

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Parks	(2) MEETING DATE 11/6/2012	(3) CONTACT/PHONE Curtis Black 781-5204	
(4) SUBJECT Request to approve a sole source agreement with Comerford, Inc. for management of the golf shop and food and beverage operations at Dairy Creek Golf Course for approximately \$90,000 of annual revenue. District 2.			
(5) RECOMMENDED ACTION It is recommended that the Board approve the attached three-year agreement with Comerford, Inc. for the management of the golf shop and food and beverage operations at Dairy Creek Golf Course pursuant to the Request for Proposal process in the County's purchasing policy for contract services.			
(6) FUNDING SOURCE(S)	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT Revenue approximately \$90,000	(9) BUDGETED? No
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business (Time Est. _____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date 5/23/06	
(17) ADMINISTRATIVE OFFICE REVIEW Reviewed by Vincent Morici			
(18) SUPERVISOR DISTRICT(S) District 2 -			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Parks / Curtis Black  
781-5204

DATE: 11/6/2012

SUBJECT: Request to approve a sole source agreement with Comerford, Inc. for management of the golf shop and food and beverage operations at Dairy Creek Golf Course for approximately \$90,000 of annual revenue. District 2.

## **RECOMMENDATION**

It is recommended that the Board approve the attached three-year agreement with Comerford, Inc. for the management of the golf shop and food and beverage operations at Dairy Creek Golf Course pursuant to exception to the Request for Proposal process in the County's purchasing policy for contract services.

## **DISCUSSION**

On May 23, 2006, the Board authorized a contract for services of an independent contractor to manage the operations of the golf shop and food/beverages at Dairy Creek Golf Course (DCGC). This contract included a period of 5 years ending January 31, 2011 and an additional five year extension to January 31, 2016 upon written mutual agreement. Currently, the contract is on a month to month basis and has been since January 31, 2011, as the extension was not exercised within the time frame expressed in the original contract. This lack of exercising the extension was not predicated upon the performance of Comerford, Inc., but rather because of the contracts the County has with California Department of Parks and Recreation (CDPR) and Comerford, Inc. to manage the Morro Bay Golf Course (MBGC) within Morro Bay State Park. That is, staff anticipated that a Request for Proposals to provide golf shop and food/beverage services for both Dairy Creek and Morro Bay courses would be issued in 2011. Therefore, staff did not pursue the five-year extension for services by Comerford, Inc., at DCGC. However, negotiations with CDPR extended well beyond the anticipated time line and this has resulted in having DCGC services remaining month to month. Staff anticipates completing the CDPR operating agreement in 2012 and receiving State approval for the Morro Bay GC Request for Proposals in 2014.

Comerford, Inc. has positioned itself well financially. During the course of their seven years managing the golf facilities at DCGC, Comerford, Inc. has provided ongoing management and marketing, quality customer service and relations, accurate cash and money handling. They have worked month to month in good faith for nearly two years for County golf operations. However, without a contractual agreement in place, acquiring financing for items such as golf carts or kitchen equipment is difficult to acquire. Without the ability to obtain these financial tools it puts Comerford, Inc. and County golf operations at a disadvantage within our local market.

Given the history, systems information, customer familiarity, and experience Comerford, Inc. has with the DCGC facility, staff recommends to offer a three-year contract to Comerford, Inc., and to waive the County's Request for Proposal purchasing policy process for contract services. The three-year contract will terminate on the end date of the original contract extension, January 31, 2016, before which time a public request for proposal process will be completed.

## **OTHER AGENCY INVOLVEMENT/IMPACT**

County Counsel has reviewed the services contract and has approved it as to form.

## **FINANCIAL CONSIDERATIONS**

Staff has been working to refine operations at DCGC. These efforts have been rewarded with increased revenues in a market of heavy competition. The contractual revenue terms will remain the same as the prior contract. The County will receive 100% of green fees collected by the concessionaire. The County will receive the 23% of golf car rental fees operated by the concessionaire. The three-year average of golf cart revenues paid to the County through this contract is \$83,649. The total golf cart revenue for FY 2011-12 was \$394,359 and the amount paid to the County was \$90,703.

## **RESULTS**

Approval of this contract will provide for the continued management of the golf shop and food and beverage operations at DCGC. Approving this contract allows our customers to enjoy the same high level of service they expect. The contract also and supports Countywide goals of providing a healthy and livable community.

## **ATTACHMENTS**

1. Contract with Comerford, Inc. for Dairy Creek Golf Course