



Santa Cruz County
Civil Grand Jury

Grand Jury <grandjury@scgrandjury.org>

Santa Cruz City Council Response Packet for DeLaveaga Golf Course - How City Policies and Practices Have Affected the Bottom Line

1 message

Ralph Dimarucut <rdimarucut@cityofsantacruz.com>
To: "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>
Cc: Suzanne Haberman <shaberman@cityofsantacruz.com>

Mon, Sep 14, 2020 at 2:53 PM

Hello,

Attached please find the Santa Cruz City Council Response Packet for "DeLaveaga Golf Course - How City Policies and Practices Have Affected the Bottom Line"

Thank you,

Ralph Dimarucut

Principal Management Analyst
City Managers Office

City of Santa Cruz

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**DELAVEAGA_GOLF_COURSE_-_CITY_COUNCIL_OF_SANTA_CRUZ_-_
RESPONSE_PACKET.DOCX.pdf**

187K



County of Santa Cruz

Civil Grand Jury
701 Ocean Street, Room 318-I
Santa Cruz, Ca 95060
(831) 454-2099

Wed, Dec 16, 2020

The Santa Cruz City Manager left a voicemail message on the above date confirming that the Santa Cruz City Council approved its response to the Delaveaga Golf report on 9/8/2020.

The Correspondence Committee on behalf of

Richard H. Goldberg

Richard H. Goldberg, Foreperson
2020–2021 Santa Cruz County Civil Grand Jury



**The 2019–2020 Santa Cruz County Civil Grand Jury
Requests that the**

City of Santa Cruz City Council

**Respond to the Findings and Recommendations
Specified in the Report Titled**

DeLaveaga Golf Course

**How City Policies and Practices Have Affected
the Bottom Line**

by September 14, 2020

Findings

F1. The DeLaveaga Golf Course is underutilized and has the opportunity for generating increased revenue for the City of Santa Cruz and the Operator.

AGREE

PARTIALLY DISAGREE – explain the disputed portion

DISAGREE – explain why

Response explanation (required for a response other than **Agree**):

F2. The DeLaveaga Golf Course has high City employee labor costs relative to other local, privately owned golf courses. This is partly due to its use of senior maintenance personnel and the pension benefits negotiated between the union employees and the City of Santa Cruz.

AGREE

PARTIALLY DISAGREE – explain the disputed portion

DISAGREE – explain why

Response explanation (required for a response other than **Agree**):

F4. The City of Santa Cruz' failure to conduct thorough, regular on-site inspections of the DeLaveaga Golf Course's restaurant/lodge resulted in excessive renovation costs to the City of Santa Cruz. This contributed to more than doubling the original estimates to bring the building up to code.

AGREE

PARTIALLY DISAGREE – explain the disputed portion

DISAGREE – explain why

Response explanation (required for a response other than **Agree**):

Many of the issues discovered during the golf lodge renovation were interior to the building (e.g. electrical, plumbing, rotting wood, etc.). These issues were not evident in general facility inspections. The fundamental cause of the facility issues and exorbitant costs to renovate was a lack of ongoing capital improvement investment into the building over time. Due to limitations of City budgets, and to some degree, the local political will to invest in the golf course, funding was not sufficiently appropriated to maintain the golf lodge over time. Therefore, the result was a costly repair due to years of virtually no maintenance. This is an important lesson as other facilities at the golf course including the maintenance facility, golf cart barn, and driving range, among others, are in desperate need of investment otherwise they may face similarly expensive capital needs in the future. This is also true of many City-owned buildings such as the Civic Auditorium, Public Works Corp Yard and the Parks Yard, Market Street Senior Center, Harvey West Park facilities, and many more. Investment into an aging portfolio of City-owned assets is critical for the future.

Recommendations

R5. The City of Santa Cruz City Manager should perform a lessons learned activity and then update the City's relevant policies and operating procedures to avoid a future repeat of the DeLaveaga Golf Course's restaurant/lodge shutdown and renovation no later than second quarter 2021. (F4)

HAS BEEN IMPLEMENTED – summarize what has been done

HAS NOT BEEN IMPLEMENTED BUT WILL BE IMPLEMENTED IN THE FUTURE – summarize what will be done and the timeframe

REQUIRES FURTHER ANALYSIS – explain scope and timeframe (not to exceed six months)

WILL NOT BE IMPLEMENTED – explain why

Response explanation, summary, and timeframe:

As of July 2020, there are no specific plans to do this, although it would be a helpful exercise and the Parks and Recreation Department would support it. The Department will discuss with the City Manager's Office to chart a course of action related to this recommendation before the end of calendar year 2020.