

CITY COUNCIL REGULAR SESSION

Ordinance (1) amending Ordinance No. 6622, adopted November 22, 2021, and previously amended, to amend the 2021-2022 Budget to increase the Parks Enterprise Fund appropriation by \$1,200,000 to sufficiently budget for Bellevue and Crossroads Golf Course user fee revenues and vendor contract expenses, and (2) amending Resolution No. 9491, adopted November 19, 2018, to increase the Premier Golf Centers, LLC contract by an amount not to exceed an additional \$1,200,000, plus all applicable taxes.

Michael Shiosaki, Director, 452-5377
Irmina Lumbad, Fiscal Manager, 452-2934
Parks & Community Services Department

EXECUTIVE SUMMARY

This Ordinance increases the Parks Enterprise Fund 2022 budget to provide sufficient appropriation authority to reflect Bellevue and Crossroads Golf Course user fee revenues and vendor contract expenses. The cost of the Premier Golf Centers, LLC (Premier Golf Centers) contract is fully revenue-backed and recovered by Bellevue and Crossroads Golf Course user fees such as greens fees and driving range revenue.

RECOMMENDATION

Move to adopt Ordinance No. 6701

BACKGROUND/ANALYSIS

The Parks Enterprise Fund accounts for services primarily supported through user fees including golf, tennis, aquatics, adult sports, and facility rentals. The operations of the Bellevue and Crossroads golf courses is the largest program area in the Parks Enterprise Fund, with management of clubhouses and driving ranges currently provided under contract with Premier Golf Centers. The original contract, effective January 1, 2015, was approved by Resolution No. 8812 on October 20, 2014, which authorized a four-year contract with the option to renew for an additional four years. The option to extend the term thru December 31, 2022, was exercised on November 19, 2018, when the City Council adopted Resolution No. 9491 which authorized an amendment to the agreement with Premier Golf Centers in an amount not to exceed \$6,000,000, plus applicable taxes.

Golf course user fee revenues and the associated contract expense are projected to exceed the amended budget in 2021-2022 and previously authorized contract amount, thus requiring the proposed ordinance to provide sufficient authority to reflect the financial performance of the course. The existing contract with Premier Golf Centers expires in 2022, and a new agreement with Premier Golf Centers for the ongoing management of Bellevue clubhouses and driving range is pending Council approval.

POLICY & FISCAL IMPACTS**Policy Impact**

N/A

Fiscal Impact

Approval of this Ordinance will increase the Parks Enterprise Fund appropriation by \$1,200,000 to sufficiently budget Bellevue Golf Course user fee revenues and vendor contract expenses. This Ordinance is necessary to provide sufficient budget authority to reflect total 2021-2022 revenues and expenditures in the Parks Enterprise Fund and to increase the City's contract with Premier Golf Centers by the same amount.

OPTIONS

1. Adopt the Ordinance (1) amending Ordinance No. 6622, adopted November 22, 2021, and previously amended, to amend the 2021-2022 Budget to increase the Parks Enterprise Fund appropriation by \$1,200,000 to sufficiently budget for Bellevue and Crossroads Golf Course user fee revenues and vendor contract expenses, and (2) amending Resolution No. 9491, adopted November 19, 2018, to increase the Premier Golf Centers, LLC contract by an amount not to exceed an additional \$1,200,000, plus all applicable taxes.
2. Do not adopt the Ordinance and provide alternative direction to staff.

ATTACHMENTS

Proposed Ordinance No. 6701

AVAILABLE IN COUNCIL LIBRARY

Premier Golf Centers, LLC Amendment #1