



City of San Antonio

Agenda Memorandum

File Number: 17-2722

Agenda Item Number: 20.

Agenda Date: 4/20/2017

In Control: City Council A Session

DEPARTMENT: Parks and Recreation

DEPARTMENT HEAD: Xavier D. Urrutia

COUNCIL DISTRICTS IMPACTED: Council District 2

SUBJECT:

Funding Agreement with Municipal Golf Association (MGA-SA) for Willow Springs Golf Course Erosion Control Project.

SUMMARY:

This Ordinance authorizes the City Manager or designee to enter into a funding agreement with the Municipal Golf Association San Antonio (MGA-SA) for an erosion control project at Willow Springs Golf Course in the amount of \$600,000.00 of which 50% will be funded by MGA-SA and 50% funded by the City's Facilities Fund and authorizing the appropriation of funds.

BACKGROUND INFORMATION:

In May 2007, City Council approved entering into a Golf Course Management Agreement with Municipal Golf Association-San Antonio (MGA-SA) (501c3) in an effort to enhance sub-par golf operations/maintenance. To provide an enhanced golf experience for locals and visitors while focusing on long overdue golf course improvements, City Council approved an initial funding agreement of \$9.4 million dollars for capital improvements combined with a \$3.3 million dollar contribution by MGASA. Through this partnership, the golf course management and operations are completely self-sustaining and revenue producing. The City does not subsidize operations and all continuing capital improvements in the golf system have been financed through operating revenue generated by the courses.

As part of MGA-SA's business model, a number of self-funded improvements have been made at the various City-owned golf courses including Willow Springs Golf Course. Menger Creek traverses Willow Springs Golf

Course and confluences with Salado Creek within the golf course. Over the years, the banks of Menger Creek have experienced significant erosion which now jeopardizes major improvements at Willow Springs made by MGA-SA. Erosion along a recently installed bridge over Menger Creek now threatens golf cart paths that lead to the bridge and in order to ensure continual operation of the course, erosion control measures need to be constructed along the banks of the creek. This project will include stabilization features such as gabion walls which will stabilize the banks and integrity of the bridge; thereby ensuring this City-owned facility is safe and remains open and available to the public. The partnership with MGA-SA has provided an opportunity to raise the level of municipal golf courses in San Antonio that are located on city parkland and City support of this project will ensure minimal impact to MGA-SA operations.

ISSUE:

This ordinance authorizes execution of a Funding Agreement with the Municipal Golf Association (MGA-SA) for \$600,000.00 to address current erosion control issues by developing design and constructing erosion control measures at Willow Springs Golf Course. Funding for this project will be supported 50% from MGA-SA and 50% by the City's Facilities Fund. This action authorizes a reduction to the payment from MGA-SA to the City in FY 2017 in the amount of \$300,000.00 to allow for the repairs to the Golf Course. MGA-SA will repay this amount to the City over three years at an annual amount of \$100,000.00 beginning in FY 2018 and ending in FY 2020.

This agreement will be executed in compliance with the Small Business Economic Development Advocacy (SBEDA) Program, which requires contracts be reviewed by a Goal Setting Committee to establish a requirement and/or incentive unique to the particular contract in an effort to maximize the amount of small, minority, and women-owned business participation on the contract. The Goal Setting Committee set a 36% Minority/Women Business Enterprise (M/WBE) subcontracting goal. The Municipal Golf Association San Antonio has committed to 36% M/WBE subcontractor participation.

ALTERNATIVES:

The City could request that the Municipal Golf Association - San Antonio (MGA-SA) fund this project in its entirety. However, this approach would increase the project schedule and would likely cause a more significant impact to golf course operations. Given the importance of remaining fully operational and accessible to golf course patrons, this alternative would result in a loss of revenue to MGA-SA.

FISCAL IMPACT:

This action appropriates \$300,000.00 from the Facilities Fund and transfers said funds to the Golf Fund as the City's contribution to the Willow Springs Golf Course Erosion Control project. This action authorizes a reduction to the payment from MGA-SA to the City in FY 2017 in the amount of \$300,000.00 to allow for the repairs to the Golf Course. MGA-SA will repay this amount to the City over three years at an annual amount of \$100,000.00 beginning in FY 2018 and ending in FY 2020.

RECOMMENDATION:

Staff recommends approval of this funding agreement with Municipal Golf Association - San Antonio (MGA-SA) for an erosion control project at Willow Springs Golf Course.

The Contracts Disclosure Form required by the Ethics ordinance is attached.