



Update on Moving to an External Operator for City Golf Courses

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ISC: Unrestricted



Scope of Work to Transition City Golf Courses to an External Operator

Phase	Estimated Costs	Estimated Timeline
1. Internal Impact Review	<ul style="list-style-type: none"> \$55,000 internal support & resources TBD for consultant 	Up to 2 mo.
2. Contract Exploration	<ul style="list-style-type: none"> \$50,000 for external legal counsel (labour relations) \$65,000 internal support & resources TBD for consultant 	Up to 3 mo.
3. Contract & Request for Proposal Development	<ul style="list-style-type: none"> \$55,000 internal support & resources TBD for consultant 	Up to 2 mo.
4. Procurement, Negotiation & Award	<i>TBD based on proponent submissions</i>	
5. Transition	<i>TBD based on successful proponent's state of readiness</i>	
TOTAL	<p>Phases 1-3</p> <ul style="list-style-type: none"> Known Estimated Costs = \$225,000 (\$155K absorbed into regular operations; \$70K from Golf Reserve) Unknown Estimated Consultant Costs = \$TBD 	Phases 1-3: Up to 7 mo.



Navigating Potential Labour Relations Implications

Issues: management contract raises the possibility of:

- union challenges
- impacts to collective bargaining during the statutory freeze

Risks: contracting-out full line of business & core activities poses significant Alberta Labour Relations Code regulatory risks:

- successorship rights
- declaration of common employer or true employer
- grievances related to contracting-out

