



City of Grand Island

Tuesday, April 28, 2020

Council Session

Item I-1

#2020-108 - Consideration of Payment to Jackrabbit Run Golf Pro and Concessionaire during the Golf Course Closure

Staff Contact: Jerry Janulewicz

Council Agenda Memo

From: Jerry Janulewicz, City Administrator

Meeting: April 28, 2020

Subject: Payment to Jackrabbit Run Golf Pro and Concessionaire during Golf Course Closure

Presenter(s): Jerry Janulewicz, City Administrator

Background

Due to Coronavirus Transmission concerns, Jackrabbit Run Municipal Golf Course was closed to the public effective March 31, 2020. Mr. Don Kruse, the golf pro and concessionaire at the golf course, is requesting that he be paid by the City \$1,250 per week retroactive to March 31, 2020 and continuing until such time as the golf course is reopened to the public.

Discussion

Mr. Kruse and the City entered into a Golf License Agreement effective March 29, 2017 (the Agreement) for a period of one year with automatic renewals on an annual basis unless notice of non-renewal is given at least 120 days prior to the end of the then current term. Kruse was granted an exclusive license to operate business concessions and rendering professional golf services including sales of alcohol, public relations, teaching, coaching, promotion of golf play, leagues and tournaments, pull carts, sales and rental of equipment from the pro shop, and operation of the driving range and facilities. He receives commissions and/or bonuses from operation of the snack bar, pro shop, alcohol sales, golf lessons, green fees, driving range, and golf cart rental. Kruse is responsible for hiring and paying necessary personnel. The City is responsible for maintenance of the course and other facilities. To compensate him for his lost income, Mr. Kruse is asking the City to pay him \$1,250 per week which is about 25% of what he estimates would be his net income if the course was open.

Due to Coronavirus related directed health measures, City Administration is anticipating tax receipts will fall short of budgeted revenues. Due to the expected revenue shortfall, Department Directors were instructed to reduce expenses. On April 3, 2020, 23 full time and part time library employees were separated from employment through a reduction of force resulting in a vacancy savings of approximately \$17,700 per week. There have also been reductions in seasonal employees and reassignment of others in an effort to reduce

personnel expenses. Administration does not recommend approval of the request from Mr. Kruse.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration does not recommend approval.

Sample Motion

No motion.

RESOLUTION 2020-108

WHEREAS, the City of Grand Island operates Jackrabbit Run Municipal Golf Course utilizing, in part, the services of Don Kruse as golf pro and concessionaire; and

WHEREAS, Jackrabbit Run was closed to public access on March 31, 2020 due to Coronavirus transmission concerns; and

WHEREAS, a date for reopening Jackrabbit Run has not been determined as the closure period is dependent upon the spread and course of the Coronavirus pandemic in the community; and

WHEREAS, closure of Jackrabbit Run is resulting in economic hardship and uncertainty for the golf pro concessionaire who receives income from commissions and sales of concessions at the golf course.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, as follows:

The City shall pay Don Kruse, golf pro and concessionaire at Jackrabbit Run Municipal Golf Course, \$1,250 per week retroactively commencing March 31, 2020 and continuing until the Jackrabbit Run Municipal Golf Course is reopened to the public or until further action of the City Council.

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Adopted by the City Council of the City of Grand Island, Nebraska, April 28, 2020.

Roger G. Steele, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
April 24, 2020	☐ City Attorney