



Legislation Text

File #: 24-081, **Version:** 1

Ordinance 24-15 amending Ordinance No. 23-65 (2024 Budget Appropriation Ordinance) for a supplemental appropriation to the Patty Jewett Golf Enterprise Fund in the amount of \$2,000,000 for a portion of the cost of replacing the irrigation system at Patty Jewett Golf Course

Presenter:

Chris Fiandaca, City Budget Manager
Britt Haley, Director - Parks, Recreation and Cultural Services
Kim King, Assistant Director - Parks, Recreation and Cultural Services

Summary:

Patty Jewett and Valley Hi golf courses are operated as separate enterprises of the City of Colorado Springs within the Golf Enterprise Division, which is self-supporting with all revenue for both courses derived solely from user fees. The golf courses do not receive General Fund support from the City.

The golf courses at Valley Hi and Patty Jewett have irrigation systems that are at least 38 years old, which is 18 years past their lifespan. They neither sufficiently irrigate the courses, nor do they meet today's water efficiency standards.

The irrigation system at Valley Hi will be replaced using ARPA funding. ARPA funding will also be utilized to pay for a portion of the replacement of Patty Jewett's irrigation system. Additional funding is needed for the Patty Jewett system. Only one bid for both projects was received during the RFP process, and the cost was much higher than anticipated.

The attached ordinance is a supplemental appropriation to the Golf Enterprise Fund that will fund a portion of the cost of replacing the irrigation system at Patty Jewett Golf Course.

Background:

As a result of the Covid-19 pandemic, the federal government allocated funding to local governments via the American Rescue Plan Act (ARPA). The City received an allocation of \$76,039,132 in 2021. The plan for the City's use of funds was developed through a combination of community input, the City's strategic plan, needs communicated by key stakeholders, City Council input, as well as identified priorities of City Administration at the time of allocation.

An amount of \$6.6 million of ARPA funding was allocated to replace aging irrigation systems at the Valley Hi and Patty Jewett golf courses. Only one bid was received for the 2 project locations. The total cost of the bid for both golf courses is approximately \$9.9 million. To date, approximately \$300,000 has been spent on design of the projects, bringing the total cost to \$10.2 million.

ARPA has funded the design costs, and will be utilized for the full cost of replacement of the irrigation

system at the Valley Hi golf course, which is \$4 million. The remaining ARPA funds of \$2.3 million will be applied to replacing the irrigation system at the Patty Jewett golf course, which will cost \$5.9 million in total. This supplemental appropriation will bring \$2 million out of the Patty Jewett fund balance to partially cover the shortfall, leaving approximately \$1.6 million that will be financed through a lease-purchase agreement. Annual re-payments will be made by the Patty Jewett Golf Enterprise Fund, and will not commence until 2025.

Previous Council Action:

On November 28, 2023, City Council approved the original 2024 Budget per Ordinance No. 23-65.

On October 28, 2021, City Council approved the acceptance of ARPA grant funding per Ordinance No. 21-83.

Financial Implications:

The source of funds for this supplemental appropriation is the Patty Jewett Golf Enterprise fund balance. The additional \$1.6 million that is needed for this project will be financed via a lease-purchase agreement that will be entered into during 2024, with annual payments commencing in 2025.

Because this is an enterprise fund, it has no impact on the City's General Fund or TABOR.

City Council Appointed Board/Commission/Committee Recommendation:

This supplemental appropriation was discussed with City Council Budget Committee on February 13, 2024.

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

Move to approve Ordinance No. 24-15 amending Ordinance No. 23-65 (2024 Budget Appropriation Ordinance) for a supplemental appropriation to the Patty Jewett Golf Enterprise Fund in the amount of \$2,000,000 for a portion of the cost of replacing the irrigation system at Patty Jewett Golf Course

An ordinance amending Ordinance No. 23-65 (2024 Budget Appropriation Ordinance) for a supplemental appropriation to the Patty Jewett Golf Enterprise Fund in the amount of \$2,000,000 for a portion of the cost of replacing the irrigation system at Patty Jewett Golf Course