



**Purchasing Service Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 31
AGENDA DATE: Thu 08/12/2004
PAGE: 1 of 2

SUBJECT: Authorize negotiation and execution of a five-year revenue contract with KINSER RANCH L.L.C., Austin, TX, for golf course management at Butler Pitch and Putt Golf Course for an estimated revenue of \$66,000, with two five-year extension options with estimated revenue of \$72,000 for the first extension option and \$78,000 for the second extension option, for an estimated total revenue amount of \$216,000.

AMOUNT & SOURCE OF FUNDING: Estimated revenue of \$66,000 over the duration of the five-year contract period and \$72,000 and \$78,000 respectively, over the duration of each five-year extension option will be included in the Operating Budgets of the Parks and Recreation Department. Revenue is included in the Fiscal Year 2003-2004 Operating Budget of the Parks and Recreation Department.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Purchasing **DIRECTOR'S**
DEPARTMENT:for Parks and Recreation; **AUTHORIZATION:** Vickie Schubert

FOR MORE INFORMATION CONTACT: Lydia Rodriguez-Torres, Buyer II, 530-7615

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: Recommended by the Parks and Recreation Board.

PURCHASING: One proposal received.

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract is for the management and operation of the golf course at the Butler Pitch and Putt Golf Course. Butler Pitch and Putt offers a par-three short irons golf course to participants of all ages and is one of the City's oldest concessions. The course is located in the Town Lake Corridor on the corner of Riverside Drive and Lee Barton Road. The contract value is based on the Concessionaire providing the City \$1,100 per month of gross revenues for the first five years. The gross revenues will increase each extension option.

The Kinser family has operated this golf course since 1951. Albert Winston Kinser, Jr. and Lee Hawley Kinser have a combined 40 years of experience in managing this golf course. They will manage the operations of the golf course including landscape maintenance, merchandise sales, and programming, which is designed to increase participation, by providing lessons and holding tournaments.

The contract value is based on the Concessionaire providing the City \$1,100 monthly for the initial five years. The Concessionaire will provide the City \$1,200 monthly for the first five-year extension option and \$1,300 monthly for the second five-year extension option. In addition, the Concessionaire will provide an additional 1% of annual gross sales up to \$80,000 and 1.5% of annual gross sales exceeding \$80,000.



**Purchasing Service Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 31
AGENDA DATE: Thu 08/12/2004
PAGE: 2 of 2

Council requested a process change to include citizen input for Tennis and Golf Pro contracts. PARD and Purchasing worked together to develop a new procedure, which will be used on all PARD concession solicitations. The new process was used for the golf course management RFP at Butler Pitch and Putt Golf Course.

MBE/WBE solicited: 6/0

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. One proposal received.
- b. Thirty-one notices were sent including 6 MBEs and no WBEs. One RFP was issued with no MBEs or WBEs responding.
- c. The revenue amount to the City will increase by approximately 10% from previous contract years.

APPROVAL JUSTIFICATION

- a. The recommended proposer meets the requirements of the solicitation.
- b. Parks & Recreation Department concurs with the recommended award.
- c. Advertised in the Austin American-Statesman and Internet.