

# MEMORANDUM

**TO:** PETER ZANONI, CITY MANAGER, CITY OF CORPUS CHRISTI, TEXAS  
**FROM:** ED MILLER, CHIEF OPERATING SERVANT, FORESIGHT GOLF, LLC  
**SUBJECT:** ADJUSTMENT OF GOLF RATES FOR CORPUS CHRISTI MUNICIPAL GOLF  
**DATE:** DECEMBER 16, 2021  
**CC:** ANDREA GARDNER, DANTE GONZALEZ, DAN PEDROTTI, JR., LAWRENCE VERA

Peter,

Another eventful year has flown by as we wind down 2021. It has been a good year for golf in Corpus Christi and we look forward to sharing the results with you when the year is complete. As we are preparing operating budgets for 2022, we believe there is justification and more than enough room to for a nominal increase in our rates to offset the considerable pressure on wage growth, increasing cost of materials and capital equipment costs. The following table reflects the price increases by category:

| <b>Oso Beach Municipal Golf Course and The Lozano Golf Center Rates</b> |                |            |                    |
|---|----------------|------------|--------------------|
| <b>Monday - Thursday</b>  | <b>Current</b> | <b>New</b> | <b>\$ Increase</b> |
| Regular Riding  | \$ 37.00       | \$ 39.00   | \$ 2.00            |
| Regular Walking   | \$ 27.00       | \$ 29.00   | \$ 2.00            |
| Senior Riding   | \$ 30.00       | \$ 32.00   | \$ 2.00            |
| Senior Walking  | \$ 20.00       | \$ 22.00   | \$ 2.00            |
| Junior Riding *   | \$ 21.00       | \$ 22.00   | \$ 1.00            |
| Junior Walking *  | \$ 10.00       | \$ 11.00   | \$ 1.00            |
| Twilight "riding"   | \$ 30.00       | \$ 32.00   | \$ 2.00            |
| 9-holes "riding"  | \$ 25.00       | \$ 26.00   | \$ 1.00            |
| <b>Friday - Sunday, Holidays</b>  | <b>Current</b> | <b>New</b> | <b>\$ Increase</b> |
| Regular Riding  | \$ 44.00       | \$ 46.00   | \$ 2.00            |
| Regular Walking   | \$ 33.00       | \$ 35.00   | \$ 2.00            |
| Senior Riding (Friday only)   | \$ 30.00       | \$ 32.00   | \$ 2.00            |
| Senior Walking (Friday only)  | \$ 20.00       | \$ 22.00   | \$ 2.00            |
| Junior Riding (after 1pm) *   | \$ 23.00       | \$ 24.00   | \$ 1.00            |
| Junior Walking (after 1pm) *  | \$ 12.00       | \$ 13.00   | \$ 1.00            |
| Twilight "riding"   | \$ 35.00       | \$ 37.00   | \$ 2.00            |
| 9-holes "riding"  | \$ 30.00       | \$ 31.00   | \$ 1.00            |
| <b>Executive Nine at Lozano</b>   | <b>Current</b> | <b>New</b> |                    |
| Regular Riding (9 holes)  | \$ 20.00       | same       |                    |
| Regular Walking (9 holes)   | \$ 12.00       | same       |                    |
| Junior Riding (9 holes)   | \$ 14.00       | same       |                    |
| Junior Walking (9 holes)  | \$ 6.00        | same       |                    |

\*junior golfers are complimentary with a paid adult green fee

50% of increase goes to Capital Surcharge Fund

50% of increase goes to Golf Operations

As you can see in the notes at the bottom of the table, we would like to take advantage of the clause that was presciently put into the amendment executed at the beginning of this year concerning administration of the Capital Surcharge Fund. Specifically, this amendment gave us the ability to change the amount collected from our customers to be used for projects and equipment. As such, 50% of each rate increase will be applied to the Capital Surcharge Fund and 50% will be used for operations.

To give you reference as to how our rates in Corpus Christi compare with other municipalities, we have updated the comparison sheet found attached to the end of this memorandum. The comparison consists of similar Gulf Coast and South Texas Municipal Golf Courses as well as two local area courses. This comparison shows that we are well in line with and a considerably better value than the comparative courses.

