



Agenda Report

18-073

Agenda Date: 12/4/2018

REPORT TO COUNCIL

SUBJECT

Action on a Management Agreement between Lifetime Activities, Inc. and the City of Santa Clara for Operation of Public Tennis Courts and Recreation Programs

BACKGROUND

The Parks & Recreation Department operates and maintains 28 tennis courts at 10 park sites throughout the City. The primary facility is the Santa Clara Tennis Center at Central Park, which consists of eight courts, a ball wall and small pro shop with two additional courts adjacent to the Community Recreation Center. Other multiple court sites are located at Henry Schmidt Park and Buchser Middle School. The City's tennis courts are used year round by the community for reserved and drop in use for recreational and competitive tennis play. In addition, the City has an instructional recreation tennis program with camps, clinics, and special events. Santa Clara City Code 5.05.280 prohibits services for fee or compensation in parks except any approved concessionaires acting under the authority of the Director of Parks & Recreation to provide such services. Lifetime Activities provides professional tennis instruction, facility, and program management services to several municipalities for afterschool and out of school tennis, badminton, pickleball, chess and table tennis programs for individuals, groups and leagues.

On June 25, 2013, after a competitive request for proposal (RFP) process for professional tennis facility and program management services, the City Council approved a five-year Management Agreement with two, negotiable 5-year renewal terms between the City of Santa Clara and Lifetime Tennis, Inc. for operation of the Santa Clara Tennis Center facility and programs in Central Park. In September 2014, Lifetime Tennis, Inc. registered as a dba under the name, Lifetime Activities, Inc. At that time, the Agreement was amended to expand the scope of services for the City to include badminton and table tennis programs. Under the current agreement, Lifetime Activities has provided satisfactory service to residents, managed the Santa Clara Tennis Center in Central Park for the City, provided excellent instructional and competitive tennis programs and professional services, and paid the City over \$100,500 per terms of contract and \$26,000 in Capital Improvement Project contributions for maintenance and improvements to the Santa Clara Tennis Center tennis courts. While the original agreement allowed for two five year extension, staff is updating the agreement to meet the requirements of Measure R. In addition, the City has a joint use agreement with the Santa Clara Unified School District for tennis courts at Buchser Middle School to which the City has allocated funds for rehabilitation of seven courts and parking spaces.

DISCUSSION

The City has negotiated a new five-year (2019-2024) Management Agreement to comply with Measure R, and to encompass the expanded scope, and add new terms and conditions consistent with the updated form agreement approved by the City Attorney's Office. The new agreement provides for two, five-year renewal options at the City's sole discretion. This is an additional five

years beyond the original agreement. The proposed agreement requires Lifetime Activities to:

- manage the tennis courts, pro shop and restrooms at the Santa Clara Tennis Center, and two (2) of the four (4) courts located at Henry Schmidt Park, and any City-owned properties that have over 4 tennis courts, including those developed over the term of this Agreement (i.e. Buchser Tennis Courts when rebuilt by SCUSD);
- provide court reservation and program registration services, and maintain an on-line reservation/registration system;
- pay the City a Management Fee of \$30,000 per year, increasing each subsequent year by the San Francisco-Oakland-San Jose Consumer Price Index, plus 1%;
- provide professional tennis instruction and certified coaching staff, subject to fingerprint background checks and City insurance provisions;
- provide excellent customer service at all courts by responding to complaints of unauthorized private tennis instruction or reservations on public courts;
- provide recreational out of school hours programs, clinics, summer camps and special and related tennis events for Santa Clara residents; and,
- provide up to \$50,000 towards capital maintenance and improvements as required by City.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(b)(4) in that it is a fiscal activity that does not involve commitment to a specific project which may result in potential significant impact on the environment.

FISCAL IMPACT

The agreement provides the City an annual payment of \$30,000 with annual escalation by the San Francisco-Oakland-San Jose Consumer Price Index plus 1%; and payment of up to \$50,000 toward City required capital maintenance and facility improvements.

COORDINATION

This agreement has been coordinated with the Finance Department and the City Attorney’s Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City’s official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City’s website and in the City Clerk’s Office beginning the Thursday evening before the Tuesday meeting. A hard copy of any agenda report may be requested by contacting the City Clerk’s Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Authorize the City Manager to Execute a Management Agreement between Lifetime Activities, Inc. and the City of Santa Clara for operation of public tennis courts and programs for a five year term with two, five-year renewal options, pay the City a Management Fee of \$30,000 per year, increasing each subsequent year by the San Francisco-Oakland-San Jose Consumer Price Index, plus 1%, and provide up to \$50,000 towards capital maintenance and improvements as required by City

Prepared by: James Teixeira, Director of Parks & Recreation
Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Management Agreement with Lifetime Activities