

MINUTES OF THE METRO COUNCIL REGIONAL FACILITIES COMMITTEE MEETING

Wednesday, October 7, 1998

Metro Council Chamber

Members Present: Ruth McFarland (Chair), Rod Monroe

Members Absent: Patricia McCaig (Vice Chair)

Chair McFarland called the meeting to order at 1:37 PM.

1. INTRODUCTIONS

None.

2. CITIZEN COMMUNICATIONS

None.

3. CONSIDERATION OF MINUTES OF SEPTEMBER 23, 1998

Motion:

Councilor Monroe moved to adopt the Regional Facilities Committee minutes of September 23, 1998.

Vote:

Chair McFarland and Monroe voted aye. Councilor McCaig was absent. The vote was 2/0, and the motion passed.

4. RESOLUTION NO. 98-2669, FOR THE PURPOSE OF APPROVING CONTRACT EXTENSIONS TO GLISAN STREET RECREATION, INC., FOR MANAGEMENT OF GLENDOVEER GOLF COURSE

Charles Ciecko, Regional Parks and Greenspaces, gave an overview of the proposal and the process that has taken place to evaluate it. (This information is also in the staff report that accompanies the resolution, contained in the meeting record.) He said Glisan Street Recreation (GSR) has operated Glendoveer Golf Course under contract since the late 1970s. These contracts will expire at the end of 2002. In March of 1997, GSR submitted a proposal wherein it would invest \$1 million of private funds in capital improvements on the golf course and provide Metro with \$115,000 in cash for a Metro parks capital project of Metro's choice.

Chair McFarland asked whether GSR had done this as part of the previous agreement.

Mr. Ciecko said no. He said the previous agreement does require GSR to make capital investments on the leased premises, not the golf course. GSR has made those investments.

Councilor Monroe asked how GSR plans to spend the \$1 million.

Mr. Ciecko said the plans would include completing new tees, enhancing fairways, and dealing with a water issue.

Councilor Monroe asked if the water issue included improving drainage on the golf course.

Mr. Ciecko said that could be investigated. He said the improvements have not yet been specified. He said the Parks and Greenspaces department would be working with GSR to create a list of priorities.

Councilor Monroe said that although the course is fine during the summer, it is so wet it is not playable during the winter. Mr. Ciecko said he would like to see the course as playable as possible in the winter. He said he would look into that.

Mr. Ciecko said the \$115,000 cash payment would be for a parks capital project of Metro's choice. He said as part of the 1997-98 budget, funds were included to evaluate this proposal. A review committee, consisting of three members of the Regional Parks and Greenspaces Advisory Committee, three regular customers at

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Glendoveer, and a representative from the Presiding Officer of the Council's office, was created to answer the following questions:

- Is the current contract competitive?
- Should this offer be accepted, and if so, under what conditions?
- What should the capital projects be?
- Should the current manner of implementing Metro's excise tax be maintained or should it be changed?

Mr. Ciecko said a certified public accountant was hired to facilitate the committee's work and assist with the research needed to answer some of the questions. The accountant was familiar with Glendoveer's financial picture, as he has done the financial reviews of the Glendoveer operation for a number of years.

Mr. Ciecko said the committee found that the contracts are competitive and recommended the following:

- The offer should be accepted.
- Regional Greenspaces Department should collaborate with GSR to select the capital projects on the course, rather than having the committee do it. The committee felt those who know most about the course and its needs would be in the best position to make those recommendations.
- The current policy regarding the implementation of excise tax should be maintained.

Chair McFarland asked what the current policy is.

Mr. Ciecko said Metro nets 7-1/2% out of the funds that come to Metro. Metro takes the percentage out of a lump sum rather than through adding 7-1/2% to greens fees and driving range fees and so forth.

