



EL DORADO CITY COMMISSION - WORK SESSION AGENDA
CITY HALL – 220 E. FIRST AVENUE
May 10, 2023 - 5:00 PM

Work Session Discussion Items:

- a. Prairie Trails Golf Course Proposal
- b. Andrew Nave, Greater Wichita Partnership

Regular Agenda Preview:

- a. Items to be Placed on the Consent Agenda
 - i. Meeting Minutes
- b. Items to be Placed on the Regular Agenda
 - i. Project 609 - 2023 Sales Tax Resurfacing Residential Streets
 - ii. McDonald Stadium Turf Replacement
 - iii. McDonald Stadium Fence Replacement
- c. Items to be Placed on the Land Bank Consent Agenda
- d. Executive Session

Reports:

- a. City Commission Reports
- b. City Manager Report

TO: City Commission
FROM:
SUBJ: Prairie Trails Golf Course Proposal
DATE: May 10, 2023

Background:

On November 2, 2020, the City Commission approved the sale of Prairie Trails Golf Course to Prairie Trails Golf, LLC. The terms of the purchase agreement included an interest-free, five-year financing period. The City agreed to pay the ad valorem property taxes assessed against the golf course property during the financing period. The agreement included a "first right of refusal" if the Buyer ceased to operate the golf course or if the Buyer desired to sell the property. The City also agreed to sell raw water to the Buyer at the rate of \$0.42 per 1,000 gallons.

Troy Palmer, the principal owner of Prairie Trails Golf, LLC, contacted the City Manager on April 1, 2023, inquiring about options for support from the City. He also inquired about the City's interest in buying the golf course back and operating it as a municipal golf course. The reason for the inquiry was due to financial challenges in operating the property.

Following an initial discussion with the governing body, the City Manager met with Mr. Palmer to discuss options for retaining the golf course in El Dorado. The City Manager drafted the attached proposal with input from Mr. Palmer that could allow for the continued private ownership of Prairie Trails Golf Course while providing some public support. The City Commission affirmed its desire to maintain a golf course for the community in recent discussions. Mr. Palmer will likely request permission to sell the property without a public-private partnership or the City exercising its first right of refusal to buy the property back.

Attachments:

1. City Participation Letter to Troy Palmer

Policy Issue:

Should the City provide financial support to a private company, Prairie Trails Golf, LLC, to ensure the continued private ownership and operation of the golf course, or should the City exercise its first right of refusal and buy back Prairie Trails Golf Course and operate it as a municipal operation?

Fiscal Impact:

The proposal includes the following public participation: payment of ad valorem property taxes (\$46,630 per year), provision of raw water at no cost (estimated at about \$13,000), and maintenance of Country Club Lane from Country Club Road to the property's parking lot (estimated at \$90,000). The City would also agree to contribute to the company's operations to offset a portion of any incurred losses, up to a maximum contribution of \$100,000. The estimated annual cost of the proposed public participation is \$160,000 and one-time contributions are estimated at \$90,000. Mr. Palmer has also asked if the financing term of five years could be extended to ten years.

Country Club Lane is considered a public right-of-way, although it is an unimproved street and would not be eligible for maintenance funds per the City's existing street maintenance policy. The City Commission would need to consider amending or waiving its street maintenance policy to accommodate this proposed provision.

The City subsidized Prairie Trails Golf Course with governmental revenue of about \$250,000 per year during its ownership. In addition, the City did not pay for water or property taxes. This proposal was

constructed as a means of providing public support to an amenity deemed important to the community by the City Commission without assuming public ownership. The City would need to incur substantial expenses if it were to assume management of the golf course again. Such expenses include hiring staff (likely at a higher expense than the private sector with public sector benefits) and purchasing/leasing golf course maintenance equipment. This proposal is designed to forego these anticipated incurred expenses.

Trade-offs:

The City could use \$160,000 per year to provide various public services or initiate public projects. Even so, the City Commission has stated its desire to ensure the community has a golf course as a community amenity. City ownership will likely increase the City's net expenses between \$200,000 to \$250,000 per year, which is \$40,000 to \$90,000 more than what is proposed.

Staff Recommendation:

The City Manager recommends negotiating an supplement agreement with Prairie Trails Golf, LLC to ensure the continuation of a golf course in El Dorado without requiring public ownership and management.

Commission Action:

This item is presented for discussion purposes only; governing body action is not necessary at this time.

