



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: MARCH 31, 2014

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: JEFF RUBIN, COMMUNITY SERVICES DIRECTOR 

PREPARED BY: DAN HUNCKE, RECREATION SERVICES MANAGER

SUBJECT: RECOMMENDATION FROM THE PARKS, RECREATION AND EDUCATION COMMISSION TO AWARD A PROFESSIONAL SERVICES AGREEMENT TO TOP SEED TENNIS ACADEMY INC. FOR THE OPERATION AND DEVELOPMENT OF TENNIS PROGRAMS AT THE CALABASAS TENNIS & SWIM CENTER

MEETING DATE: APRIL 9, 2014

SUMMARY RECOMMENDATION:

It is recommended that the City Council approve the recommendation of the Parks, Recreation & Education Commission and award a Professional Services Agreement to Top Seed Tennis Academy Inc. for the operation and development of tennis programs at the Calabasas Tennis & Swim Center.

BACKGROUND:

The Facility Use Agreement for Top Seed Tennis Academy expires June 30, 2014. Top Seed Tennis Academy has operated their program at the Calabasas Tennis & Swim Center since the original purchase of the Center in January of 1994. Tennis

programs range from the introduction of tennis at the pee wee level (3 - 4 year olds) to hosting the annual USTA Men's Pro Tennis Championships of Calabasas, a touring professional tournament.

Top Seed Tennis Academy continues to manage and program for a tennis membership at its capacity of 900 memberships (approximately 2,250 members with over 1,000 potential members on a wait list), run an afterschool tennis camp which averages 40 children per day and a summer tennis camp with an average of 80 children per day. Programs also include, but are not limited to, leagues, tournament development, drills, private lessons, club tournaments, and tennis socials.

Top Seed Tennis Academy continues to be innovative with the programming and events it offers to the membership and the clients they serve. Over the last five years of the current Facility Use Agreement, annual tennis related program revenue has increased from \$978,346.00 to \$1,206,742.00, approximately 4.6% increase per year. As part of the agreement, Top Seed Tennis Academy Inc. contributes 12% of their net revenue to the Capital Improvement Fund to the Center which equates to \$45,511.00 last year.

DISCUSSION/ANALYSIS:

The proposed agreement format with Top Seed Tennis Academy Inc. has changed from the Facility Use Agreement used previously to a Professional Services Agreement that was developed by and reviewed by the City Attorney. The major changes to the proposed agreement are as follows:

- I) **#3. Definitions, 3.2 & 3.3.** - The "Commencement Date" will be July 1, 2014 with the "Expiration Date" being June 30, 2021. The new "Expiration Date" will fulfill the "exercise the right to renew for an additional seven years" as outlined in the previous Facility Use Agreement. The proposed Professional Services Agreement has no option for automatic renewal and renewal will be evaluated at the time of the agreement expiration.

- II) **#11. Insurance, 11.1.3** - Language was included to have Top Seed Tennis Academy Inc. meet the City's recently new requirement to maintain sexual abuse insurance coverage for sexual abuse, molestation, harassment, negligent hiring, training, supervision, retention, and failure to warn in the amount of \$1,000,000.

III) ***Exhibit A, Scope Of Work, City Shall:***

#5 i. – Included in the list of “522 Expenditures” is 25% of the salary and benefits of the Recreation Services Manager which was not included previously.

#10 – An annual membership fee increase based on the Consumer Price Index (CPI) was approved by City Council and is effective September 1st of each year. The membership fee increase is for all memberships available at the Center including tennis.

Top Seed Tennis Academy Inc. continues to do a great job in the tennis programming for our youth through our active older adults. They continually look for new ways to engage the membership and community in their programming and in doing so have been known nationally to be one of the top 10 tennis academies in the country. The success of Top Seed Tennis Academy Inc. at the Calabasas Tennis & Swim Center has played a large part in the overall success of the Center since its inception.

FISCAL IMPACT/SOURCE OF FUNDING:

No change to the monthly disbursement of \$15,000.00 to Top Seed Tennis Academy as a draw against the 50% split of net income with the City out of account #50-522-5251-11, Calabasas Tennis & Swim Center enterprise fund. Any remaining balance due Top Seed Tennis Academy will be distributed within 90 days of the close of the fiscal year.

REQUESTED ACTION:

It is requested that the City Council approve the recommendation of the Parks, Recreation & Education Commission and award a Professional Services Agreement to Top Seed Tennis Academy Inc. for the operation and development of tennis programs at the Calabasas Tennis & Swim Center.

ATTACHMENTS:

Professional Services Agreement