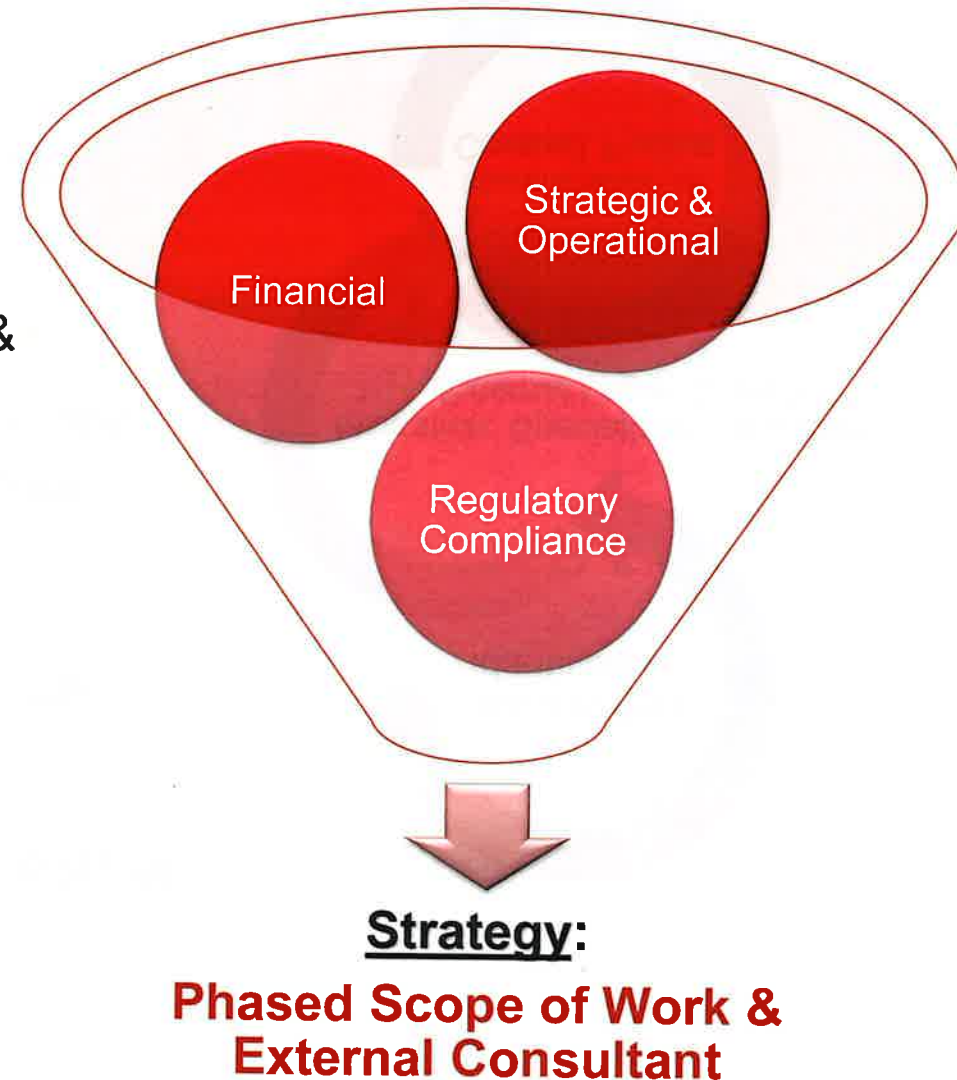




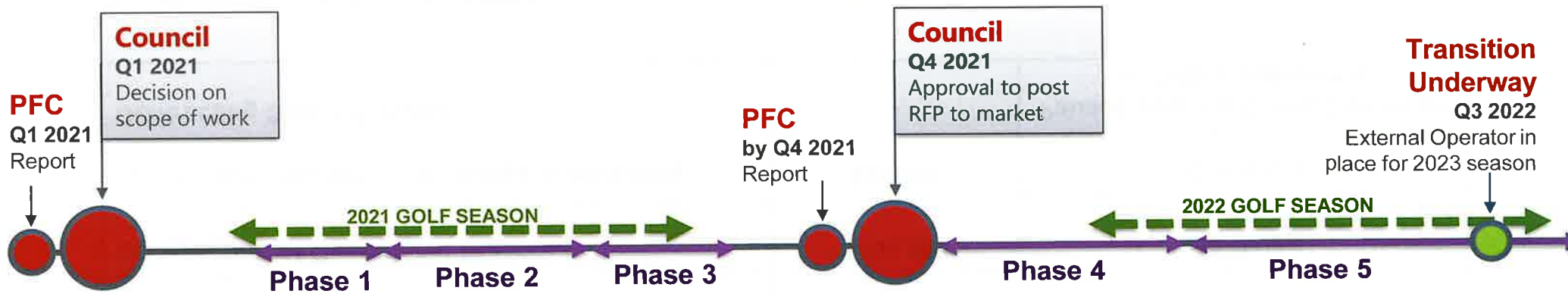
Managing Risk to Maximize Success

Identified Risks:

- Alberta Labour Relations Code challenges
- Ongoing management-union collaboration & relationship
- Ability to attract a viable external operator
- Prolonged contract negotiations
- Ability to negotiate a contract that delivers desired long-term service & financial performance
- Loss of line-of-sight & influence when the service is delivered at arm's length



Next Steps & Proposed Timeline



Phase 1: Internal Impact Review

Phase 2: Contract Exploration

Phase 3: Contract & Request for Proposal Development

Phase 4: Procurement, Negotiation & Award

Phase 5: Transition



Golf Sustainability Framework Update

Initiatives	Dollar Amount	Status as at 2020 year-end
Richmond Green Golf Course Closure	\$150,000	✓
Debt Fulfillment	\$142,000	✓
Annual Fee Adjustments	\$150,000	On-going
McCall Lake Renovation & Re-Opening	\$203,000	On-going
Optimization of Operational Practices	\$130,000	On-going
Technology Solution for Bookings & Marketing	\$65,000	On-going
Contracting Select Services	-	Paused pending Council direction on future operations

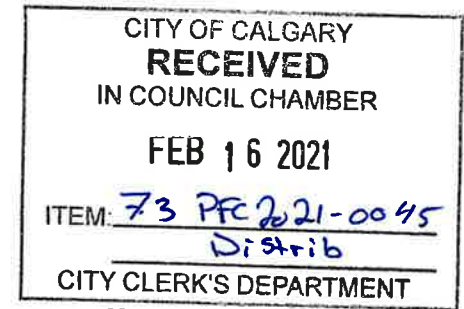
2020 Season Highlights:

- 100% cost recovered – no tax support required
- \$421,000 surplus

Progress Status:
84% to
\$1 million target



Recommendations



That the Priorities and Finance Committee recommend that Council:

1. Direct Administration to develop and execute a strategy to secure a third party operator including defining the contract format and developing a market-ready Request for Proposal (phases 1-3 as noted in this report) and to seek approval from Council through the Priorities and Finance Committee in Q4 2021 to issue the Request for Proposal;
2. Receive the Golf Sustainability Framework Update (Attachment 4) for the Corporate Record as the required update on this related work; and
3. Direct that Attachment 3 remain confidential pursuant to Section 25 (Disclosure harmful to economic and other interests of a public body) of the Freedom of Information and Protection of Privacy Act, to be reviewed 2025 February 01.