We will put these increases into our budget for 2022 but will not implement them until we get your approval. We realize that we're rapidly approaching the end of this year and are certain that you are extremely busy. The golf course lease agreement between the City of Corpus Christi and Foresight Corpus Christi Golf, LLC covers green fees and rate increases in **Section 6.3.4 - Green Fees Structure** and stipulates:

*6.3.4 - After the initial twelve (12) months of the Initial Term, Operator shall set the green fees charged, provided that any increase in green fees is subject to approval of the City Manager.*

We welcome any comments or questions that you may have regarding this request. To document your approval of the above-described rate increases, please sign below:

  
\_\_\_\_\_

PETER ZANONI, CITY MANAGER, CITY OF CORPUS CHRISTI, TEXAS

  
\_\_\_\_\_

DATE

| Oso Beach Municipal Golf Course and The Lozano Golf Center |          |          | Municipal      |                              |             |               |                    | Local           |              |
|--|----------|----------|----------------|------------------------------|-------------|---------------|--------------------|-----------------|--------------|
| Monday - Thursday  | Current  | New      | Riverside G.C. | Moody Gardens Palm View G.C. | Cedar Creek | Memorial Park | S. Padre Isle C.C. | Northshore C.C. |              |
| Regular Riding   | \$ 37.00 | \$ 39.00 | Victoria       | Galveston                    | McAllen     | San Antonio   | Houston            | Public          | Semi-Private |
| Regular Walking  | \$ 27.00 | \$ 29.00 | \$27.00        | \$36.00                      | \$30.00     | \$33.00       | \$30.00            | NA              | NA           |
| Senior Riding  | \$ 30.00 | \$ 32.00 | \$31.00        | \$45.00                      | NA          | \$43.00       | \$31.00            | NA              | NA           |
| Senior Walking   | \$ 20.00 | \$ 22.00 | \$21.00        | NA                           | NA          | \$27.00       | \$15.00            | NA              | NA           |
| Junior Riding *  | \$ 21.00 | \$ 22.00 | \$23.00        | \$38.00                      | \$26.75     | \$41.00       | \$26.00            | \$15.00         | \$30.00      |
| Junior Walking *   | \$ 10.00 | \$ 11.00 | \$13.00        | \$20.00                      | \$14.75     | \$43.00       | \$10.00            | \$15.00         | NA           |
| Twilight "riding"  | \$ 30.00 | \$ 32.00 | \$25.00        | \$49.00                      | \$32.75     | \$43.00       | \$37.00            | \$40.00         | NA           |
| 9-holes "riding"   | \$ 25.00 | \$ 26.00 | \$27.00        | \$40.00                      | \$27.00     | \$30.00       | NA                 | \$25.00         | NA           |
| <b>Friday - Sunday, Holidays</b>                           |          |          | <b>New</b>     |                              |             |               |                    |                 |              |
| Regular Riding   | \$ 44.00 | \$ 46.00 | \$47.00        | \$61.00                      | \$42.00     | \$54.00       | \$54.00            | \$65.00         | \$75.00      |
| Regular Walking  | \$ 33.00 | \$ 35.00 | \$37.00        | \$43.00                      | \$30.00     | \$38.00       | \$38.00            | NA              | NA           |
| Senior Riding (Friday only)                                | \$ 30.00 | \$ 32.00 | \$31.00        | NA                           | NA          | NA            | NA                 | NA              | NA           |
| Senior Walking (Friday only)                               | \$ 20.00 | \$ 22.00 | \$21.00        | NA                           | NA          | NA            | NA                 | NA              | NA           |
| Junior Riding (after 1pm) *                                | \$ 23.00 | \$ 24.00 | \$26.00        | \$38.00                      | \$26.75     | NA            | NA                 | \$15.00         | \$30.00      |
| Junior Walking (after 1pm) *                               | \$ 12.00 | \$ 13.00 | \$16.00        | \$20.00                      | \$14.75     | NA            | NA                 | \$15.00         | NA           |
| Twilight "riding"  | \$ 35.00 | \$ 37.00 | \$35.00        | \$46.00                      | \$32.75     | \$48.00       | \$37.00            | \$45.00         | NA           |
| 9-holes "riding"   | \$ 30.00 | \$ 31.00 | \$37.00        | NA                           | \$27.00     | \$34.00       | NA                 | \$35.00         | NA           |
| <b>Executive Nine at Lozano</b>                            |          |          | <b>New</b>     |                              |             |               |                    |                 |              |
| Regular Riding (9 holes)                                   | \$ 20.00 | Same     | Same           |                              |             |               |                    |                 |              |
| Regular Walking (9 holes)                                  | \$ 12.00 | Same     | Same           |                              |             |               |                    |                 |              |
| Junior Riding (9 holes)                                    | \$ 14.00 | Same     | Same           |                              |             |               |                    |                 |              |
| Junior Walking (9 holes)                                   | \$ 6.00  | Same     | Same           |                              |             |               |                    |                 |              |