

Legislation Details (With Text)

File #: 2153 **Version:** 1 **Name:** Settlement With Eagle Golf
Type: **Status:** Passed
File created: 7/29/2015 **In control:** City Council
On agenda: 8/4/2015 **Final action:** 8/4/2015
Title: Consider Authorizing The City Manager To Approve A Settlement With Eagle Golf In An Amount Not To Exceed \$277,500.00.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Indian Creek Settlement Agreement

Date	Ver.	Action By	Action	Result
8/4/2015	1	City Council	approved	Pass

CC MEETING: August 4, 2015

DATE: July 29, 2015

TO: Leonard Martin, City Manager

FROM: Erin Rinehart, Assistant City Manager

Consider Authorizing The City Manager To **Approve A Settlement With Eagle Golf** In An Amount Not To Exceed \$277,500.00.

BACKGROUND:

Indian Creek Golf Course has been closed since May 28, 2015, due to flooding. An additional flood event on June 16 resulted in both courses remaining closed. The course is not in a condition to open or allow for safe play. Eagle Golf manages the golf course, pro shop, maintenance and clubhouse. The contract with Eagle Golf allows for modification of the contract in the event of force majeure under Article X. The contract states that the parties shall meet and discuss in good faith appropriate modifications to this Agreement. Eagle Golf originally requested reimbursement of all of their expenses for the time period that the course has been closed, purchase of logoed merchandise, as well as a lease buy-out for the carts and GPS system. The City and Eagle agreed to share in the expenses and that neither party would be made whole on the losses related to the recent flood event. In addition, if this settlement and a maintenance agreement are approved, Eagle will continue to provide basic maintenance to Indian Creek Golf Course until the end of the year, while the City evaluates all options for the course. There will be a separate agenda item to consider a managed services contract for continued basic maintenance.

FINANCIAL IMPLICATIONS:

The City will pay Eagle \$277,500 as settlement of any issues arising under the existing contract and the existing contract will be terminated, this amount includes settlement of any and all of Eagle Golf's claims, but is not limited to, a portion of their losses related to expenses since the closure in May, purchase of logoed

merchandise, as well as lease buy out for the carts and the GPS System.

STAFF RECOMMENDATION/ACTION DESIRED:

Staff recommends approving the settlement agreement with Eagle Golf in an amount not to exceed \$277,500.