideration of an additional two-year term. She has requested early consideration of the extension because some minor capital improvements are needed at this time to the golf shop building.

DISCUSSION:

The original agreement called for the Manager to develop a capital improvement program, although it did not establish how capital improvements would be paid for. The following are improvements the Manager has made during the term of the current Agreement:

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- Painted the inside and outside of the golf shop to improve appearance
- Upgraded cart barn
- New food counter
- New point of sale
- Replaced old ceiling
- Replace the entrance door to golf shop
- Updated patio furniture
- New timers for irrigation systems
- New bbq pit
- Redone tee boxes
- Replaced old valves

Improvements the Manager has identified are still needed include the following:

- Update the outdated irrigation systems (valves; wiring; valve boxes)
- Repair window looking towards 1st tee (bullet holes)
- New door to the cart barn and back room
- Maintain the area around the golf course (by the road)
- Tree trimming (remove willows that are 30ft from greens - the roots come up on the greens and turn them brown)
- Remove old tree stumps
- Pump area valves need replacing, cleaned up and painted
- Replace sink and flooring in kitchen area due to Health Department complaints

The proposed Agreement sets forth that the Manager and City will consult and agree on how to share costs to fund all projects beyond the normal maintenance of the course. The primary immediate improvement needed is the replacement of flooring in the kitchen area. The cost of that is proposed to be shared between the City and the Manager.

The Agreement has been revised given that the ownership has changed. Since the Manager only wants to commit to a two-year extension at this time, the revised Agreement now includes an option to extend for another three-year period in the future.

Under the current Agreement, the City committed to providing one day of labor per week for maintenance for the first 24-month period. Since that period has past, that provision is no longer included in the proposed Agreement.

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The current Agreement also sets forth that the City will be responsible for maintenance of trees and will provide irrigation water for the first five years. Under the proposed Agreement, it is recommended the City continue to provide irrigation water, but no longer be responsible for maintaining trees. Given the lack of City staffing available, the Manager has been successfully making arrangements for maintenance of the trees.

COST ANALYSIS:

The only costs to the City to operate and maintain the Golf Course under the Agreement include operation of the water pumps to provide well water and any capital improvements that may become necessary.

ALTERNATIVES:

The following alternatives have been identified for City Council consideration:

1. Approve the Agreement;
2. Request the City Manager to negotiate modified terms of the Agreement;
3. Do not approve the new Agreement and direct the City Manager to solicit proposals;
4. Provide staff other direction.

Exhibits:

1. Proposed Agreement with Yolanda Frudden for Management of the King City Municipal Golf Course

Prepared and Approved by:



Steven Adams, City Manager