April 27, 2023

Prairie Trails Golf, LLC
Attn: Mr. Troy Palmer
PO Box 130
Augusta, KS 67010-0130

RE: Prairie Trails Golf Course

Mr. Palmer,

Thank you for discussing the potential to partner to facilitate the ongoing operation of Prairie Trails Golf Course. As you know, the community values the opportunity of having a golf course in El Dorado. The City of El Dorado desires to work with you to ensure that Prairie Trails Golf Course continues to call El Dorado home.

To aid your efforts and to preserve the community's interest in Prairie Trails Golf Course, I propose the following terms and conditions for the City's participation in Prairie Trails Golf, LLC operations.

- The Prairie Trails Golf Course will continue to be privately owned and operated by Prairie Trails Golf, LLC. The City will not have any rights or responsibilities concerning the golf course operations except as described in an agreement between the parties.
- The Prairie Trails Golf Course will be maintained using industry standards and best practices. Any maintenance difficulties arising from errors or omissions in maintenance responsibilities and leading to an operational loss shall not be subject to reimbursement by the City.
- The City will provide Prairie Trails Golf, LLC with raw water at no charge, although the company agrees to pay all applicable fees for treated water provided to the course for its operations.
- The City will annually contribute to the company's operations to offset a portion of any incurred losses, up to a maximum contribution of \$100,000. Prairie Trails Golf, LLC agrees to provide sufficient documentation to the City to document the company's loss during any year of ownership.
- The City will continue to pay any property taxes levied against the real estate holdings of Prairie Trails Golf, LLC in El Dorado, and used exclusively for golf purposes as long as current ownership remains in place.
- The City will reserve its "right of first refusal" described in the Purchase Agreement between the City of E Dorado and Prairie Trails Golf, LLC, dated December 11, 2020. In addition to these provisions, Prairie Trails Golf, LLC agrees that the City shall have the right to approve any proposed sale of the golf course as a condition of closing.

- The City will maintain Country Club Lane from County Club Road to the golf course's parking lot. Such maintenance shall not be at the expense of Prairie Trails Golf, LLC, or adjacent property owners.
- The City shall be able to request rounds of golf for official City business at no charge to the City at the request of the City Manager. These "golf privileges" shall be limited to twenty eighteen-hole rounds of golf with carts per year. No other privileges, such as food or drink, shall be included with this provision.

The City believes that Prairie Trails Golf Course is an important asset to the community. This offer represents the City's interest in keeping Prairie Trails a viable golf course for the El Dorado community.

The City will prepare a formal agreement between Prairie Trails Golf, LLC, and the City of El Dorado, which will be shared with the City Commission for review and consideration after I have your approval. This proposal, or any revisions, will only be effective once the governing body approves an agreement between both parties. This offer represents a potential path forward for you to continue to own and operate Prairie Trails Golf Course and for El Dorado to benefit from this asset.

Please review the proposal and let me know if you have any questions. I welcome any feedback you have concerning the proposal so we can come to an agreement that preserves the golf course while providing both parties benefits.

Sincerely,



David B. Dillner
City Manager

TO: City Commission
FROM: Scott Rickard
SUBJ: Project 609 - 2023 Sales Tax Resurfacing Residential Streets
DATE: May 10, 2023

Background:

Bids were received for the mill & overlay of Warren Rd (Main to Lawndale), Random Rd (Main to Lawndale), Bel Air Rd & Rice Dr. The project will include a 2" mill and overlay.

Attachments:

1. Proj 609 bid tab

Policy Issue:

The City Commission reviews the bids and awards the contract to the best bidder.

Fiscal Impact:

This project will be paid with street sales tax funds.

Trade-offs:

N/A

Staff Recommendation:

Accept the bids and proceed with the requested improvements.

Commission Action:

Commissioner _____ moved that since Pearson Construction has submitted the lowest and best bid of \$179,936.00 for project no.609, the City Manager be directed to award the contract to said contractor providing that the company furnish the proper bonds.

Commissioner _____ seconded the motion.

