



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Albert Balagso

**SUBJECT:** SEE BELOW

**DATE:** 05-29-07

Approved

*Ray Winnie*

Date

*6/13/07*

COUNCIL DISTRICT: 7  
SNI AREA: N/A

**SUBJECT: AUTHORIZATION FOR THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN AGREEMENT FOR CONSTRUCTION OF THE SAFETY IMPROVEMENT PROJECT AT LOS LAGOS GOLF COURSE**

## RECOMMENDATION

Adoption of a resolution authorizing the City Manager to negotiate and execute an agreement with Los Lagos Golf Course, LLC, for the construction of the Safety Improvement Project at Los Lagos Golf Course in the amount not to exceed \$1,958,125.

## OUTCOME

Approval of the Safety Improvement Project will result in providing improved perimeter protection at Los Lagos Golf Course through the construction of perimeter netting along holes numbers 6, 17, and 18.

## BACKGROUND

In April 2002, the City of San José entered into an Operation and Maintenance Agreement (Agreement) with the operator of Los Lagos Golf Course, Los Lagos, LLC, (Operator) to maintain, operate and manage the facility. On November 4, 2003, the City and Operator entered into a First Amendment to the Agreement to clarify the procedures for the Operator's implementation of certain capital improvements at the golf course. The Agreement, as amended, provides that the City may authorize the Operator to manage, on behalf of the City, the design and construction of the improvements at the golf course.

Since the golf course opened, there have been approximately 80 claims filed from homeowners surrounding the golf course related to errant golf balls striking their personal property. A number of course modifications have already been implemented to deter golf balls from leaving the course:

- A protective fence was added to the 18<sup>th</sup> tee, 6<sup>th</sup> tee, and 13<sup>th</sup> green
- Signage guiding tee shots and informing players of their responsibility for errant shots was added to the 1<sup>st</sup>, 6<sup>th</sup>, 10<sup>th</sup>, 13<sup>th</sup>, 17<sup>th</sup> and 18<sup>th</sup> tees
- Aiming posts were added to fairways Nos. 6, 17 and 18
- Mowing patterns were changed to visually orient player's hitting direction

Additionally, Parks, Recreation and Neighborhood Services (PRNS) in collaboration with the Operator desire to construct a perimeter netting project that will further reduce problems caused by errant golf balls.

### **ANALYSIS**

In order to implement the Safety Improvement Project, the City wishes to enter into an Agreement with the Operator to manage the construction of the proposed perimeter netting project.

The proposed project includes netting installed the length of the holes along the perimeter of the golf course. This includes holes number 6, 17 and 18. The purpose of the netting is to decrease the number of golf balls that leave the course. A ball trajectory study was conducted in 2006-07 by a consultant as part of the project design and it was determined that the netting heights would vary from 60 to 140 feet in order to deter all but the most extreme hit ball.

In accordance with the Operator's Agreement, as amended, the Operator is authorized to manage this construction project. The Operator shall follow all requirements of the Agreement with respect to the construction of the Safety Improvement Project including following the City's requirements for bidding and providing performance and payment bonds for the construction project. All contractors must comply with the City's bidding, insurance, bonding and prevailing/living wage requirements.

The City and Operator may also agree that the Operator will receive a fee for management of the Safety Improvement Project provided that the Operator's fee does not exceed 15% of the total cost of the project, excluding contingency and fees for City review and inspection.

The proposed project will commence during the summer and fall with the project bidding in July, and construction starting in September and finishing in December.

### **PUBLIC OUTREACH / INTEREST**

- ✓ **Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. (Required: Website Posting)
- ❑ **Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. (Required: Email and Website Posting)
- ❑ **Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. (Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)

Criteria 1 applies to this project as the use of public funds is then \$1 million and will be posted to the City's website prior to the City Council Meeting. Additionally, PRNS will be conducting a community meeting to outline the project in detail once the final design has been determined.

### **COORDINATION**

Preparation of this project has been coordinated with the City Attorney's Office, Public Works, and Planning, Building, and Code Enforcement.

### **FISCAL / POLICY ALIGNMENT**

This project is consistent with the Council-approved Budget Strategy to continue with capital investments that spur construction spending in the local economy. The project also aligns with the Council-approved *Greenprint for Parks and Community Facilities and Programs* goal of providing safe recreational facilities.

### **COST SUMMARY / IMPLICATIONS**

1. AMOUNT OF RECOMMENDATION: \$1,958,125
2. SOURCE OF FUNDING: 391 – Construction and Conveyance Tax Funds – Parks City-Wide
3. FISCAL IMPACT: The proposed operating and maintenance costs of this project have been reviewed and it has been determined that the project will have no significant adverse impact on the General Fund operating budget.

**BUDGET REFERENCE**

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	2006-2007 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
<b>Current Funding Available FY2006-07</b>						
391	5612	Los Lagos Golf Course Safety Improvements	\$1,000,000	\$958,125	Page V-548	
<b>Proposed Funding in FY2007-08</b>						
391	5612	Los Lagos Golf Course Safety Improvements	\$1,000,000		Page V-460	
<b>Total</b>			\$2,000,000	\$1,958,125		

**CEQA**

CEQA: Resolution No. 69623, and Addenda thereto, File No. PP06-102



ALBERT BALAGSO  
Director of Parks, Recreation and  
Neighborhood Services

For questions please contact Julie Mark, Acting Assistant Director, at (408) 793-5553.