

ORDINANCE No. 189176

* Amend Management Agreement with Kemper Sports Management, Inc. to add \$2,500,000 for the reimbursement of operating expenses for the management of Heron Lakes Golf course, for a not-to-exceed amount of \$2,823,400. (Ordinance; amend Contract no. 30006422)

The City of Portland ordains:

Section 1. The Council finds

1. Portland Parks & Recreation's (PP&R) golf program entered into a Management Agreement with Kemper Sports Management, Inc. for management operations at Heron Lakes Golf Course. The agreement is effective from June 14, 2018 to October 31, 2019.
2. Under City Code 5.68.020.B.7, Golf Course Management Agreements are exempt from the solicitation process. No solicitation was done.
3. PP&R is in the process of aligning operating agreements for the City's golf courses in preparation for a competitive Request for Proposals (RFP) in 2019.
4. The Management Agreement authorized and contemplated appropriate compensation for Kemper Sports Management, Inc. in the form of a monthly fee for the performance of its duties as well as reimbursement for all golf course operating expenses that are incurred on a monthly basis.
5. Due to oversight of the parties, the Management Agreement did not clearly include language to provide for the reimbursement of operating expenses to the management company in the relevant contract section. PP&R seeks to remedy that omission.
6. The correct funding level in the Management Agreement exceeds the threshold for approval by the Chief Procurement Officer and requires Council authorization.
7. This Management Agreement as amended continues the current status quo that has been in place since 2007, and all necessary funds are accounted for in the Golf Operating Budget and the Five-Year Forecast for the Golf Fund.

NOW THEREFORE, The Council directs:

- a. That the Commissioner-in-Charge of Parks is hereby authorized to enter into Amendment 1 to the Management Agreement with Kemper Sports Management, Inc. (Contract no. 3006422) in a form substantially similar to attached Exhibit upon approval to form by the City Attorney's Office, to include the omitted contract language and add \$2,500,000 to the contract value for reimbursement of operating expenses.

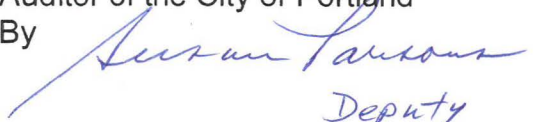
Section 2. The Council declares that an emergency exists because a delay would unnecessarily delay the City's ability to provide the golf related services to the public as defined in the contract. Therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: SEP 19 2018

Commissioner Nick Fish
Prepared by: John Zoller

Mary Hull Caballero
Auditor of the City of Portland

By


Deputy

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Agenda No.
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Title

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<p>INTRODUCED BY Commissioner/Auditor: Nick Fish</p> <p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance & Administration - Wheeler</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish <i>Sulfa Nick Fish</i></p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Eudaly</p> <p>BUREAU APPROVAL</p> <p>Bureau: Parks and Recreation Bureau Head: Kia Selley <i>Kia Selley</i></p> <p>Prepared by: John Zoller Date Prepared: 8/22/18</p> <p>Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>City Auditor Office Approval: required for Code Ordinances</p> <p>City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter <i>[Signature]</i></p> <p>Council Meeting Date 9/19/18</p>	<p>CLERK USE: DATE FILED SEP 11 2018</p> <p style="text-align: center;">Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> Deputy</p> <p>ACTION TAKEN:</p>
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<p style="text-align: center;">AGENDA</p> <p>TIME CERTAIN <input type="checkbox"/> Start time: _____</p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p> <p>CONSENT <input type="checkbox"/></p> <p>REGULAR <input checked="" type="checkbox"/> Total amount of time needed: 10 min (for presentation, testimony and discussion)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 30%;">FOUR-FIFTHS AGENDA</th> <th colspan="2">COMMISSIONERS VOTED AS FOLLOWS:</th> </tr> <tr> <th></th> <th style="width: 20%;">YEAS</th> <th style="width: 20%;">NAYS</th> </tr> <tr> <td>1. Fritz</td> <td style="text-align: center;">✓</td> <td></td> </tr> <tr> <td>2. Fish</td> <td style="text-align: center;">✓</td> <td></td> </tr> <tr> <td>3. Saltzman</td> <td style="text-align: center;">✓</td> <td></td> </tr> <tr> <td>4. Eudaly</td> <td style="text-align: center;">✓</td> <td></td> </tr> <tr> <td>Wheeler</td> <td style="text-align: center;">✓</td> <td></td> </tr> </table>	FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:			YEAS	NAYS	1. Fritz	✓		2. Fish	✓		3. Saltzman	✓		4. Eudaly	✓		Wheeler	✓	
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