



Capital City Golf

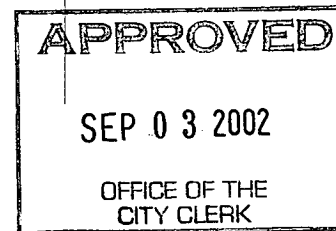
"The Exceptional Public Golf Experience"

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CITY OF SACRAMENTO
8325 RIVER ROAD
SACRAMENTO, CA 95832
TEL 916.433.6307
FAX 916.433.6317
www.capitalcitygolf.com

ANN WEAVER
GOLF MANAGER
aweaver@cityofsacramento.org

July 17, 2002



City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: ADDENDUM NUMBER ONE TO LEASE AND OPERATING AGREEMENT
NO. 2001-134 BETWEEN CITY OF SACRAMENTO AND MORTON GOLF,
LLC

LOCATION AND COUNCIL DISTRICT: Districts 2, 5, & 7

RECOMMENDATION:

It is recommended that the City Council approve Addendum Number One to the Lease and Operating Agreement between the City of Sacramento and Morton Golf, LLC.

CONTACT PERSON: ANN WEAVER, GOLF MANAGER (916) 433-6315
BARBARA E. BONEBRAKE, DIRECTOR, 264-8225
CONVENTION, CULTURE AND LEISURE DEPARTMENT

FOR COUNCIL MEETING OF: September 3, 2002

SUMMARY:

Staff recommends approval of Addendum number one (See Attachment A) to the Lease and Operating Agreement (No. 2001-134) between the City of Sacramento and Morton Golf LLC which resolves financial impacts surrounding delays related to the opening of Haggin Oaks and related facilities.

CAPITAL CITY GOLF AFFILIATES:

ALISTER MACKENZIE GOLF COURSE AT HAGGIN OAKS • ARCADE CREEK GOLF COURSE AT HAGGIN OAKS • BARTLEY CAVANAUGH GOLF COURSE
BING MALONEY 18-HOLE GOLF COURSE • BING MALONEY EXECUTIVE 9 GOLF COURSE • WILLIAM LAND 9-HOLE GOLF COURSE
TEE TIME RESERVATIONS 916.264.TIME(8463)

City Council
ADDENDUM ONE TO MORTON GOLF AGREEMENT
September 3, 2002

COMMITTEE/COMMISSION ACTION: None.

BACKGROUND INFORMATION:

The Lease and Operating Agreement No. 2001-134 between the City of Sacramento and Morton Golf LLC was approved by City Council and effective September 1, 2001. Morton Golf LLC provides golf course services at the City's Haggin Oaks, Bing Maloney and Bartley Cavanaugh golf facilities.

The City golf courses are required to convert from gasoline to electric golf carts due to regulations under the California Air Quality Act. Due to delays in completing the electric golf cart storage facility at Haggin Oaks and the electric conversion at Bartley Cavanaugh, Morton Golf LLC incurred unexpected expenses surrounding the need to maintain two fleets of golf carts until the projects are completed. The expenses were necessary in order to continue serving the golfing public and to prevent revenues losses to Morton Golf LLC and the City. The attached Addendum Number One addresses how the City and Morton Golf LLC will resolve these unexpected expenses that were due to delays in completing the cart conversion projects.

FINANCIAL CONSIDERATIONS:

Capital City Golf is an enterprise fund operation within the Department of Convention, Culture and Leisure. The recommendations presented within this report are critical to ensuring that City golf courses operate as self-supporting enterprise fund operations, as directed by City Council. The City agrees to reimburse Morton Golf LLC for a maximum of \$150,000 for expenses relating to the conversion from gasoline to electric golf carts at the Haggin Oaks and Bartley Cavanaugh Golf Courses. The cost for these expenses will be borne out of the Golf Fund.

ENVIRONMENTAL CONSIDERATIONS: None.

POLICY CONSIDERATIONS:

This project is consistent with the City policy directing enterprise fund operations to be self-supporting.

ESBD CONSIDERATIONS: None.

Respectfully submitted,




Ann Weaver, Golf Manager

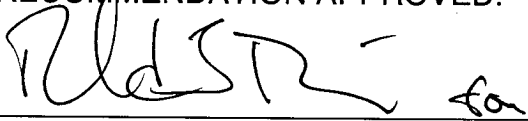
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City Council
ADDENDUM ONE TO MORTON GOLF AGREEMENT
September 3, 2002

APPROVED:


Barbara E. Bonebrake, Director
Convention, Culture and Leisure Department

RECOMMENDATION APPROVED:


Robert P. Thomas, City Manager

APPROVED
SEP 03 2002
OFFICE OF THE
CITY CLERK

RESOLUTION NO. 2002-583

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

**AUTHORIZING THE CITY MANAGER TO APPROVE ADDENDUM
NUMBER ONE TO LEASE AGREEMENT NUMBER 2001-134
BETWEEN THE CITY OF SACRAMENTO AND MORTON GOLF
LLC**

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

- A. The City Council hereby authorizes the City Manager to approve and sign Addendum Number One to Lease Agreement No. 2001-134 between the City of Sacramento and Morton Golf LLC.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO: _____

DATE ADOPTED: _____

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