Bid Tabulations

Project No. 609 - Sales Tax Resurfacing

Warren (Main to Lawndale) Rice Dr, Belair Rd, Random (Lawndale to Main)

5/4/2023

Item No.	Description	Units	QTY	Engineers Estimate		Pearson Construction		APAC-Kansas	
				Unit Cost	Totals	Unit Cost	Totals	Unit Cost	Totals
1	2" Mill	S.Y.	8,302	\$ 2.25	\$ 18,679.50	\$ 4.00	\$ 33,208.00	\$ 2.00	\$ 16,604.00
2	Commercial Grade Asphalt (2")	S.Y.	8,302	\$ 13.50	\$ 112,077.00	\$ 14.00	\$ 116,228.00	\$ 16.00	\$ 132,832.00
3	Asphalt Base Patching (If Needed)	TONS	30	\$ 150.00	\$ 4,500.00	\$ 250.00	\$ 7,500.00	\$ 275.00	\$ 8,250.00
4	Traffic Control	L.S.	1	\$ 10,000.00	\$ 10,000.00	\$ 8,000.00	\$ 8,000.00	\$ 6,000.00	\$ 6,000.00
5	Mobilization	L.S.	1	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 22,500.00	\$ 22,500.00
Total					<u>\$ 160,256.50</u>		<u>\$ 179,936.00</u>		<u>\$ 186,186.00</u>

TO: City Commission
FROM: Kevin Wishart
SUBJ: McDonald Stadium Turf Replacement
DATE: May 10, 2023

Background:

The City Commission directed staff to proceed with improvements to McDonald Stadium. The improvements will be conducted through the next several months as we work around the game schedules of our users. The first project for the stadium is the replacement of the infield turf. If approved, the project is tentatively scheduled to begin in August with completion in September. This schedule is subject to some change depending on supply chain and weather.

Five turf companies submitted proposals to complete this project; the bid amounts are as follows: Hellas Construction \$203,302.00, Sprinturf \$223,515.00, ATG Construction \$224,960.00, Mammoth Construction \$233,268.00, and Mid American Sports \$312,418.00. Staff reviewed the proposals and interviewed each company. At the conclusion of this process, staff recommends accepting the proposal from Hellas Construction. The existing turf at the stadium is from Hellas, and has performed exceptionally. The customer service from Hellas has been outstanding as well.

Attachments:

Policy Issue:

Should the City Commission move to approve to enter into a contract agreement with Hellas Construction?

Fiscal Impact:

The funds allocated for the project are allocated through the excess sales tax; the City Commission previously authorized \$2,100,000 for improvements. This request will be the second from this allocation. If this request is approved, the remaining allocation will be \$1,296,750.00.

Trade-offs:

The use of these funds complies with the Sales Tax Ordinance. The City Commission could choose to direct these funds to other projects.

Staff Recommendation:

Approve the bid from Hellas Construction in the amount of \$203,302.00.

Commission Action:

Commissioner _____ moved to accept the bid from Hellas Construction in the amount of \$203,302.00 for the replacement of the McDonald Stadium infield turf and direct the City Manager to sign the contract.

Commissioner _____ seconded the motion.

TO: City Commission
FROM: Kevin Wishart
SUBJ: McDonald Stadium Fence Replacement
DATE: May 10, 2023

Background:

The City Commission directed staff to proceed with improvements to McDonald Stadium. The improvements will be conducted throughout the next several months as we work around the game schedules of our users. The next improvement project for McDonald Stadium is the replacement of the outfield and perimeter fencing. Staff spends significant time repairing and replacing portions of the existing wood fence. After research and conversations with other baseball facility managers, we are requesting approval to purchase and install Champiowall composite fencing. This product should reduce staff maintenance, and provide an improved look to the stadium. The outfield wall height will be raised 12' with the outside perimeter height at 8'. The additional height in the outfield is endorsed by our primary user, Butler Community College. If approved, this work will be completed prior to February, 2024.

Attachments:

Policy Issue:

Should the City Commission move to approve the purchase and installation of the Champiowall system?

Fiscal Impact:

The funds allocated for this project are allocated through the excess sales tax; the City Commission previously authorized \$2,1000,000 for improvements. This request will be the third from this allocation. If this request is approved, the remaining allocation will be \$XXXXXXX.

Trade-offs:

The use of these funds complies with the Sales Tax Ordinance. The City Commission could choose to direct these funds to other projects.

Staff Recommendation:

Approve the bid from XXXXXXXX in the amount of \$XXXXXXX

Commission Action:

Commissioner _____ moved to accept the bid from XXXXXXXX in the amount of \$XXXXXXX for the McDonald Stadium Fence Replacement and direct the City Manager to sign the contract.

Commissioner _____ seconded the motion.