



PARKS AND RECREATION COMMISSION AGENDA REPORT

March 11, 2021
Item 5

TITLE: RECOMMEND CITY COUNCIL APPROVE THE FOURTH AMENDMENT TO THE AGREEMENT WITH LIFETIME ACTIVITIES PROVIDING A SUBSIDY IN THE AMOUNT OF \$19,320 TO LIFETIME ACTIVITIES FOR OPERATIONS OF PLEASANTON BOCCE BALL PROGRAMS FROM APRIL 6, 2021 THROUGH MARCH 31, 2022

SUMMARY

On February 1, 2021, the new bocce ball courts at Centennial Park opened for public use. The courts have been opened for individual community members to play with their own equipment, but no staff-led bocce leagues have resumed due to reduced temporary staffing levels necessitated by the budget impacts of the COVID-19 pandemic. Contracting with Lifetime Activities on a one-year pilot basis will allow for bocce league play, as well as expanded programming including classes and clinics, rentals, and drop-in play for the community at a reduced cost to the City.

RECOMMENDATION

Recommend City Council approve the Fourth Amendment to the agreement with Lifetime Activities providing payment in the amount of \$19,320 to Lifetime Activities for operations of Pleasanton bocce ball programs from April 6, 2021 through March 31, 2022.

FINANCIAL STATEMENT

Funding for the \$19,320 payment is budgeted across two Fiscal Years (FY)—2020/21 (\$6,440) and 2021/22 (\$12,880) in account 00150303-430107. Lifetime will be charging and collecting program fees to offset the cost of bocce operations.

BACKGROUND

The City has contracted with Lifetime to operate and maintain the tennis facilities at the Tennis and Community Park since 2005. Lifetime has acted as the City's agent in all matters related to tennis operations including maintenance of the tennis complex, public restrooms, and courts; activity registration, court reservations, processing payments and handling all customer service matters; as well as tennis instruction, league coordination, and specialty classes and camps.

This current agreement with Lifetime was entered into on January 1, 2011 (Attachment 2). This agreement provided for rental payments equal to 10% of all gross revenues, with a cap that increased annually. A First Amendment was approved on September 30, 2015 (Attachment 3); and an Extension of Service was approved on December 20, 2016 (Attachment 4). This Extension of Service modified the rental payment terms to fixed annual amounts, rather than a percent of revenue. A Second Amendment was approved on December 4, 2018 to update facility improvement responsibilities at the Tennis and Community Park (Attachment 5).

Since the COVID-19 shutdown in mid-March 2020, Lifetime has made every effort to minimize the impacts of the pandemic on operations, while following all ACPHD guidelines. Lifetime applied for, received, and distributed the government sponsored Paycheck Protection Program allocation to retain its key staff members. Two months of full facility closure during the spring and limited summer operations (25% of normal) have caused Lifetime to fully deplete the federal monies, along with a significant portion of their reserve accounts.

Lifetime was provided rent abatement and rent deferment through a Force Majeure event due to the COVID-19 pandemic, outlined in the original agreement, Section 13.03 (Attachment 2). Rent abatement was authorized during the facility closure from March 16, 2020 to May 28, 2020. Rent deferment was authorized from May 28, 2020 through December 31, 2020 (Attachment 6).

The third amendment provided for a revenue split instead of rent payments for calendar year 2021 due to the impact of the COVID-19 pandemic and strict County guidelines for tennis operators (Attachment 7).

DISCUSSION

Lifetime has been an excellent partner, providing tennis leagues, classes/clinics/rentals, as well as expanded programming such as chess, pickleball, badminton and more. They are prepared to provide the same high quality of service to our community with bocce ball.

Operational costs for staff-led bocce leagues were approximately \$56,000 net annually (after revenues collected from participants), compared with the \$19,320 payment to Lifetime. Lifetime will expand programming for the community and reduce operational costs for the City.

Staff recommends City Council approve the Fourth Amendment to the agreement with Lifetime to provide Pleasanton bocce ball operations from April 6, 2021 through March 31, 2022 on a pilot basis.

Submitted by:

A handwritten signature in black ink that reads "Heidi Murphy". The signature is written in a cursive style with a large, looped 'H' and 'M'.

Heidi Murphy
Library and Recreation Director

Attachments:

1. Fourth Amendment to Agreement
2. Operator Agreement
3. First Amendment to Agreement
4. Extension of Operator Service
5. Second Amendment to Agreement
6. Rent Abatement Letter
7. Third Amendment to Agreement