

ORDINANCE No.

Amend Management Agreement with Kemper Sports Management, Inc. for Colwood Golf Course for an additional seventeen months in the amount of \$2,500,000, for a total contract amount not to exceed \$6,179,013 (Ordinance; amend Contract No. 30005532)

The City of Portland ordains:

Section 1. The Council finds:

1. On June 1, 2016, Portland Parks & Recreation (PP&R) entered into a Management Agreement with Kemper Sports Management, Inc. for the operation and management of Colwood Golf Course pursuant to Ordinance 187769. The approved and executed Management Agreement granted authority for an extension for an additional five-year term.
2. Under City Code 5.68.020.B.5, Golf Course Management Agreements are exempt from the solicitation process. No solicitation was done.
3. 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.
4. 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 extension of Kemper Sports Management, Inc.'s agreement for Colwood Golf Course management will allow PP&R to align all eastside golf course management agreement expiration dates in preparation for the golf consultants recommendations to the Golf Program, as well as time to understand the post-COVID 19 environment.
5. The existing contract with Kemper Sports Management, Inc. (30005532), for management of Colwood Golf Course, expires on June 1, 2021.
6. 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.
7. 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 1 to the Management Agreement with Kemper Sports Management, Inc. (Contract no. 30005532) 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 \$6,179,013, 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:

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

Mary Hull Caballero
Auditor of the City of Portland
By

Deputy

~~267~~ 269
 Agenda No.
ORDINANCE NO.
 Title

Amend Management Agreement with Kemper Sports Management, Inc. for Colwood Golf Course for an additional seventeen months in the amount of \$2,500,000, for a total contract amount not to exceed \$6,179,013 (Ordinance; amend Contract No. 30005532)

<p style="text-align: center;">INTRODUCED BY Commissioner/Auditor: Rubio</p>	<p>CLERK USE: DATE FILED <u>April 6, 2021</u></p>
<p style="text-align: center;">COMMISSIONER APPROVAL</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>ACTION TAKEN: April 14, 2021 Passed to Second Reading April 21, 2021 at 9:30 am</p>
<p>Mayor—Finance & Administration - Wheeler</p>	
<p>Position 1/Utilities - Rubio <small>Carmen Rubio Digitally signed by Carmen Rubio Date: 2021.04.05 16:04:56 -07'00'</small></p>	
<p>Position 2/Works - Ryan</p>	
<p>Position 3/Affairs - Hardesty</p>	
<p>Position 4/Safety - Mapps</p>	
<p style="text-align: center;">BUREAU APPROVAL</p>	
<p>Bureau: Parks & Recreation Bureau Head: Adena Long <small>Digitally signed by Adena Long Date: 2021.03.31 16:21:44 -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>City Auditor Office Approval: required for Code Ordinances</p>	
<p>City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter <small>Digitally signed by L. Law Date: 2021.03.22 16:53:40 -07'00'</small></p>	
<p>Council Meeting Date April 14, 2021</p>	

AGENDA

TIME CERTAIN
 Start time: _____
 Total amount of time needed: _____
 (for presentation, testimony and discussion)

CONSENT

REGULAR
 Total amount of time needed: 5 min
 (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Rubio	1. Rubio	
2. Ryan	2. Ryan	
3. Hardesty	3. Hardesty	
4. Mapps	4. Mapps	
Wheeler	Wheeler	

Exhibit A



**AMENDMENT No. 1
MANAGEMENT AGREEMENT NO. 30005532
FOR COLWOOD GOLF COURSE**

This Amendment No. 1 amends Management Agreement #30005532 dated June 1, 2016, by and between **Kemper Sports Management, Inc.**, ("Contractor") a Corporation, of the State of **Illinois**, and the City of Portland, a municipal corporation of the State of Oregon ("City") by and through their duly authorized representatives. This Amendment may refer to Contractor and City individually as a "Party" or collectively as the "Parties."

The Effective Date of this Amendment is May 31, 2021. The purpose of this Amendment is to extend the Contract Term and add funds to continue service at Colwood Golf Course. Agreement #30005532 was authorized by Ordinance 187769 and included the option for extension of term for an additional five (5) year period.

The Parties hereby agree to amend the Agreement as follows:

1. The Term is extended from May 31, 2021 to October 31, 2022.
2. Additional funds for Operating Expenses and Management Fees are necessary for the extended Term and shall be paid in accordance with the terms of the Management Agreement. The not-to-exceed amount of the Contract is increased by **\$2,500,000**, from \$3,679,013.00 to **\$6,179,013.00**. The calculation is as follows:

\$3,679,013.00	(Original Contract Amount)
+ \$2,500,000.00	(Amendment 1)
= \$6,179,013.00	(Total Not to Exceed Amount)

All other terms and conditions of the Agreement shall remain unchanged by this Amendment and in full force and effect.

IN WITNESS WHEREOF, the Parties hereby cause this Amendment to be executed.

KEMPER SPORTS MANAGEMENT, INC.

Owner/Officer Signature Date

Printed Name and Title

Address: 500 Skokie Blvd, Suite 444, Northbrook, IL 60062

Contact: Randy Morrison, (541) 829-9929, rmorrison@kempersports.com

Contract Number: 30005532

Contract Title: MANAGEMENT AGREEMENT FOR COLWOOD GOLF COURSE

CITY OF PORTLAND SIGNATURES

By: _____ Date: _____
Chief Procurement Officer

By: N/A Date: _____
Elected Official

Approved:

By: N/A Date: _____
Office of City Auditor

Approved as to Form:

By: _____ Date: _____
Office of City Attorney

IMPACT STATEMENT

Legislation title: Amend Management Agreement with Kemper Sports Management, Inc. for Colwood Golf Course for an additional seventeen months in the amount of \$2,500,000, for a total contract amount not to exceed \$6,179,013 (Ordinance; amend Contract No. 30005532)

Contact name: Vincent Johnson
Contact phone: 503-318-1432
Presenter name: Vincent Johnson

Purpose of proposed legislation and background information:

Portland Parks and Recreation (PP&R) acquired Colwood Golf Center (Colwood) in March 2014. Colwood includes a 9-hole, Par 3 golf course, a driving range and clubhouse facilities suitable for the staging of events. In April 2014, PP&R amended Contract No. 53062 through Ordinance 186541 to add the golf management services for Colwood to the contract for two years; which allowed time for PP&R to complete a public procurement process for a new contract at Colwood.

The management services for Colwood through Contract No. 53062 expired at the end of May 2016. In March 2016, the City issued Request for Proposals (RFP) for Management of Colwood Golf Center. Three proposals were received and deemed responsive. A selection advisory committee appointed by the PP&R Director determined the proposal submitted by Kemper Sports Management, Inc. to be the most advantageous for the City and made the recommendation to the PP&R Director and the Commissioner in Charge to award the contract to Kemper Sports. Kemper Sports Management, Inc. was awarded Management Agreement C30005532 on June 1, 2016.

On March 4, 2020, Council adopted changes to City Code 5.68.020, whereby Golf Course Management Agreements (including concessions and club house operations) may only be in place for a duration not to exceed five years for the parks under the jurisdiction of the City of Portland Bureau of Parks and Recreation.

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 (30005532) 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 1st amendment to C30005532.

Financial and budgetary impacts:

This amendment 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 associated with a new Management Agreement are in line with continuation of services, not new or additional services and costs. 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

City Council Meeting - Wednesday, April 14, 2021 9:30 a.m.

Agenda No.	First	Last	Zip
247	Edith	Gillis	97206