



Legislation Text

File #: 20-0450R, **Version:** 1

RESOLUTION AMENDING THE ENGER PARK AND LESTER PARK MANAGEMENT AGREEMENT BETWEEN THE CITY OF DULUTH AND ANTARES GOLF, LLC, FORMERLY KNOWN AS BILLY CASPER GOLF, LLC

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to enter into a second amendment to the five-year management agreement with Antares Golf, LLC, formerly known as Billy Casper Golf, LLC, a Virginia limited liability company, for the operation, maintenance and improvement of the Lester Park and Enger Park **golf** courses, substantially in the form of that attached hereto as attachment B, allowing for revision to the Base Management Fee and Extension of the duration of the contract.

STATEMENT OF PURPOSE: This resolution authorizes city officials to amend the management agreement with Antares (formerly Billy Casper Golf) for the operation, maintenance, and improvement of Lester Park Golf Course and Enger Park Golf Course. The amendment includes four significant changes:

1. Reduction in scope of service and management fees in 2020. For 2020, Antares will only operate Enger Park Golf Course for public use. Lester Park Golf Course will not be open to the public in 2020 but Antares will maintain Lester to preserve the possibility that it may be reopened in a future year. In association with the decreased scope of service, Antares will decrease its management fees for the period May 1, 2020 to December 31, 2020 by 50%, from \$11,041 per month to \$5520 per month.
2. Extension of the agreement through the 2021 season. The City posted a Request for Information in 2019 from firms interested in bidding on a new multi-year management agreement for the City of Duluth's public golf program. An interview panel comprised of staff and golfers concluded that firms would not be able to submit strong proposals until it is clear how many holes of golf the City intends to retain in operation and how the City intends to reinvest in golf infrastructure. Plans for reinvestment in golf infrastructure are contingent on a separate golf real estate residential development process that the Planning and Economic Development Department is managing. It is apparent that the real estate residential development process will not come to fruition in time for the City to award a new golf course management contract for the 2021 season. The amended agreement extends Antares' existing contract one year through the end of 2021 with the intent that the City will solicit proposals in 2021 for a new multi-year management agreement to begin prior to the 2022 season.
3. Establishment of management fees for 2021 season. The amendment provides that the City may choose from two levels of service in 2021. If Lester and Enger are open to the public, the monthly fee will be \$11,262. If Lester is not open to the public, the monthly fee will be \$6,667.
4. Elimination of the termination fee. Should the City choose to terminate the agreement early, the City will no longer be required to pay a termination fee.