



## Legislation Text

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**File #:** 22-405, **Version:** 1

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Adopt a Resolution Approving and Authorizing the City Manager to Enter into a Two-Year Non-Professional Services Agreement with the Option for Three One-Year Extensions Between the City of San Leandro and David Sams for Management of the City's Management Agreement with American Golf Corporation for an Annual Amount of \$60,000 (Plus Annual COLA)

### **SUMMARY AND RECOMMENDATIONS**

Staff recommends that the City Council approve a resolution authorizing the City Manager to enter into a new two-year Non-Professional Services Agreement (NPSA) with David Sams for oversight and management of the City's contract with American Golf Corporation (AGC) for the operation of the Monarch Bay Golf Club. The first year's payment would be \$60,000, with subsequent years including an annual cost of living adjustment. At the City's discretion this agreement could be extended for up to three additional one-year terms.

### **BACKGROUND**

David Sams is a former City of San Leandro employee who was involved with municipal golf operations for 45+ years. When Mr. Sams retired from the City in 2009, the City's Public Works Department hired him as the consultant to oversee the existing American Golf Corporation (AGC) lease agreement approved by the City Council in 1997. The current AGC management agreement, approved by the City Council on June 1, 2020 has a term that expires in November 2024, with two five-year extensions at the City's discretion.

### **Analysis**

David Sams' current NPSA had an effective date of July 1, 2020 and an initial two-year term through June 30, 2022. That agreement did have the option to extend for an additional three years. However, given the expanded scope of Mr. Sams' services provided to the City, staff opted to prepare a new NPSA agreement. With the upcoming planned golf CIP projects (including a 20-year Needs Assessment, Driving Range and parking lot upgrades) and with the proposed Shoreline Project making significant headway (which includes renovation of the 9-hole Executive Course), the Public Works Department would like to continue to retain Mr. Sams' services, as existing City staff do not have golf course operations/management expertise.

With the 2020 change from a golf lease agreement to a management agreement, the City has a more active role in golf operations. This includes annual development (in conjunction with AGC) and monthly oversight of the golf courses' Annual Plan (budget), development and implementation of golf CIP projects, ensuring that the City's best interests are represented within the context of golf course operations, and providing general direction to AGC on all golf-related matters. It is recognized that the golf consultant will also be relied on by City staff to provide technical comments on the proposed reconstruction of the 9-hole Executive Course and will coordinate with Cal Coast and their golf

course contractor during the reconstruction phase.

### **Fiscal Impacts**

This agreement will cost \$60,000 annually, plus a cost-of-living adjustment (COLA) effective annually in subsequent years on July 1. The COLA will reflect the 12-month average in the Consumer Price Index for all urban consumers in the San Francisco Oakland San Jose Metropolitan Statistical Areas for the preceding years from May through April.

Staff included this contract amount in Account 596-56-002 (Shoreline Enterprise Fund - Golf Course Operations), including an adjustment to this account as part of the mid-cycle budget. Under the assumption that the City Council approves the mid-cycle budget for fiscal year 2023, no further action is required to fund this contract.

### **ATTACHMENT**

#### **Attachments to Staff Report**

Attachment A: City of San Leandro City Council Resolution Authorizing the City Manager to Enter into a Two-Year Non-Professional Services Agreement with the Option for Three One-Year Extensions Between the City of San Leandro and David Sams for Management of the City's Management Agreement with American Golf Corporation for an Annual Amount of \$60,000 (Plus Annual COLA)

Attachment B: Non-Professional Services Agreement with David Sams

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