

IMPACT STATEMENT

Legislation Title: 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)

Contact name: Vincent Johnson

Contact phone: 503-318-1432

Presenter name: Vincent Johnson

Purpose of proposed legislation and background information:

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. Under City Code 5.68.020.B.5, Golf Course Management Agreements are exempt from the solicitation process. No solicitation was done.

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. Since inception, there have been four amendments to the Management Agreement, clarifying scope and fees for service.

PP&R anticipated an RFP for Heron Lakes, Colwood, Eastmoreland, and Rose City golf courses in 2019. However, PP&R determined that more time was needed, and an RFP was planned for 2021, with contract(s) in place, by November 1, 2021. Unfortunately, the COVID-19 pandemic further delayed the timing for this assessment. In the meantime, an RFP for a golf consultant has been completed, a consultant selected, and the assessment is currently underway. The deliverable timeline for the golf consultant has been delayed due to the pandemic.

While awaiting the outcome and recommendations from the consultant's assessment, and uncertainty with how golf recreation will be impacted post pandemic in 2021 and beyond, PP&R finds it necessary to extend golf course management services through the 2022 season. This will enable a smooth transition of golf course management services, regardless of the recommendation from the consultant. The assessment is anticipated to be completed in June 2021.

Therefore, PP&R is requesting an amendment to the existing golf course Management Agreement (30006422) with Kemper Sports Management, Inc.'s, through October 31, 2022, and additional funding, in the amount of \$2,500,000, for continuation of services.

This is the 5th amendment to C30006422.

Financial and budgetary impacts:

This contract does not have long-term financial impacts for the City, and does not have additional budget impacts, as ongoing management costs are included in PP&R's budget. Funds are accounted for in the Golf Operating Budget and the Five-Year Forecast for the Golf Fund.

Community impacts and community involvement:

The Golf Advisory Committee reviewed and approved the recommendation to extend the current operating contracts for 12 months and to delay the golf clubhouse RFP by 12 months. This support was based upon having time to receive assessment and recommendations by a golf consultant for the upcoming golf operating RFP.

100% Renewable Goal:

This action has no impact on the City's 100% renewable goal.

Budgetary Impact Worksheet

Does this action change appropriations?

- ☐ **YES:** Please complete the information below.
☒ **NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

Claudio Campuzano

Claudio Campuzano, Finance, Property & Technology Manager

3/22/2021