



Legislation Text

File #: DIS 17-011, Version: 1

Discussion of issues relating to possible changes in the capital improvements and equipment requested by Touchstone Golf, LLC.

Summary:

During the term of the lease with Touchstone Golf, Touchstone originally agreed to pay at least two hundred thousand dollars (\$200,000.00) in the first lease year, and one hundred fifty thousand dollars (\$150,000.00) in the second lease year and one hundred thousand dollars (\$100,000.00) in the third lease year. To date, through the end of the third lease year, Touchstone has made capital contributions to the Battleground Golf Course in the amount of \$515,668.00 exceeding the required contributions by \$65,668.00.

On June 6, 2016 during a Golf Course Committee meeting, Touchstone requested assistance from the City for additional capital improvements and equipment that were needed at the course. On June 28, 2016, Mike Shoelen attended both the Workshop and Council Meeting and presented the request below. The City Council did authorize the requested funds for the capital improvement projects requested by Touchstone Golf, LLC. Since then Touchstone has purchased both the chemical storage building and the aerifier and have received quotes for the remainder of the projects which exceed the proposed funding. Below is a list of the capital improvements and equipment Touchstone asked the City to Fund and what has been completed to date:

	<u>Requested</u>	<u>Spent</u>
Chemical Storage Building	\$ 6,000	\$ 4,200.00
Deep Tine Aerifier	\$14,000	\$14,682.68
"Bird Baths" / Drainage on Greens	\$10,000	
Tree Removal	\$10,000	
Cart Path Drainage Improvements	\$ 5,000	
<u>Lake Bed Erosion Improvements</u>	<u>\$15,000</u>	
TOTAL	\$60,000	\$18,882.68

On January 13, 2017 during a Golf Course Committee meeting, Touchstone, after receiving bids exceeding the budget requested, asked the City to revise the capital improvement project priorities as follows based on new quotes for the revised scope of work:

Lake Bed Erosion Improvements	\$25,750.00
Driving range - replace mats with sod	\$ 6,920.00
<u>Driving range drainage repair</u>	<u>\$ 6,750.00</u>
TOTAL	\$39,420.00

During the same meeting, Touchstone requested that the City authorize and fund repairs to the

symbolic cannon as follows:

Cannon Repair by Doyle Cowart	\$ 3,000.00
<u>Décor Wheel Replacements</u>	<u>\$ 1,292.27</u>
TOTAL	\$ 4,292.27

Mike Shoelen will once again be present at both the Workshop and Council Meeting to present the information and to answer any questions that you might have.

Fiscal/Budgetary Impact:

In June, the City authorized \$60,000.00 from the Golf Course Lease Fund (Fund 84) for the additional Capital Improvement projects. Additional funds are requested to cover the cost of the cannon repairs.

Fund Balance as of February 15, 2017	\$ 91,494.05
Revised Capital Improvements	\$ 39,420.00
<u>Cannon Repair</u>	<u>\$ 4,292.27</u>
Remaining Fund Balance	\$ 47,781.78

If the City authorizes the requested funds for the repair of the cannon, the remaining fund balance of \$47,781.78 will be available for emergency expenditures or other capital projects in the future.

Discussion only during Workshop. The Golf Course Committee recommends that Council take action on this item during the Regular Council Meeting to authorize the change in the capital improvements and equipment requested by Touchstone Golf, LLC as well as authorize the additional funds for the repair of the cannon.