

**CITY OF EL PASO, TEXAS  
AGENDA ITEM  
DEPARTMENT HEAD'S SUMMARY FORM**

**DEPARTMENT:** Aviation

**AGENDA DATE:** April 28, 2020

**CONTACT PERSON NAME AND PHONE NUMBER:** Monica Lombraña, A.A.E.,  
**Director of Aviation**  
**915 212-7301**

**DISTRICT(S) AFFECTED:** District 2

**CITY STRATEGIC GOAL 1:** Create an Environment Conducive to Strong, Sustainable Economic Development.

**SUBJECT:**

This Resolution is to authorize the City Manager to terminate the Golf Course Management Agreement between the City of El Paso and Kemper Sports Management, Inc. for the Butterfield Trail Golf Club located at 1858 Cottonwood Dr., El Paso, Texas. The termination will be effective May 31, 2020. If an additional wind down period is necessary, the termination date will be extended to June 15, 2020.

Termination of the contract is pursuant to the City's right to terminate due to a force majeure event. Travel restrictions due to the global pandemic COVID-19 has caused a downturn in revenue in the aviation industry. The El Paso International Airport must focus its limited resources on essential airport operations and cannot continue to subsidize the Golf Course for the remainder of the term of the contract.

**BACKGROUND / DISCUSSION:**

The Airport has subsidized the course since 2008 through revenues generated through non-aviation development; closing the course will allow the airport to focus on essential airport operations.

**TERM:**

The Golf Course Management Agreement was effective September 1, 2017 for a term of 5 (five) years with an option to extend for a 5 (five) year period.

**RENTAL FEES:**

N/A

**PRIOR COUNCIL ACTION:**

Council approved the management agreement on August 8, 2017.

**AMOUNT AND SOURCE OF FUNDING:**

N/A: This is a revenue-generating item.

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**BOARD / COMMISSION ACTION:**

N/A

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\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

*Monica Lombrana*

**DEPARTMENT HEAD:**

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**Monica Lombraña, A.A.E.**  
**Director of Aviation**

*Information copy to appropriate Deputy City Manager*

## **RESOLUTION**

**WHEREAS**, on July 12, 2005, the City of El Paso awarded Bid No. 2005-219R for Golf Course Trail Management Firm to Kemper Sports Management, Inc. (hereafter “Contractor”) for a project known as Butterfield Trail Golf Club (“Golf Course”), located at 1858 Cottonwood Dr., El Paso, Texas; and

**WHEREAS**, on July 8, 2008, the parties exercised the option to extend available in Bid No. 2005-219R for a three (3) year period; and

**WHEREAS**, on April 26, 2011, the City awarded Solicitation No. 2011-127R for Golf Course Management Firm to Kemper Sports Management, Inc. for a period of three (3) years with a three-year option to extend; and

**WHEREAS**, on April 29, 2014, the parties executed a First Amendment to the Golf Course Management Agreement to extend the agreement for an additional three (3) year period; and

**WHEREAS**, on September 1, 2017, the parties entered into the current Golf Course Management Agreement (hereafter “Agreement”) pursuant to RFP 2017-919R, for a term of five (5) years with the option to extend for a five (5) year period; and

**WHEREAS**, on March 13, 2020, the Governor of the State of Texas declared a state of disaster, and the President of the United States of America declared a national emergency in relation to a global pandemic involving COVID-19; and

**WHEREAS**, on March 13, 2020, the City of El Paso issued a Local Declaration of Emergency which was extended by an Ordinance which was subsequently amended and later re-enacted and amended on April 13, 2020; and

**WHEREAS**, on April 15, 2020, a Notice to Terminate was sent to Kemper Sports

Management, Inc., citing the force majeure provision in Section 10.03 of the Agreement resulting from the downturn in the airline industry thanks to the COVID-19 pandemic; and

**WHEREAS**, the Director of Aviation has determined that the downturn in the aviation industry resulting from COVID-19 requires the El Paso International Airport to focus its limited resources on core airport issues, rendering it impossible for EPIA to continue to subsidize the Golf Course for the remainder of the term of the Agreement; and

**WHEREAS**, in accordance with general Texas law principles, the parties are excused from fulfilling their obligations under the Agreement, and the City may terminate the contract in question.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO THAT:**

1. The City Manager or designee is authorized to terminate the Golf Course Management Agreement dated September 1, 2017, for The Butterfield Trail Golf Club, with termination to occur on May 31, 2020, and to notify Kemper Sports Management, Inc. of said termination, unless an additional wind down period is necessary, in which case the effective date of termination shall be June 15, 2020. The parties shall be relieved of their obligations due to the force majeure event, namely the downturn in aviation industry thanks to the worldwide travel restrictions in place because of the global pandemic COVID-19, which have rendered performance under the contract impossible, impractical and/or fruitless.
2. The City Manager or designee is authorized to execute any appropriate documents in fulfillment of said contract termination.

3. The Golf Course Manager shall be provided with a copy of this resolution, which shall serve as written notice of the City's intent to terminate Bid No. 2017-919R.

**PASSED AND APPROVED** this \_\_\_\_\_ day of April, 2020.

**CITY OF EL PASO**

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Dee Margo  
Mayor

**ATTEST:**

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Laura D. Prine  
City Clerk

**APPROVED AS TO FORM:**



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Josette Flores  
Senior Assistant City Attorney

**APPROVED AS TO CONTENT:**

*Monica Lombrana*

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Monica Lombrana, A.A.E.  
Director of Aviation