



WASHOE COUNTY

Integrity Communication Service
www.washoecounty.us

STAFF REPORT

BOARD MEETING DATE: April 13, 2021

DATE: March 19, 2021

TO: Board of County Commissioners

FROM: Eric Crump, Operations Division Director
Community Services Department, 328-3625, ecrump@washoecounty.us

THROUGH: Dave Solaro, Arch., P.E., Director, Assistant County Manager

SUBJECT: Recommendation to approve Amendment No. 1 to Golf Management License and Services - Wildcreek Golf Course between Washoe County and MAZZ Golf Management to: 1) Amend the term and license fee effective June 23, 2020 through December 31, 2021, retroactive to November 15, 2020, and to amend the payment terms from MAZZ Golf Management to Washoe County from 50% of gross profits earned to 50% of net profits earned; and 2) Amend the services and facilities to be provided by County by ending the provision of one part-time temporary irrigation specialist to assist with irrigation and ground maintenance effective November 15, 2020. (Commission District 3.)

SUMMARY

Due to events associated with the closure of golf courses pursuant to a directive by Governor Sisolak in response to the COVID-19 pandemic Washoe County lost the golf course operator for the Wildcreek Golf Course. Washoe County has had a contractual relationship with MAZZ Golf Management at our Sierra Sage property, and Mike Mazzaferri provided a request to operate Wildcreek for the summer season 2020. Washoe County entered into a Golf Management License and Services agreement with MAZZ Golf on June 23, 2020 to operate and maintain the existing 9-hole par 3 golf course and limited holes on the former 18 hole course.

The Board of County Commissioners (Board) is being asked to consider an amendment to the Golf Management License that would extend the agreement through December 31, 2021 (retroactive to November 15, 2020). Based on demand for golf at Wildcreek, MAZZ Golf has submitted an Unsolicited Proposal to the County currently under review and consideration. This amendment extends the current license and services agreement while the proposal from MAZZ Golf can go through the Unsolicited Proposals Policy process. The amendment also clarifies the License Fee paid by MAZZ Golf from 50% of gross profit earned to 50% of net profit earned, and removed the responsibility of the County to provide one part time irrigation specialist to assist the Contractor with irrigation and grounds maintenance through the extension period of November 16, 2020 through December 31, 2021. Washoe County will continue to provide the cost of utilities which would be the cost to the Washoe County Golf Enterprise fund without golf operations at the property to maintain the asset.

Washoe County Strategic Objective supported by this item: Stewardship of our community.

PREVIOUS ACTION

On June 23, 2020, the Board approved a Golf Management License and Services - Wildcreek Golf Course with MAZZ Golf Management to operate and maintain Wildcreek Golf Course commencing June 23, 2020 through November 15, 2020, for the operation, management and maintenance of the Wildcreek Golf Course. Washoe County will pay for the utilities and one part-time irrigation specialist which is the cost to Washoe County for maintenance and upkeep of the asset without golf operation, and the Parties will split one-half of any profits.

On December 10, 2019, the Board approved a Professional Services Agreement between Knott & Linn Golf Design Group, LLC and Washoe County for Professional Golf Course Design Services for the re-design of the Wildcreek Golf Course [in the amount of \$125,000].

On November 12, 2019, the Board approved a Right of Entry Agreement retroactive to November 4, 2019, between Washoe County and the Washoe County School District for the relocation and reconstruction of the existing Orr Ditch located on a portion of the Wildcreek Golf Course [Washoe County School District to pay Washoe County \$240,000 for restoration of the property]; and authorized the Community Services Department Operations Division Director to sign the Right of Entry Agreement.

On November 12, 2019, the Board approved a Grant of Easement between Washoe County (Grantor) and Sierra Pacific Power Company d/b/a NV Energy (Grantee) to construct, operate, add, modify, maintain and remove communication facilities and electric line systems for the distribution and transmission of electricity consisting of poles, cables and other appurtenances (Utility Facilities) and service boxes/meter panels, equipment and fixtures (Additional Utility Facilities) upon, over, under and through Grantor's property, a portion of APNs 027-011-07 and 035-080-04, more commonly known as the Wildcreek Golf Course in Sparks, Nevada.

