

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 17

DATE: October 21, 2008

**STAFF: Jim O'Neill
J. R. Schnelzer**

SUBJECT

Second Reading of Ordinance No. 126, 2008, Authorizing the Purchasing Agent to Enter into an Extension of the City Park Nine Golf Course Golf Services and Concession Agreement for up to Five Additional Years.

RECOMMENDATION

Staff recommends adoption of this Ordinance on Second Reading.

EXECUTIVE SUMMARY

This Ordinance, unanimously adopted on First Reading on October 7, 2008, extends the agreement with City Park Nine Golf Course Golf Professional/Concessionaire, DMAC Golf, LLC, for up to five (5) additional one-year renewable periods through December 31, 2013.

ATTACHMENTS

1. Copy of First Reading Agenda Item Summary - October 7, 2008.
(w/o original attachments)

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 21

DATE: October 7, 2008

STAFF: Jim O'Neill
J. R. Schnelzer

COPY

SUBJECT

First Reading of Ordinance No. 126, 2008, Authorizing the Purchasing Agent to Enter into an Extension of the City Park Nine Golf Course Golf Services and Concession Agreement for up to Five Additional Years.

RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

At its July 16, 2008 meeting, the Golf Board voted unanimously to recommend extending the term of the Agreement for up to five additional years.

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FINANCIAL IMPACT

Under the terms of the existing five-year Agreement, the Golf Fund is paying a Golf Services Fee to the City Park Nine Golf Course contractual Golf Professional/Concessionaire of \$53,000 for 2008. When the Agreement began in 2004, the Golf Services Fee was \$45,000, increasing \$2,000 annually per the Request for Proposal. For this proposed Agreement Extension, staff and the contractual Golf Professional/Concessionaire have mutually agreed to continue this pattern of annual \$2,000 increases to the Golf Services Fee through 2013, starting with a payment from the City of \$55,000 in 2009 and increasing to \$63,000 in 2013. Sufficient funding has been included in the 2009 Golf Fund budget, and is planned at this time for 2010 through 2013.

EXECUTIVE SUMMARY

The existing Agreement with City Park Nine Golf Course Golf Professional/Concessionaire, DMAC Golf, LLC, as owned, operated, and assigned by David R. McLeavey, PGA, expires on December 31, 2008. As per terms in the RFP and the Agreement, the Agreement may be extended beyond the original five (5) year term if performance is satisfactory, subject to City Council approval and the negotiation of a mutually acceptable extension agreement for up to five (5) additional years. This is contingent on staff recommendation, public input/comment, a recommendation from the Golf Board, and final approval by the City Council. A mutually acceptable Extension Agreement has been negotiated, and both the staff and the Golf Board fully recommend approval by Council.

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BACKGROUND

Staff has been very pleased with the performance of David R. McCleave, PGA, and DMAC Golf, LLC, for the past five years. Mr. McCleave has done many things to make the Agreement successful and has provided excellent service to the golfers and customers of City Park Nine Golf Course. He has also developed a good working relationship with the Golf Course Superintendent and his maintenance staff, as well as with the management staff of the Golf Division and with the other two City Course staff. During his tenure, he has improved upon almost every aspect of the Golf Professional and Concession Services at City Park Nine, and has continued to express a desire for further improvements over the next five years, if his Agreement is extended. There was only positive public input/comment, and the Golf Board unanimously agreed to recommend the extension of his Agreement by Council.

As noted, staff has negotiated a mutually acceptable Extension of the Agreement for up to five (5) additional one-year renewable periods through December 31, 2013.

ATTACHMENTS

1. Golf Board Meeting Minutes of June 18, 2008.
2. Golf Board Meeting Minutes of July 16, 2008.
3. Copy of Advertisements that appeared in the Coloradoan and Fort Collins Now Newspapers.

COPY

ORDINANCE NO. 126, 2008
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AUTHORIZING THE PURCHASING AGENT TO ENTER
INTO AN EXTENSION OF THE CITY PARK NINE GOLF COURSE
GOLF SERVICES AND CONCESSION AGREEMENT
FOR UP TO FIVE ADDITIONAL YEARS

WHEREAS, Section 8-186(a) of the City Code requires that any contract for services with a potential total term over five years in length be authorized by Council by ordinance; and

WHEREAS, David R. McCleave was the successful bidder under the City's Request for Proposal No. 911 (the "Proposal") and entered into the City Park Nine Golf Course Golf Services And Concession Agreement (the "Agreement") with the City on November 28, 2003; and

WHEREAS, the City and David R. McCleave agreed to an Assignment of Agreement and Consent to Assignment on December 30, 2003 (the "Assignment") where David R. McCleave, a sole proprietor, assigned his obligations under the Agreement to DMAC Golf, LLC ("DMAC"), a limited liability company owned by him; and

WHEREAS, the City and DMAC entered into a First Addendum to the City Park Nine Golf Services and Concession Agreement (the "First Addendum") on February 20, 2004 to modify the type of license DMAC was required to obtain under the requirements of the Agreement; and

WHEREAS, the Purchasing Agent has determined that DMAC, the current contractor providing golf professional and snack bar concession services at City Park Nine Golf Course, has performed those services well and to the satisfaction of the City and the general public over the course of the existing Agreement as modified by the Assignment and First Addendum (the "Modified Agreement"); and

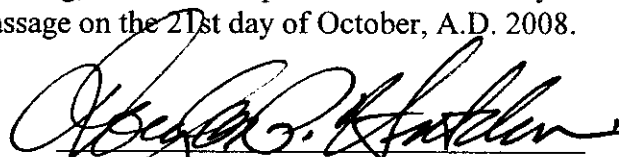
WHEREAS, the Proposal and the Modified Agreement contemplate the possible extension of the Modified Agreement beyond its original one-year term plus four one-year renewals, based on the expectation that a longer term arrangement for those services would enable proposers to offer more desirable services to the City at a more advantageous quality and rate than without such a longer term potential; and

WHEREAS, the Purchasing Agent has further determined that in order to continue with the delivery of high quality golf services and concessions to the public at City Park Nine Golf Course, the extension of the Modified Agreement for up to an additional five one-year terms, without a new competitive process for such services, is advisable and would maintain continuity and provide golf professional and concessionaire stability in the delivery of those services; and

WHEREAS, the Golf Board reviewed a proposed extension at its regular meetings on June 18, 2008, and July 16, 2008, and after receiving positive public input/comments, voted unanimously to recommend and encourage the City Council to authorize such an extension.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS that the City Council hereby authorizes, pursuant to City Code Section 8-186(a), an extension of the City Park Nine Golf Course Golf Services And Concession Agreement, dated November 28, 2003, as modified by the Assignment of Agreement And Consent to Assignment dated December 30, 2003, and the First Addendum dated February 24, 2004, for the year 2009, with annual renewal options for the years 2010 through 2013, or a potential total term of ten (10) years.

Introduced, considered favorably on first reading, and ordered published this 7th day of October, A.D. 2008, and to be presented for final passage on the 21st day of October, A.D. 2008.



Mayor

ATTEST:



Chief Deputy City Clerk

Passed and adopted on final reading on the 21st day of October, A.D. 2008.

Mayor

ATTEST:

City Clerk