

**CITY OF EL PASO, TEXAS  
AGENDA ITEM  
DEPARTMENT HEAD'S SUMMARY FORM**

**DEPARTMENT:** Airport

**AGENDA DATE:** March 12, 2013

**CONTACT PERSON/PHONE:** Monica Lombraña, A.A.E. 780-4793

**DISTRICT(S) AFFECTED:** All

**SUBJECT:**

Resolution authorizing the City Manager to sign the Sixth Amendment to the Golf Course Operation and Concession Agreement by and between the City of El Paso ("City") and Bueno Investments, Inc. ("Concessionaire") to amend the "Present Daily Green Fees" to allow Lone Star Golf Club to be competitive with other public golf courses in the area by establishing Daily Green Fees for Seniors and Military and allowing for promotional items for special events and promotional golf packages.

**BACKGROUND / DISCUSSION:**

Per the Concession Agreement, Lessor and Concessionaire shall agree upon daily green fees, as well as any changes in green fees; therefore, Concessionaire, Bueno Investments, is requesting that the Concession Agreement be revised to amend the "Present Daily Green Fees" to allow Concessionaire to establish a reduced Senior (55+) and Military green fee in addition to their existing green fee. The proposed Senior (55+) and Military green fee represents an approximate 23% reduction from the normal weekday green fee and will allow the golf club to be competitive with other public golf courses in the area. In addition, Concessionaire is asking that the Director be allowed to approve fees for promotional items, for special events and promotional golf packages.

**PRIOR COUNCIL ACTION:**

- On April 1, 1985, the City and John William Eschenbrenner entered into a Golf Course Operation and Concession Agreement concerning the real property known as the Lone Star Golf Club (f/k/a Cielo Vista Golf Course) located at 1510 Hawkins Boulevard, El Paso, Texas. In addition, Mr. Eschenbrenner assigned his rights and obligations under the Original Concession Agreement to Golf Management, Inc.
- On March 28, 1991, City Council approved the First Amendment to the Golf Course Operation and Concession Agreement
- City Council approved the Second Amendment to the Golf Course Operation with an effective date of June 1, 2000
- On April 30, 2002 the City Council approved the Third Amendment to the Golf Course Operation and Concession Agreement
- City Council approved the Fourth Amendment of the Golf Course Operation and Concession Agreement with an effective date of August 9, 2004
- On September 2, 2008, the City Council approved the Fifth Amendment of Lease to the Golf Course Operation and Concession Agreement
- City Council approved the assignment of the Concession Agreement to Bueno Investment with an effective date of January 1, 2009

**AMOUNT AND SOURCE OF FUNDING:**

N/A - Revenue Generating

**BOARD / COMMISSION ACTION:**

N/A

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**DEPARTMENT HEAD:**



\_\_\_\_\_  
**Monica Lombrafia, A.A.E., Director of Aviation**

*Information copy to appropriate Deputy City Manager*

**RESOLUTION**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the City Manager be authorized to sign the Sixth Amendment to the Golf Course Operation and Concession Agreement by and between the City of El Paso ("City") and Bueno Investments, Inc. ("Concessionaire") to amend the "Present Daily Green Fees" to allow Lone Star Golf Club to be competitive with other public golf courses in the area by establishing Daily Green Fees for Seniors and Military and allowing for promotional items for special events and promotional golf packages.

Dated this \_\_\_\_ day of \_\_\_\_\_ 2013.

**CITY OF EL PASO**

\_\_\_\_\_  
John F. Cook  
Mayor

**ATTEST:**

\_\_\_\_\_  
Richarda Duffy Momsen  
City Clerk

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Theresa Cullen  
Deputy City Attorney

**APPROVED AS TO CONTENT:**

  
\_\_\_\_\_  
Monica Lombraña, A.A.E.  
Director of Aviation

STATE OF TEXAS            )  
                                  )  
COUNTY OF EL PASO        )

**SIXTH AMENDMENT TO GOLF COURSE  
OPERATION AND CONCESSION AGREEMENT**

**THIS SIXTH AMENDMENT TO GOLF COURSE OPERATION AND CONCESSION AGREEMENT** (the "Sixth Amendment") is made by and between the City of El Paso ("City") and Bueno Investments, Inc., a Texas corporation ("Concessionaire").

