

CITY OF MIAMI BEACH
Office of the City Manager
Letter to Commission No. 111-2005



To: Mayor David Dermer and
Members of the City Commission

Date: April 29, 2005

From: Jorge M. Gonzalez
City Manager

A handwritten signature in black ink, appearing to read "Jorge", written over the printed name of the City Manager.

Subject: Closing of the Normandy Shores Golf Course

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CITY CLERK'S OFFICE

Please be advised that the Normandy Shores Golf Course will be closing effective May 2, 2005. This closure is in anticipation of the capital improvement project(s) planned for the neighborhood in the near future. This coincides with the expiration of the current lease agreement between the City of Miami Beach and Professional Course Management (PCM), the golf course management company who has leased the course from the City since October of 2001.

On November 25, 2003, the Mayor and City Commission approved the first amendment to the Interim Management Agreement with Professional Course Management II, Ltd., (PCM) extending the term of the agreement for provision of the professional services for the management and operation of the City's Normandy Shores from September 30, 2003, to April 30, 2004. The amendment was initiated based on the Administration's plan that the Normandy Shores Golf Course would be closed for construction renovations in the late spring of 2004. As the term of this amended agreement concluded on April 30, 2004, and there were issues related to the final scope of improvements for the Normandy Shores Golf Course and clubhouse still under discussion the administration of Professional Course Management offered to extend the term through April 30, 2005, under the existing agreement terms and conditions. This offer was accepted and approved by the City Commission in March of 2004.

At the time the extension was entered into PCM also offered an alternative to this amendment where by PCM would manage the Normandy Golf Course for the City under a similar agreement to that used at the Miami Beach Golf Club (MBGC). In the MBGC agreement the City pays a management fee and all revenue and expense is assumed by the City. As summer play is very low, this arrangement would result in a net and unbudgeted loss to the City which is why PCM is not willing to continue to operate under the existing terms. Based on 2004 data, the estimated loss would be approximately \$200,000.00. The MBGC can easily absorb the rounds of golf play in its summer operations as its summer play is also reduced from the main season. Typical summer volume at the Normandy course averages approximately 1,800 rounds per month.

The initial project work to be done on the golf course is a component of the neighborhood drainage program which will utilize sections of the golf course swale as retention. The new drainage program will require the golf course to contain and retain any watershed generated on it. This will necessitate the construction of berms and retention swales on the

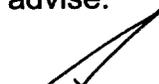
the golf course edge(s) in specific areas. It is anticipated this work will begin in October 2005 and be completed by March 2006. In the meantime, the golf course construction documents, which are being completed by the design team, would be processed for permit through the City's Building Department and the required regulatory agencies. Once an internal review of the construction documents is completed, an Invitation To Bid (ITB) package would be prepared to implement the construction of the Project. It is anticipated that the permitting process would be complete by the time the ITB package is advertised, in late August 2005. The construction would commence in October 2005. The construction of the improvements is scheduled to take 18 months, with the opening to the public scheduled for May 2007.

In reference to the clubhouse, the Administration is negotiating a contract through its Job Order Contracting (JOC) program for a design-build project. Construction documents need to be developed and processed for permit before construction begins. The construction is scheduled to be coordinated with the golf course Project and be completed by the same time.

The improvements currently planned are very similar to those made at the Miami Beach Golf Club. These include the complete renovation of the golf course with new tees, fairways, greens, cart paths, irrigation and select landscaping. The golf turf will be the same as that used at the Miami Beach Golf Club which is paspalum. This will course is also planned to have the irrigation system capable of using salt or fresh water or a blend of both to water the sod. This has proven highly successful at the Miami Beach Golf Club because the playing surface is among the best in all of the southern United States.

In the interim between the closure of the golf course and the initiation of construction PCM has agreed to maintain a single staff member on the property to cut the grass on the course to a height similar to other parks (all one length including tees and greens and not to the specifications of a golf course).

We will keep you apprised of the projects progress and should you have questions, please advise.



JMGRMK

c: Robert C. Middaugh, Assistant City Manager
Kevin Smith, Parks & Recreation Director

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