



MEMORANDUM

Date: July 2, 2020

To: The Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator

A handwritten signature in black ink, appearing to read "CHH", is written over the printed name "C.H. Huckelberry".

Re: Contract Amendment for Operation of Crooked Tree Golf Course at Arthur Pack Regional Park

In a July 11, 2020 memorandum I informed the Board of discussions regarding continued operation of the Crooked Tree Golf Course (Golf Course) by the current operator Wildcat Golf Partners, LLC (Operator). I indicated that Pima County and the Operator may not come to agreement on a contract extension. If that occurred, Pima County was prepared to close the golf course for July and August while evaluating options for future operation.

Since that time, discussions have resulted in an agreement for a contract extension for July 1, 2020 to May 31, 2021. As part of the agreement, Pima County offered to waive certain fees and to cover the cost for reclaimed water during the contract amendment period. Pima County has also agreed to waive amounts owed for reclaimed water by the Operator for the second, third and fourth quarters of Fiscal Year 2019-2020.

During discussions, Wildcat Golf Partners, LLC, had also requested that Pima County take responsibility for all repairs and building maintenance at the Golf Course, which Pima County rejected. Pima County agreed only to perform repairs to the irrigation pumps if required during the term of the extension period for the agreement.

The amounts proposed to be waived by Pima County for this contract extension are as follows:

- Operating Fees – Pima County has waived the previously deferred operating fees for the period of April through June 2020, totaling \$1,500. Operating fees for the eleven-month period of the contract amendment have also been waived, totaling \$5,500.
- Reclaimed Water Fees – Pima County has agreed to cover the per acre-foot charge for reclaimed water during the extension term. Under the previous agreement, Pima County paid approximately \$182 per acre-foot and the Operator paid approximately \$110 per acre-foot. For the eleven month period, the amount previously paid by the Operator that now will be covered by Pima County is estimated at \$54,391.
- Owed Reclaimed Water Fees – Pima County has agreed to waive the amounts owed for reclaimed water for the second, third and fourth quarters of Fiscal Year 2019-2020. Estimated to be \$35,961.

Reaching agreement with the current operator allows for uninterrupted operation of the Golf Course through May 31, 2021. Pima County and Wildcat Golf Partners, LLC, will immediately begin discussions for contract terms for the period beginning June 1, 2021. We are optimistic that we will

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reach an acceptable agreement with Wildcat Golf Partners, LLC, for continued operation and facility repairs and maintenance, going forward.

It is worth noting, that publicly owned golf courses are being subsidized at some level by governmental entities in almost all instances, including the City of Tucson and the Town of Oro Valley. The recent contract for Oro Valley golf courses includes subsidies from Oro Valley up to \$1 million annually for the operation of a 36-hole golf facility. Due to the changing trends in golf course operations, it is appropriate for Pima County to revisit the contractual terms going forward.

The Crooked Tree Golf Course contract amendment will be on the Board of Supervisors July 7, 2020 meeting agenda and is recommended for approval.

Let me know if additional information is needed.

CHH/lab

c: Jan Leshar, Chief Deputy County Administrator
Carmine DeBonis, Jr., Deputy County Administrator for Public Works
Chris Cawein, Director, Natural Resources, Parks and Recreation
Diane Frisch, Director, Attractions and Tourism
Reenie Ochoa, Director, Stadium District