**WITNESSETH:**

**WHEREAS**, City and John William Eschenbrenner entered into a Golf Course Operation and Concession Agreement with an effective date of April 1, 1985 (the "Original Concession Agreement") concerning the improved real property known as the Lone Star Golf Club (f/k/a Cielo Vista Golf Course) located at 1510 Hawkins Boulevard, El Paso, Texas;

**WHEREAS**, on April 1, 1985, John William Eschenbrenner assigned his rights and obligations under the Original Concession Agreement to Golf Management, Inc., pursuant to Section 11 of the Original Concession Agreement;

**WHEREAS**, on March 28, 1991, the City Council approved the First Amendment to the Golf Course Operation and Concession Agreement between the City and Golf Management, Inc. for the purposes set forth therein;

**WHEREAS**, effective June 1, 2000, the City Council approved the Second Amendment to the Golf Course Operation and Concession Agreement between the City and Golf Management, Inc. for the purposes set forth therein;

**WHEREAS**, on April 30, 2002 the City Council approved the Third Amendment to the Golf Course Operation and Concession Agreement between the City and Golf Management, Inc. for the purposes set forth therein;

**WHEREAS**, effective August 9, 2004, the City Council approved the Fourth Amendment of the Golf Course Operation and Concession Agreement between the City and Golf Management, Inc. for the purposes set forth therein;

**WHEREAS**, on September 2, 2008, the City Council approved the Fifth Amendment of Lease to the Golf Course Operation and Concession Agreement between the City and Golf Management, Inc. for the purposes set forth therein;

**WHEREAS**, Concessionaire has requested that the Original Concessionaire Agreement and its Agreements be revised to amend the "Present Daily Green Fees" to allow Lone Star Golf Club to be competitive with other public golf courses in the area and that fees for promotional items for special events and promotional golf packages will be approved by the Director; and

**WHEREAS**, any term or phrase not otherwise defined in this Sixth Amendment shall have the meaning given such term or phrase in the Original Concession Agreement, as amended by the first five (5) amendments thereof,

**NOW, THEREFORE**, for and in consideration of the mutual covenants and agreements set forth below and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Subparagraph 2 (a) (4) "Present Daily Green Fees", as identified in the Fifth Amendment of Lease to the Golf Course Operation and Concession Agreement is hereby amended in its entirety to include senior or military discounted daily rates as a permanent part of the "Present Daily Green Fees", and as such will be subject to and bound by the Fee Cap Management of the Fifth Amendment. Subparagraph 2 (a) (4) is amended as follows:

2. (a) (4) "Present Daily Green Fees" shall mean and refer to the daily green fees applicable with respect to the Concession Agreement immediately prior to the Effective Date of this Sixth Amendment, those being as follows: (i) week-day - \$20.00; and (ii) week-end and holiday - \$24.00.

In addition, the following Daily Green Fees will be established for Seniors and Military:

	<u>Weekday</u>	<u>Weekday Sundown</u>	<u>Weekend</u>	<u>Weekend Sundown</u>
Seniors (55+)	\$18.94	\$12.01	N/A	N/A
Military	\$18.94	\$12.01	\$24.02	\$13.85

2. Subparagraph 2(b), the introductory paragraph as identified in the Fifth Amendment of the Lease to the Golf Course Operation and Concession Agreement is hereby amended to read as follows:

2. (b) Notwithstanding anything to the contrary in the Concession agreement, City and Concessionaire acknowledge and agree that Concessionaire shall have the authority to establish, in Concessionaire's discretion, the daily and annual green fees to be charged at the golf course upon the Lease Premises. Fees for promotional items for special events and promotional golf packages will be approved by the Director. PROVIDED, HOWEVER, THAT unless otherwise agreed by City and Concessionaire, the daily and annual green fees cannot exceed the following:

3. All terms and conditions of the Original Concession Agreement as amended by the First, Second, Third, Fourth and Fifth Amendments, not specifically changed by this Sixth Amendment, shall remain unchanged and in full force and effect.

(SIGNATURES BEGIN ON THE FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties have approved of this Sixth Amendment on this day of \_\_\_\_\_, 2013.

**CITY:**

**CITY OF EL PASO**

Joyce A. Wilson  
City Manager

**APPROVED AS TO FORM:**

**APPROVED AS TO CONTENT:**

\_\_\_\_\_  
Theresa Cullen  
Deputy City Attorney

  
\_\_\_\_\_  
Monica Lombraña, A.A.E.  
Director of Aviation

**ACKNOWLEDGMENT**

STATE OF TEXAS        )  
                                  )  
COUNTY OF EL PASO    )

This instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_ 2013, by **Joyce A. Wilson as City Manager of the City of El Paso, Texas (City).**

\_\_\_\_\_  
Notary Public, State of Texas

(SIGNATURES CONTINUE ON THE FOLLOWING PAGE)

**CONCESSIONAIRE:**

**Bueno Investments, Inc.**

Printed Name: Benjamin Vanecek  
Title: Owner

THE STATE OF TEXAS     )  
  )  
COUNTY OF EL PASO     )

This instrument was acknowledged before me on this 19 day of February, 2013,  
by Benjamin Vanecek as President of Bueno Investments, Inc.  
(Concessionaire).

Susana A. Baca  
Notary Public, State of Texas

My Commission Expires:

