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**DEPARTMENT OF PARKS
AND COMMUNITY SERVICES**

CITY OF SACRAMENTO
CALIFORNIA

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DIRECTOR

September 22, 1989

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DIVISIONS:
CROCKER ART MUSEUM
GOLF
METROPOLITAN ARTS
MUSEUM AND HISTORY
PARKS,
RECREATION
ZOO

Budget and Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: Golf Professional Services Leases

SUMMARY

This report provides information relating to the provision of golf professional services and requests authorization to: (1) call for proposals for Golf Professional Services at Haggin Oaks Golf Course; (2) call for proposals for Golf Professional Services at Bing Maloney and William Land Golf Courses combined; and (3) charge a non-refundable fee of \$20 for each proposal specification packet.

BACKGROUND INFORMATION

Golf professional services at city golf courses are provided by private entities under contractual agreements with the City. The contracts for Golf Professional Services at Bing Maloney and William Land Golf Courses combined will expire in October 1989. Services provided under the Golf Professional Services agreements include lessons, golf cart rentals, driving range and full service pro shop operations with a percentage of gross receipts from these activities paid to the City as rent. In addition, the professionals collect reservation and greens fees and provide starter services in exchange for a flat fee from the City as offset to the cost of providing these services. In addition to provision of these services, under the proposed contracts, the golf professionals will be required to light the existing driving ranges at both Haggin Oaks and Bing Maloney Golf Courses and to staff the driving ranges at night once they are lit. The minimum term of these contracts shall be five years with longer terms considered depending on the proposed level of investment.

In an effort to secure high quality golf professionals and to maximize the revenue to the City, a Request for Proposal for Golf Professional Services at Haggin Oaks Golf Course and a Request for Proposal for Golf Professional Services at Bing Maloney and William Land Golf Courses combined were developed. Copies of the proposed specifications are on file in the City Clerk's office. The City intends to negotiate separate agreements for Haggin Oaks Golf Services and for Bing Maloney/William Land Golf Services. The selection shall be based on the applicants' past experience; quality of proposed equipment and services; proposed financial return to the City and level of capital investment and consistency of proposal with city objectives. Successful proposers shall be required to provide all equipment and merchandise necessary for the operation of the contract; to carry full insurance with the City named as additional insured; and to pay a specified percentage of gross receipts with a minimum annual guarantee to the City.

FINANCIAL DATA

The amount of revenue generated under the existing Golf Professional Services contracts is as follows:

Contract Year:	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>	<u>1988-89</u>
1. Haggin Oaks	\$117,282	\$154,704	\$165,927	\$160,737
2. Bing Maloney/ William Land	<u>53,202</u>	<u>82,663</u>	<u>89,479</u>	<u>88,960</u>
Total:	\$170,484	\$237,367	\$255,406	\$249,697

Revenue is deposited in the Golf Enterprise Fund to offset golf operating costs.

The amount of revenue to the City from the proposed agreements for Golf Professional Services is dependent upon the terms of the new lease agreements. Terms of the proposed leases will include lighting of the driving ranges and both a percentage rent and a minimum annual guarantee to be negotiated.

POLICY CONSIDERATIONS

Issuance of Request for Proposals for Golf Professional Services leases at Haggin Oaks Golf Course and at Bing Maloney/William Land Golf Courses is in accordance with Section 12.31 of the Sacramento City Code.

MBE/WBE

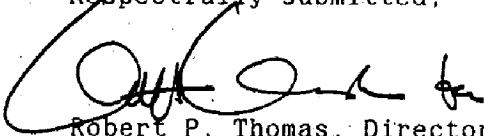
Efforts will be made to support the City's MBE/WBE goals by broadly advertising for proposals including advertisements in representative minority publications.

RECOMMENDATION

It is recommended that the Budget and Finance Committee approve this report and refer it to the full City Council for action. Further, it is recommended that the Council, by resolution:

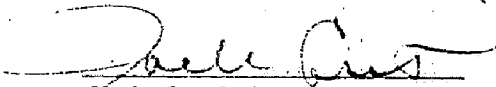
1. Approve the Request for Proposals for Golf Professional Services leases at Haggin Oaks Golf Course and at Bing Maloney and William Land Golf Courses combined;
2. Authorize the City Clerk to advertise for lease proposals for Golf Professional Services pursuant to the provisions of Chapter 12.31, Article II, of the Sacramento City Code; and
3. Approve a non-refundable fee of \$20 for each proposal specification package.

Respectfully submitted,



Robert P. Thomas, Director
Parks and Community Services

Recommendation Approved:



Jack R. Crist
Deputy City Manager

RPT:ja

Districts 2, 4, and 7

Contact Person: Patti Gonzales, Administrative Services Officer - 449-5375
dsrgolf1.doc

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION CALLING FOR SEALED OFFERS OF PROPOSALS
RELATING TO THE GOLF PROFESSIONAL SERVICES LEASES
AT HAGGIN OAKS GOLF COURSE AND AT BING MALONEY
AND WILLIAM LAND GOLF COURSES COMBINED

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. The Sacramento City Council hereby invites and calls for sealed offers or proposals for the Haggin Oaks Golf Professional Services lease in accordance with the specifications entitled "Request for Proposal for Golf Professional Services at Haggin Oaks Golf Course;" and for the Bing Maloney and William Land Golf Professional Services lease in accordance with the specifications entitled "Request for Proposal for Golf Professional Services at Bing Maloney and William Land Golf Courses." Copies of the specifications are available at the Department of Parks and Community Services, 1231 I Street, Suite 400, Sacramento, California 95814. Sealed offers or proposals shall be submitted to the Department of Parks and Community Services no later than 5:00 p.m. December 1, 1989.
2. That the non-refundable fee of \$20 for the proposal specification packets is hereby approved.
3. The City Clerk shall publish this resolution in the official newspaper of the City once a week for two consecutive weeks.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: