



## RESOLUTION NO. 35907

1 WHEREAS, in April 2001, the City entered into an Operating Agreement  
2 with Tacoma Firs Golf Center, LLC ("TFGC"), for the operation of the golf  
3 center, driving range, and associated facilities located adjacent to the Tacoma  
4 Landfill, and

5 WHEREAS, under the Operating Agreement, the City's Solid Waste  
6 Management Division not only receives rent from TFGC but also receives a  
7 portion of the revenues generated by TFGC, and  
8

9 WHEREAS the existing Operating Agreement does not specifically  
10 authorize major improvement to the facilities nor does it provide for promotion  
11 of TFGC by the City in City publications, and

12 WHEREAS the proposed amendment will authorize TFGC to construct a  
13 cover over the second level of the driving range, which is expected to increase  
14 TFGC's revenues and, therefore, also increase the revenues received by the  
15 Solid Waste Management Division, and  
16

17 WHEREAS the City will agree to share in the cost of the construction of  
18 the second level cover in an amount roughly proportional to the amount of  
19 increased revenues the City expects to receive under the Operating Agreement  
20 as a result of the improvements, and

21 WHEREAS, the City's share of the cost of construction of the second  
22 level cover will consist of a reduction in the monthly amount TFGC pays the  
23 City and so will not require the City to expend any funds, and  
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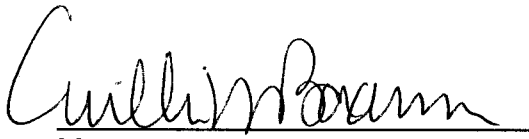
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WHEREAS the proposed amendment also will provide for the City to promote TFGC in normal City publications where the City determines that the cost to the City is minimal or where the City determines it is appropriate to have TFGC pay for the promotion; Now, Therefore,

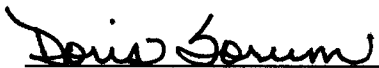
BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

That the proper officers of the City are hereby authorized to execute an amendment to the Operating Agreement with Tacoma Firs Golf Center, LLC, for the purposes hereinabove enumerated, said document to be substantially in the form of the proposed Amendment No. 1 to the Operating Agreement on file in the office of the City Clerk.

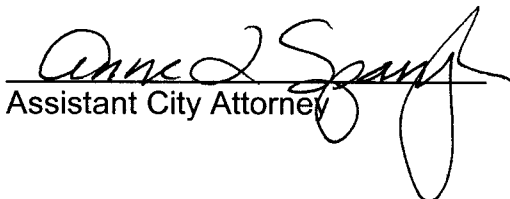
Adopted JUL 29 2003

  
\_\_\_\_\_  
Mayor

Attest:

  
\_\_\_\_\_  
City Clerk

Approved as to form and legality:

  
\_\_\_\_\_  
Assistant City Attorney

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# REQUEST FOR ORDINANCE OR RESOLUTION

CITY CLERK USE

Request #:	9623
Ordinance #:	
Resolution #:	35907

1. DATE: June 26, 2003

2. REQUESTING DEPARTMENT/DIVISION/PROGRAM Public Works/Solid Waste Management	3. CONTACT PERSON (for questions): Alan M. Tebaldi	PHONE/EXTENSION 7739
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4. PREPARATION OF A RESOLUTION IS REQUESTED FOR THE CITY COUNCIL MEETING OF TUESDAY JULY 22.

5. SUMMARY TITLE/RECOMMENDATION: (A concise sentence, as it will appear on the Council Agenda)

Authorizing the execution of an amendment to the Operating Agreement for Tacoma Firs Golf Center.

6. BACKGROUND INFORMATION/GENERAL DISCUSSION: (Why is this request necessary? Are there legal requirements? What are the viable alternatives? Who has been involved in the process?)

In April 2001, the City entered into an Operating Agreement with Tacoma Firs Golf Center, LLC (TFGC) for the operation of the golf center, driving range, and associated facilities located adjacent to the Tacoma Landfill. That Agreement did not provide for major improvement to the facilities. Nor did it provide for promotion of the Golf Center by the City. The proposed amendment allows TFGC to construct a cover over the second level of the driving range, which is expected to increase revenues received by the Solid Waste Utility. In exchange, the City agrees to share in the cost of the construction in an amount proportional to the expected increased revenues received by the City as compared to the increased revenues received by TFGC. The proposed amendment also provides for the City to promote the Golf Center in normal City publications, where the cost to the City is minimal.

7. FINANCIAL IMPACT: (Future impact on the budget.)

It is anticipated that there will be an overall net increase in revenue to the Solid Waste Utility.

8. LIST ALL MATERIAL AVAILABLE AS BACKUP INFORMATION FOR THE REQUEST AND INDICATE WHERE FILED:

Source Documents/Backup Material	Location of Document
Draft amendment	City Clerk

9. FUNDING SOURCE: (Enter amount of funding from each source)

Fund Number & Name:	State \$	City \$	Other \$	Total Amount
N/A				

If an expenditure, is it budgeted?  Yes  No Where? Org # N/A

RECEIVED  
CITY CLERK'S OFFICE  
JUL 27 2003  
ACCT #

10. ATTORNEY CONTACT: (Enter Name of Attorney that you've been working with)

Anne Spangler

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	Approved as to Availability of Funds 	
11. Department Director/Utility Division Approval	Director of Finance	City Manager/Director Utilities Approval

AMENDMENT NO. 1  
To the OPERATING AGREEMENT  
Between the CITY OF TACOMA and TACOMA FIRS GOLF CENTER LLC

THIS Amendment No. 1 is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2003, by and between the CITY OF TACOMA, a municipal corporation, hereinafter referred to as the "City," and TACOMA FIRS GOLF CENTER. LLC, a Washington limited liability company doing business as Tacoma Firs (hereinafter referred to as "TFGC").

WHEREAS, the existing Operating Agreement for the operation of the driving range and golf center facilities on Tacoma landfill property that is known as the "Tacoma Firs Golf Center" authorizes only minor alterations to the facilities and provides that any alterations and improvements shall be at the expense of TFGC; and

WHEREAS, TFGC has proposed an improvement project that will provide a cover for the second floor of the driving range facility (hereinafter the "Second Floor Project"), which TFGC believes will increase the revenue generated by the Tacoma Firs Golf Center, and

WHEREAS, the parties wish to provide a mechanism by which the City may fund a portion of the cost of the construction of the Second Floor Project through a reduction in the total monthly installment that TFGC is required to pay to the City under the Agreement, beginning when construction of the Second Floor Project commences, and continuing for a period of approximately 120 months; and

WHEREAS, promotion of the Tacoma Firs Golf Center by the City will benefit the Solid Waste Management ratepayers by increasing revenues received by the utility;

Now, Therefore, the parties agree to modify the Operating Agreement as follows:

New Section 3.6 is added as follows:

3.6 Second Floor Project Cost Deduction: In the event that TFGC proceeds to construct the second floor cover described in section 10.1 below, the total monthly fee installment payable to the City shall be reduced by an amount equal to 0.167% of the total estimated construction costs, not to exceed \$666.67 in any given month. This monthly reduction shall begin with the first monthly installment that occurs after construction of the Second Floor Project commences, and shall end after 120 monthly payments, or until the aggregate amount of monthly reductions equals 20% of the actual construction costs, whichever is earlier. The monthly reduction shall be based upon the total

Amendment No. 1 to  
Tacoma Firs Golf Center Operating Agreement

estimated construction cost until completion of the second floor cover, at which time an adjustment may be made to reflect the actual construction cost.

Section 10.1 is amended to read as follows:

10.1 TFGC may make minor alterations in or additions to the improvements without having to obtain the written consent of the City. For purposes of this paragraph, "minor alterations" shall mean alterations which do not affect the structural integrity of the building. Examples of minor alterations may include changing the location of electrical outlets or remodeling the interior of the building. TFGC may also construct a second floor cover for the driving range upon approval of the plans and the construction costs by the City. Such approval shall be in addition to the approvals required by the City's Building and Land Use Services Division. In the performance of such work TFGC agrees to hold City harmless from any damage, loss or expense and to comply with all laws, ordinances, rules and regulations of any proper public authority. Upon termination of this Agreement, such alterations, additions and improvements made in, to or on the Property (except unattached moveable business fixtures) shall remain upon and be surrendered as a part of the Property. With the exception of the monthly fee reduction described in section 3.6 above, any such alterations, additions and improvements shall be at the sole expense of TFGC.

New Section 32.6 is added as follows:

32.6 Promotions: The City agrees to promote the services of Tacoma Firs Golf Center in normal City publications as the City deems appropriate, provided there is minimal cost to the City for such promotion. If any promotions exceed what the City deems a minimal cost, the City may allow TFGC to proceed with the promotion at its own cost.

IN WITNESS WHEREOF the parties hereto have executed this Amendment No. 1 to the Operating Agreement as of the day and year first written above.

**CITY OF TACOMA**

**TACOMA FIRS GOLF CENTER  
LLC**

\_\_\_\_\_  
James L. Walton, Interim City Manager

By \_\_\_\_\_

Countersigned:

By \_\_\_\_\_

\_\_\_\_\_  
William L. Pugh, P.E.  
Director, Public Works Dept.

Tacoma Firs Golf Center LLC  
c/o 11716 Madera Drive SW  
Lakewood, WA 98499

\_\_\_\_\_  
Steven A. Marcotte  
Finance Director

*OK J.C.*

\_\_\_\_\_  
Debbie Dahlstrom, Interim Risk Manager

Approved as to form:

\_\_\_\_\_  
Anne L. Spangler  
Assistant City Attorney

Attest:

\_\_\_\_\_  
Doris Sorum, City Clerk

Resolution No. 35907

Adopted: JUL 29 2003

Maker of Motion: Moss

Seconded: me Gavick

Roll Call Vote:

MEMBERS	AYES	NAYS	ABSTAIN	ABSENT
Mr. Evans	✓			
Ms. Ladenburg	✓			
Mr. Lonergan	✓			
Dr. McGavick	✓			
Mr. Miller				✓
Ms. Moss	✓			
Mr. Phelps	✓			
Mr. Talbert	✓			
Mayor Baarsma	✓			

MEMBERS	AYES	NAYS	ABSTAIN	ABSENT
Mr. Evans				
Ms. Ladenburg				
Mr. Lonergan				
Dr. McGavick				
Mr. Miller				
Ms. Moss				
Mr. Phelps				
Mr. Talbert				
Mayor Baarsma				