On February 12, 2019 the Board adopted a resolution approving a cooperative agreement between Washoe County, the Washoe County School District and the Reno-Sparks Convention and Visitors' Authority for the transfer of portions of Wildcreek Golf course on Sullivan Lane in Sparks, Nevada, comprising the parcels of Parcel Map No. 5369, and rights and obligations related to those parcels including: personal property, water rights, rights to an effluent agreement, rights to a golf management agreement and a ditch maintenance agreement

On January 15, 2019 in a regular open meeting, by a majority vote of its members, the Board of County Commissioners adopted a resolution of intent and, on the basis of the recitals stated therein and all the evidence and testimony on the record of the meetings of the Board, declared it is in the best interests of Washoe County and its citizens to convey Parcel 2 (a portion of the Wildcreek Site) to the School District, and thereby declared its intent to do so.

On May 1, 2017 the Board of County Commissioners approved at a concurrent meeting a letter of intent to cooperate in the planning, development and construction of new high school on a portion of the Wildcreek Site.

BACKGROUND

Washoe County has title to Wildcreek Golf Course and related improvements at 3500 Sullivan Lane in Sparks. The Reno-Sparks Convention and Visitor's Authority (RSCVA) developed and operated Wildcreek Golf Course, but the RSCVA's modern focus on attracting overnight visitors to Washoe County lodging properties through tourism marketing, convention sales and facility operation does not include the operation of golf courses and the RSCVA transitioned its property interest in the Wildcreek Site to the Washoe County School District for public benefit and use. The Washoe County School District identified the Wildcreek Site as a desirable site for a new high school given the proximity to student populations and necessary infrastructure and the needs of the School District. The School Project will be constructed on 87.02 acres of land.

The School District's preliminary plans allow for the continuation of a redesigned and reconstructed public golf course on a remainder portion of the Wildcreek Site which will continue to be owned by Washoe County.

Washoe County staff continue to review the sustainability of the Wildcreek Golf property and this golf management agreement allowed for a review of actual costs to operate. Based on the information gathered during the 2020 season, MAZZ Golf has submitted an Unsolicited Proposal to improve and operate Wildcreek for a longer term. This proposal is currently being reviewed as outlined in the Unsolicited Proposal Policy procedures, which will be used in making future determinations related to the property. This amendment will provide for continued operation of the course while providing time to work through the Unsolicited Proposal Policy procedures.

FISCAL IMPACT

If the amendment is approved, the 50% of the net profits earned will be deposited into the Golf Fund (520), Wildcreek Golf Cost Center (680100). The revenue will support the services and facilities that are responsible of the County as outlined in section 7 of the Agreement:

7.1 Keep and maintain major structures of the clubhouse, and maintenance shops in a good state of repair. "Major" maintenance or repair includes roof, HVAC and street to building sewer, gas and water lines.

7.2 Assume full responsibility and expense for all electric, gas and water utilities including repairs, sewer, intrusion alarm monitoring including repair, and internet service.

RECOMMENDATION

It is recommended that the Board of County Commissioners approve Amendment No. 1 to Golf Management License and Services - Wildcreek Golf Course between Washoe County and MAZZ Golf Management to: 1) Amend the term and license fee effective June 23, 2020 through December 31, 2021, retroactive to November 15, 2020, and to amend the payment terms from MAZZ Golf Management to Washoe County from 50% of gross profits earned to 50% of net profits earned; and 2) Amend the services and facilities to be provided by County by ending the provision of one part-time temporary

irrigation specialist to assist with irrigation and ground maintenance effective November 15, 2020.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be. "Move to approve Amendment No. 1 to Golf Management License and Services - Wildcreek Golf Course between Washoe County and MAZZ Golf Management to: 1) Amend the term and license fee effective June 23, 2020 through December 31, 2021, retroactive to November 15, 2020, and to amend the payment terms from MAZZ Golf Management to Washoe County from 50% of gross profits earned to 50% of net profits earned; and 2) Amend the services and facilities to be provided by County by ending the provision of one part-time temporary irrigation specialist to assist with irrigation and ground maintenance effective November 15, 2020."