

## 14. RAWHITI GOLF LINKS – LICENCE AGREEMENT AND MANAGEMENT CONTRACT

<b>Officer responsible</b> Leisure Manager	<b>Author</b> Lyll Matchett, DDI 371-1293
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The purpose of this report is to inform the Council of the outcome of the request for proposals for the Rawhiti Golf Links Pro Shop Licence Agreement and Golf Course Management Contract and to seek approval to make an appointment for a further term of the licence.

Public Notification was given on 28 July 2001 with the Request for Proposals (RFP) closing on 5 September 2001. Only one proposal was received through the Council's tender box from the incumbent operator Lynne Marie Shaskey.

As part of the RFP process the applicants were required to provide certain information in support of their application and their bids for the licence fees involved.

1.	Identity of Licensee	Lynne Marie Shaskey
2.	Previous Business Experience	Lynne Marie has been the operator since 1997. She also set up Affordable Golf in 1998, which caters for visitors to Christchurch who wish to have a less expensive game of golf.
3.	Financial Position	A set of financial statements were provided which showed that her company has made a profit for the past two years.
4.	Staffing	<b>Lynne Marie Shaskey</b> – Member of NZPGA 11 years and the only woman NZPGA Class A Golf Course Professional. <b>Becky Walsh</b> – Aged 25 Handicap 2, currently Number 1 in Canterbury Women's Golf team. <b>Brian Christofides</b> – 46-year old retired printing executive. Part-time shop assistant at Rawhiti since 1999. <b>Nigel Davis</b> – 21-year old scratch handicap golfer. Part-time shop assistant employed at Rawhiti since 1998.
5.	References	Letter of support from Rawhiti Golf Club
6.	Health & Safety Plan	Existing Plan in operation.
7.	Management Fees	Licence Fee payable to the Council being 2.5% of Gross Sales
		Green fee collection of 10% of the value of green fees up to the sum of \$200,000
		Green fee Collection of 15% of the value of green fees above the sum of \$200,000

The following additional information was supplied in support of the application:

- Two golf carts are provided at Rawhiti and there is access through the connections with the golf professional Peter Davis, at Waitikiri, to provide as many as required.
- Lynne Marie Shaskey is continuing with her beginners' programmes, introducing many women to her social league and from there they then have the opportunity of joining the Rawhiti Golf Club.
- Assisting with the Rawhiti Golf Club in the promotion of junior players and organising a coaching programme.
- The shop has 26 sets of hire clubs and has access to a further 30 sets. Light refreshments are offered, together with a range of golf equipment and accessories and a qualified club repair service.
- The Golf Club itself submitted a proposal in 1997, but are now fully supportive of Lynne Marie Shaskey continuing in her role.

### COMMENTS

Lynne Marie Shaskey has operated very satisfactorily from the Leisure Unit's point of view over the past three and a half years of the existing contract. She has attended the bi-monthly management meetings and has contributed to the improvements to the management and operation of the golf in course in general. Policing of the course has been undertaken in accordance with the management contract and few difficulties in this area have arisen. There have not been any complaints from the Club or general public regarding her or her staff during that period and liaison with the green keeper

has been good at all times. Her registration of interest proposed licence fees payable of the same amounts as the existing contract.

- Recommendation:**
1. That the Rawhiti Golf Links licence and management contract be awarded to Lynne Marie Shaskey for the period of two years, with one right of renewal for a further two years, in accordance with the terms of the licence agreement and achievement of performance objectives.
  2. That the licence fee payable to the Council be the sum per annum equal to 2.5% of the Licensee's gross sales, exclusive of GST.
  3. That the Council pay to the Licensee a management fee of:
    - (a) 10% of the value of green fees collected and banked up to the sum of \$200,000.00 (GST inclusive) in each year, plus GST.
    - (b) 15% of the value of green fees collected and banked in excess of the sum of \$200,000 (GST inclusive) in each year; plus GST
  4. That the contract take effect from 1 February 2002.