City of Carroll

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MEMO TO: Honorable Mayor and City Council

FROM: Jack Wardell, Director of Parks and Recreation JW

DATE: September 22, 2016

SUBJECT: Municipal Golf Course Manager Agreement

- Golf Course Lease and Management Agreement
- Resolution Approving a Golf Course Clubhouse Manager Lease and Management Agreement

Brenda Bruggemen has managed the Golf Course clubhouse for several seasons. Attached to this memorandum is a similar contract the City Council has approved in the past with the exception of a contract fee increase to $27,700.00 each year for the next three golf seasons.

RECOMMENDATION: The Mayor and City Council consideration and approval the Golf Course Clubhouse Manager Lease and Management Agreement with Brenda Bruggeman for the 2017, 2018 and 2019 golf seasons.

RESOLUTION NO. _____

A RESOLUTION APPROVING A GOLF COURSE CLUBHOUSE MANAGER LEASE AND MANAGEMENT AGREEMENT

WHEREAS, Chapter 17, of the Code of Ordinances of the City of Carroll, Iowa, provides that all contracts made by the City be reduced to writing and approved by the City Council by resolution; and

WHEREAS, the Golf Course Clubhouse Manger Lease and Management Agreement with Brenda Bruggeman is attached hereto as Exhibit "A", and

WHEREAS, it is determined that the approval of the attached agreement is in the best interest of the City of Carroll, Iowa;

NOW, THEREFORE BE IT RESOLVED that the Golf Course Clubhouse Manger Lease and Management Agreement attached as Exhibit "A", be authorized and accepted, and that the Mayor and City Clerk are authorized to execute the contract on behalf of the City of Carroll.

PASSED AND APPROVED by the City Council of the City of Carroll, Iowa, this _____ day of September, 2016.

CITY COUNCIL OF THE
CITY OF CARROLL, IOWA

BY: _____
Eric P. Jensen, Mayor

ATTEST:

BY: _____
Laura A. Schaefer, City Clerk

LEASE AND MANAGEMENT AGREEMENT

This Agreement is made and entered into by and between the City of Carroll, Iowa, a municipal corporation hereinafter referred to as the "City", and Brenda Bruggeman, hereinafter referred to as the "Manager".

The parties enter into this agreement, whereby the City leases to the Manager, the Clubhouse located on the grounds of the Municipal Golf Course, Carroll, Iowa. The consideration for said lease is set out below.

The parties mutually agree and covenant as follows:

1. The term of this lease and agreement shall be from January 1, 2017, to December 31, 2019, unless this lease and agreement is renewed for an additional one year by the City on or before December 1, 2019. No notice of termination shall be required to be given by the City, and the Manager waives any and all termination notice requirements.

2. The Manager shall maintain a business at the clubhouse wherein it will sell food, beer, liquor and merchandise incidental to the sport of golf. In addition, it shall manager the clubhouse golf operations.

3. The Manager shall obtain all necessary licenses and permits for the operation of the above-mentioned business. The Manager shall also follow and comply with all local, state and federal ordinances, laws and regulations.

4. The Manager shall begin clubhouse business operations no later than 7:00 a.m., daily and shall operate said business until at least 8:00 p.m. In the event that the weather is not conducive to the playing of golf, it may be acceptable to deviate from the above said operating hours.

5. The parties recognize the State Liquor Laws, which establish 2:00 A.M. as the closing hour for establishments holding an Iowa Liquor License. However, because of the proximity of the clubhouse to the adjoining residential area, the Manager agrees that the normal closing hours shall be 11:30 P.M. or before with some noted exceptions. The Manager will be allowed to stay open until 2:00 A.M. on all Thursday Night Men's League dates, and until 2:00 A.M. on nights of couples two-ball events, special golf outing events, and other special outings or events. The Manager shall give a one-week notice to the Director of Parks and Recreation of all non-scheduled special events, which may exceed the normal 11:30 P.M. closing time.

The parties also recognize that because of the limited size of the clubhouse, some patrons are required to use the patio area after some golf events. This use outside the clubhouse has been a source of complaints from adjoining residential owners, especially after dark. Therefore, the Manager and staff shall refrain from serving anyone outside the clubhouse after 10:30 p.m. In addition, the Manager shall request all patrons to be inside the clubhouse by 11:00 p.m.

6. The Manager shall have the tee blocks open to the public at all times with the exceptions of those hours specified by the Director of Parks and Recreation including those hours for Men's and Women's Club Championship, City Championships, Father-Son Championship, Men's Thursday Night League, Women's Tuesday Night League and Wednesday Men's Senior League.

7. Holiday tournaments and special events are permissible. It is the intent of the City to limit as much as possible the times that would prohibit open golf by those not participating in the event. The City Director of Parks and Recreation shall approve these events along with other events.

8. The Manager shall open the clubhouse for business upon the opening of the golf course by the City, and shall keep the clubhouse open for business thru the last weekend in October, and may continue to operate the clubhouse as long as the weather is conducive to the game of golf.

9. The Manager shall remove from the clubhouse all merchandise and other items owned by the Manager no later than November 30 each year.

10. The Manager shall provide the City Finance Director with certificates of insurance for general liability in the amount of $500,000; dram shop insurance in the amount of $300,000; and post a fidelity bond in the amount of $25,000. The above limits of liability are the minimum limits required by the City of Carroll. In no way should they be construed to be adequate for the Manager's liability exposure.

11. The Manager shall have the right to all income from the operation of the concessions at the clubhouse, and shall be responsible for all its expenses in the operation of said clubhouse concession and business therein. The Manager shall be totally and solely responsible for the natural gas bills from May through and including November. The Manager shall also be responsible for 50% of the monthly electric and internet service billed to the City during the same period of time. A rental fee of $1,400.00 per year shall be paid to the City by the Manager, based upon the depreciation schedule agreed upon by the parties. This fee shall be for the purpose of reimbursement to the City for the use of equipment furnished by the City for use by the Manager during the operation of the Manager's business within the Clubhouse.

12. The Manager shall be responsible for the following duties:

a. Collect season membership fees and trail fees from golf patrons and deposit them with the City Finance Director on a weekly basis. Distribute any information deemed necessary to the members concerning golf play, golf season schedule, and golf car operations.

b. Collect green fees from golf patrons and deposit them with the City Finance Director on a weekly basis.

c. Rent the City's motorized golf cars to golf patrons and collect and deposit fees with the City Finance Director on a weekly basis. The Manager shall be responsible for enforcing the rules and regulations of the golf car operation. The Manager shall have the authority to deny the use of a motorized golf car to anyone that does not qualify to use the motorized golf cars, or is not abiding by the rules and regulations for the proper operation of said golf cars.

d. Be responsible for routine maintenance of the golf cars which include, among other things, cleaning, checking gas and oil levels, checking for physical damages, checking tires, tire pressure, and checking foot brakes, accelerator and other controls. Any additional personnel required for those activities shall be the responsibility of the Manager.

e. Enforce the rules and regulations of the golf course. The Manager shall have the authority to remove anyone from the golf course who is not adhering to those rules and regulations.

f. Organize and set tee times according to City policy and record tee time reservations to ensure an orderly operation.

g. The Manager shall allow the City Finance Director to review the Manager's books and records regarding all fees and collections made by the Manager and deposited with the City over the course of the lease.

13. The City shall pay the Manager a fee of $27,700.00 for the performance of the duties and responsibilities required by this agreement. This fee will be paid equally over 7 months beginning May 15. The City will deduct the fee for equipment rental, electric and internet service from March 1 through October 31, from the last monthly payment in November.. This amount will be deducted from the last monthly payment in November.

14. The Manager shall put forth its best efforts to develop a positive and enjoyable environment, promote and manage the Golf Course Clubhouse and the Golf Course operation. Any concerns or complaints of the Manager

should be addressed immediately with the Director of Parks and Recreation. Concerns or complaints should be addressed only between the Manager and Director, not the golf patrons. Breach of this provision or any other material breach of any other provision may lead to immediate termination of this Agreement by the City with or without notice depending on the nature of the breach.

15. All news releases or advertisements related to the Golf Course or Clubhouse and activities or operations shall be made by and through the Parks and Recreation Department.

16. The Manager shall not assign, transfer or sublet this agreement or any portion thereof, without the written consent of the City.

17. IT IS MUTUALLY AGREED AND UNDERSTOOD, that all Golf Course and Clubhouse rules are a part of this Agreement as if attached hereto.

Dated this 26th day of September, 2016.

CITY OF CARROLL, IOWA

By_____
Eric P. Jensen, Mayor

By_____
Brenda Bruggeman

By_____
Laura Schaefer, Clerk