Mr. Ciecko said that after the committee made its recommendations, the Regional Parks and Greenspaces Advisory Committee considered this issue on June 3 and voted unanimously to accept GSR's offer. In July the Executive Officer requested the Administrative Services Department take an independent look at the proposal, the contracts, and the work of the review committee. The Administrative Services Department finished in late August and recommended to the Executive Officer that the proposal be accepted, but with a couple of modifications. The Administrative Services Department suggested deleting from the extended contract a provision in the current contracts that allows first right of refusal at the time of renewal. This would enhance competitiveness the next time this contract goes out for competitive bid. The Department also suggested that a provision be added allowing Metro to terminate the contract and send it out to bid if ownership of GSR changes or if top management at the golf course changes.

The suggestions made by the Administrative Services Department were then provided to GSR and GSR accepted them. If this committee approves the resolution, the Executive Officer would be authorized to extend the contracts under these provisions.

Councilor Monroe wanted to make sure he understood the situation and asked if his interpretation was correct. He said Metro currently receives 44% of the greens fees and that will continue. Metro currently receives \$12,000 annually in lease and that will continue.

Mr. Ciecko said there is an option to collect either a flat \$12,000 fee or a percentage. GSR has always elected the pay the flat fee. He said he expected that practice would continue.

Councilor Monroe said GSR would do \$1 million worth of work on the golf course and give Metro \$115,000 for a parks project of its own choosing.

Mr. Ciecko clarified that the \$1 million in capital improvements would be three-quarters finished before the current contract expires. He said GSR had intended to have them completely finished before then, but timing difficulties would likely create a partial spillover into the new contract. Councilor Monroe asked if most of the work would be done by 2002. Mr. Ciecko said yes.

Councilor Monroe then asked if currently the total profit received from Glendoveer is about \$1 million. Mr. Ciecko said Metro's share is about \$750,000. Councilor Monroe said according to the information he had, by the end of this contract that should grow to about \$1.25 million. Mr. Ciecko said yes, that is the projected

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amount based on previous experience with that operation. Councilor Monroe asked if the \$750,000 is the amount subject to Metro's excise tax. Mr. Ciecko said yes.

Motion: Councilor Monroe moved to recommend Council adoption of Resolution No. 98-2669.

Vote: Chair McFarland and Councilors Monroe voted aye. Councilor McCaig was absent. The vote was 2/0 in favor, and the motion passed.

Councilor Monroe will carry the resolution to a meeting of the full Council.

5. RESOLUTION NO. 98-2712, FOR THE PURPOSE OF AUTHORIZING RELEASE OF REQUEST FOR PROPOSALS FOR MASTER PLANNING SERVICES FOR BLUE LAKE REGIONAL PARK AND AUTHORIZING THE EXECUTIVE OFFICER TO ENTER INTO A MULTI-YEAR CONTRACT

Mr. Ciecko said his staff had appeared before the committee last summer to involve the Regional Facilities Committee in the selection of issues to address in the master plan for Blue Lake Park. He introduced one of his staff, Heather Nelson Kent, who would provide more information.

Heather Nelson Kent, Division Manager, Regional Parks and Greenspaces, said this request to release requests for proposals comes before the committee because the contract is designated as a significant impact contract in the budget due to its size and scope. She said the Council already approved the direction of the master plan. Releasing the request for proposals for consultant services would take that direction and develop a proposal for full master plan.

Chair McFarland asked if the amount had already been set or would it be set by this action. Ms. Nelson-Kent said the action would approve the amount, but that the amount was set during the budget process. Chair McFarland asked what the amount was for these consultant services. Ms. Nelson-Kent said \$65,000.

Motion: Councilor Monroe moved to recommend Council adoption of Resolution No. 98-2712.

Vote: Chair McFarland and Councilors Monroe voted aye. Councilor McCaig was absent. The vote was 2/0 in favor, and the motion passed.

Councilor McFarland will carry the resolution to a meeting of the full Council.

8. COUNCILOR COMMUNICATIONS

None.

There being no further business before the committee, the meeting was adjourned at 1:52 PM.

Prepared by,

Pat Emmerson
Council Assistant