

**TOWN OF
APPLE VALLEY, CALIFORNIA**

AGENDA MATTER

Subject Item:

APPLE VALLEY COUNTRY CLUB WATER REPLACEMENT SURCHARGE FEE

Summary Statement:

At the Council meeting on March 9, 2010, Mayor Allen requested this item be placed on the agenda for discussion, the suggestion being that the Town Council should consider whether to adopt and impose a surcharge fee on the cost of play at the Apple Valley Country Club (AVCC). This surcharge, if approved, would be used to offset a continued expense for irrigation water at the golf course.

The irrigation well at the AVCC failed immediately following the acceptance of operational responsibility by the Town. To maintain the condition of the golf course the management company must purchase irrigation water from Apple Valley Ranchos Water Company at retail rates. During the irrigation season, these costs can range from \$15,000 to \$20,000 per month depending on weather conditions. These water purchases will continue to be a cost to the Town until a new well is completed and placed in service. The Town Council authorized staff to advertise for bids to drill a new well for the AVCC. Bids are due on April 1st, with an award for the work expected to occur at the Town Council meeting on April 13th.

The Town Council established the Apple Valley Country Club Task Force to review the golf course operation and make recommendations to Council to reduce expenditures and increase revenues associated with the golf course operation. The task force is reviewing information about every facet of the AVCC including an evaluation of the cost of play at other area golf courses. A series of recommendations are expected to be forwarded to the Council for consideration within the next few weeks.

(continued)

Recommended Action:

Provide direction to staff.

Proposed by: Dennis Cron, Assistant Town Manager, Muni. Ops. **Item Number** _____

T. M. Approval: _____ **Budgeted Item** Yes No N/A

Summary Statement
Page Two
Continued

Adoption of a new irrigation surcharge fee to the currently approved and adopted fee schedule of the AVCC could be accomplished two ways. The proposed fee could be adopted by resolution, which would require a public hearing and would take a minimum of 45 days to implement. Another option could be adoption of an urgency ordinance. This would also require a public hearing, a 4/5ths vote, and the fee could be implemented immediately upon adoption. An urgency ordinance then must be brought back again for reconsideration by Council within 30 days to be readopted and affirmed by the Town Council again.