

## **ORDINANCE No. 190370**

Amend Management Agreement with Kemper Sports Management, Inc. for Heron Lakes Golf Course for an additional twelve months in the amount of \$2,500,000, for a total contract amount not to exceed \$9,807,912 (Ordinance; amend Contract No. 30006422)

The City of Portland ordains:

Section 1. The Council finds:

1. On June 14, 2018, 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 (City Contract no. 30006422) for the period from June 14, 2018 to October 31, 2019. 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 and reimbursement for all golf course operating expenses that are incurred on a monthly basis.
2. Amendment 1 to the Management Agreement which was executed on September 25, 2018 clarified that \$323,400 was the amount contracted for management fees for the 16.5 months of the Management Agreement, based on the rate of \$19,600 per month, and further clarified that \$80,850 was allocated for operating expenses. The Amendment further identified that up to \$2,500,000 could be available for operating expenses with Council consent.
3. Amendment 2, authorized by Ordinance 189176, which passed on September 19, 2018, was executed on September 26, 2018 and allocated the balance of the previously identified amount for operating expenses (\$2,419,150) to the Management Agreement, bringing it to \$2,500,000.
4. Amendment 3, executed on May 23, 2019, gave authority to Kemper Sports to enter into new golf cart lease agreements.
5. Amendment 4, authorized by Ordinance 189689 which passed on September 4, 2019, was executed on November 8, 2019, and allocated the balance of the previously identified amount for operating expenses in the amount of \$4,484,512 to provide for the additional management fee of \$484,512 and reimbursement of operating expenses of \$4,000,000, extending the term to October 31, 2021, with the total not-to-exceed \$7,307,912 for the full term.
6. While Ordinance 189689 contemplated a new solicitation for Parks' golf courses in 2019, PP&R determined that more time was needed, and an RFP was planned for 2021, with contract(s) in place, by November 1, 2021.

7. On December 11, 2020, the Golf Advisory Committee voted their approval in support of delaying the golf operating RFP by 12 months. This action will allow time for a contracted golf consultant to provide assessment and recommendations to the Golf Program and upcoming RFP for clubhouse operations at Colwood, Heron Lakes, Eastmoreland, and Rose City golf courses. This assessment is currently underway and being conducted by GGA Partners. This assessment is anticipated to be completed in June 2021.
8. Although the COVID-19 pandemic has led to more public golf rounds, it has also led to operational and economic uncertainty that could impact the golf operator RFP and subsequent contract negotiations. An additional 12 months will allow the Portland Parks & Recreation Golf Program more time to understand the post-COVID 19 environment.
9. The existing contract with Kemper Sports Management, Inc. (30006422), for management of Heron Lakes Golf Course, expires on October 31, 2021.
10. For the reasons set out above, efficient use of PP&R's existing golf course management services requires the amendment of Kemper Sports Management, Inc.'s golf course Management Agreement for additional funding and time to continue their services.
11. Funds for the contract are accounted for in the Golf Operating Budget and the Five-Year Forecast for the Golf Fund.

NOW, THEREFORE, the Council directs:

- a. The Chief Procurement Officer is hereby authorized to execute Amendment 5 to the Management Agreement with Kemper Sports Management, Inc. (Contract no. 30006422) in a form substantially similar to attached Exhibit A, upon approval as to form by the City Attorney's Office, to add \$2,500,000 to the contract value for reimbursement of operating expenses, for a new not to exceed contract amount of \$9,807,912, and extend the contract term until October 31, 2022.
- b. The Mayor and Auditor are authorized to draw and deliver warrants chargeable to Portland Parks & Recreation budget when demand is presented and approved by the proper authorities.

Passed by the Council: April 21, 2021

Commissioner Rubio  
Prepared by: Vincent Johnson  
Date Prepared: March 11, 2021

**Mary Hull Caballero**  
Auditor of the City of Portland  
By *Christina Thomas*  
Deputy

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Agenda No.  
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Title

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<p style="text-align: center;"><b>INTRODUCED BY</b> Commissioner/Auditor: <b>Rubio</b></p>	<p>CLERK USE: DATE FILED <u>April 6, 2021</u></p>
<p style="text-align: center;"><b>COMMISSIONER APPROVAL</b></p> <p>Mayor—Finance &amp; Administration - Wheeler</p> <p style="text-align: right;">Carmen Rubio <small>Digitally signed by Carmen Rubio Date: 2021.04.05 16:01:14 +07'00'</small></p> <p>Position 1/Utilities - Rubio</p> <p>Position 2/Works - Ryan</p> <p>Position 3/Affairs - Hardesty</p> <p>Position 4/Safety - Mapps</p>	<p style="text-align: center;">Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <u>Megan Lehman</u> Deputy</p>
<p style="text-align: center;"><b>BUREAU APPROVAL</b></p> <p>Bureau: Parks &amp; Recreation Bureau Head: Adena Long <small>Digitally signed by Adena Long Date: 2021.03.31 16:19:39 -07'00'</small></p> <p>Prepared by: Vincent Johnson Date Prepared: 3/11/2021</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><b>City Auditor Office Approval:</b> required for Code Ordinances</p> <p><b>City Attorney Approval:</b> required for contract, code, easement, franchise, comp plan, charter <small>Digitally signed by L. Law Date: 2021.03.23 08:22:01 -07'00'</small></p> <p>Council Meeting Date April 14, 2021</p>	<p><b>ACTION TAKEN:</b> April 14, 2021 Passed to Second Reading on April 21, 2021 at 9:30 am</p>

<p style="text-align: center;"><b>AGENDA</b></p> <p><b>TIME CERTAIN</b> <input type="checkbox"/> Start time: _____</p> <p><b>Total amount of time needed:</b> _____ (for presentation, testimony and discussion)</p> <p><b>CONSENT</b> <input type="checkbox"/></p> <p><b>REGULAR</b> <input checked="" type="checkbox"/> <b>Total amount of time needed:</b> <u>5 min</u> (for presentation, testimony and discussion)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 35%;">FOUR-FIFTHS AGENDA</th> <th colspan="2">COMMISSIONERS VOTED AS FOLLOWS:</th> </tr> <tr> <th></th> <th>YEAS</th> <th>NAYS</th> </tr> <tr> <td>1. Rubio</td> <td style="text-align: center;">✓</td> <td></td> </tr> <tr> <td>2. Ryan</td> <td style="text-align: center;">✓</td> <td></td> </tr> <tr> <td>3. Hardesty</td> <td style="text-align: center;">✓</td> <td></td> </tr> <tr> <td>4. Mapps</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. Rubio	✓		2. Ryan	✓		3. Hardesty	✓		4. Mapps	✓		Wheeler	✓	
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