



City of Helena

# GOLF ADVISORY BOARD AGENDA September 13, 2016



- Pete Aspinwall
- Dave Bauer
- Kelly Casey
- Andy Cottrell

- Christopher DeVerniero
- Arthur Pembroke
- Lynn Staley

### Ex-Officio Members

- Larry Kurokawa, Golf Course Superintendent
- Scott Longenecker, Head Golf Pro
- Amy Teegarden, Parks and Recreation Director
- Jennifer Schade, Recorder

**LOCATION: City-County Building, Room 326**

**Visitor(s): Ron Alles, City Manager**

### 1. Call to order/establish quorum/review agenda

Chairman Pete Aspinwall called the Bill Roberts Golf Course Advisory Board Meeting to order at 11:59 am. A quorum was established.

### 2. Approval of minutes: August 18, 2016

In reviewing the minutes, Larry asked for correct spelling to the following names:

- Dennis Sheline
- James Barfknecht Sr.

With the corrections made, Lynn moved to approve the August 18<sup>th</sup> minutes. Dave seconded. Motion carried.

### 3. Old business

#### National Golf Foundation Consultant Report – Next Steps

- Several board members attended the Commission Admin meeting last week where Ed Getherall with NGF presented his report. He did a great job presenting to commission. The report revealed some necessary changes to the Golf Course in order to expand operations.
- Ron felt the presentation was well-received by the commission. Going forward, Ron would like to see further financial analysis. Ron doesn't want to see us put ourselves in the position we were in several years ago. We must do our due diligence.

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- Pete stated that the ability to be a 12 month operation allows us some independence, and gives us the opportunity to keep the course functioning and able to meet obligations. Lynn agreed.
- Amy – the report had a lot of non-building recommendations. Amy is excited to review the platform of recommendations to include our fees structure.
- When Ron spoke of further analysis, he was referring to looking at the additional expense of running the facility year-round.
- Pete would like to take the next step on architectural design of what a facility like this will cost. It would be nice to have the designs and estimates so we can then evaluate debt load vs projected revenues.
- Amy met with the Facilities Director, Gery Carpenter and he gave good advice on our next steps. He stated that if we are planning on a \$1.8 million dollar building, we need \$2 million in the budget. It is very important when working with the architect, that we discuss what the real needs are. We can even go below our threshold (i.e., tell them we can't go higher than \$1.3 million) and have them work with that. We also need to remember that it is not just the building, but furnishings, equipment, personnel, maintenance costs, etc.
- Gery recommended that we move to the next phase which is the Request for Proposal (RFP). This would be a 2-phase project. The first phase we would have funding for is the architectural design and schematics development. This first task would cost approximately \$20,000 - \$30,000. The city would then decide if we will move to phase 2 which is construction. If we do move to that next phase, the company selected for architectural design would automatically be part of the build and would oversee the construction – this is known as the general contractor/construction manager (GC/CM) method. GC/CM allows the general contractor to participate as an adviser during the design process. This improves communication between the two parties because the general contractor acts as a construction manager and provides input on the availability and cost of suggested materials and perhaps offers cheaper alternatives.
- Amy's intent in mentioning this is to see if there is support moving forward. Pete – what we want is a functional building with an inviting environment (i.e. building with enough seating, large enough to accommodate more than one person in the kitchen, etc.).
- Lynn asked for a timeframe of completion. A timeframe hasn't been discussed yet. Amy stated ideally she would like to see us break ground at end of next summer. There will be a lot of things to think about.
- Ron and Amy will have follow-up conversation on this.
- Amy and Larry have already discussed capital needs and how to fund the first phase of this process. The second phase would be funded through debt service of the overall construction. We have cash reserves to fund the first phase of the project.
- Dave then suggested this board meet than more than once a month. He would like to see the board to be very engaged in this process. Pete and Lynn agreed. They (and Kelly) agreed they would be available for evening meetings as well. Ron suggested we schedule additional meetings as needed.
- Amy thanked the board for involvement in this process and for being in attendance at the admin commission meeting.

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- Amy will put the final report from NGF on the Parks webpage and Scott will include it on golf course webpage as well.

#### 4. New business

##### Golf Fee Discussions

- One of the recommendations in the NGF report was the need for an increase in golf fees. This would include season pass fees, punch card fees, etc.
- Amy - this is time of year we go back and look at fees as well as the budget and revenue projections and make staff recommendations to the board and possibly a draft resolution of intention to present to the commission.
- Amy distributed pages of the NGF report that focused on fees as well as the resolution from last year.
- Some of the additional fee recommendations from NGF (such as a loyalty program) are not yet included in our fee structure. Amy will need to have a discussion with the city attorney on a program such as this. Page 47 of the report gives a breakdown of NGF's recommendations regarding fee levels.
- Scott stated that loyalty programs are a fairly common practice. It is neither a punch card nor a season pass. It could be in lieu of either. It could include free green fee with a cart; there is generally some type of a sign up for a prize or perhaps a hat that shows you are a loyalty member with a percentage off of the green fees. The staff and Scott have discussed this option. They recommend that we start small and build the program.
- Amy moved to the next recommendation which states we should examine demand patterns and consider instituting a higher weekend rate. Scott stated our weekdays are busier than weekends so this recommendation may not be applicable for our course. Amy suggested that we consider the higher rate for our higher use dates/time. We don't need to limit this option to the weekends. How would this concept fit our course? Likewise, should we look at an advance reservation rate that is non-refundable? How far in advance can you schedule a tee time? These are all things we need to evaluate.
- We are already experiencing very heavy usage by our season pass holders and punch card users. How do we increase the revenue stream by our season pass holders and punch card users? How do we give them a reason to spend more money? Perhaps by increasing the simulator availability or by expanding the pro shop merchandise sales (to include more clothing and clubs).
- Punch Cards
  - At a previous board meeting, the advisory board made the decision to eliminate the 30 punch card. Because fees had already been approved, the board decided to reevaluate this at this time. Art informed Amy that he would now support this.
  - This year we sold \$38,900 this year. We sell quite a few of these 30 punch cards; however, they are highly discounted.
  - Scott recommends we discontinue the 30 round punch cards. Golfers can purchase 10 round punch cards and they are transferable.
  - Pete moved that we eliminate 30 round punch card and set discount rate at 15%. Amy stated we can take Pete's motion and put this in a staff report. Some of the

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board members asked for further discussion. After further discussion, Lynn seconded Pete's motion. Motion carried.

- Scott did mention one issue with the punch card. If a player uses 2 punches for 18 holes of golf, they will pay \$34. Our current rate for an 18 round hole is \$34. Therefore, the punch card holder isn't receiving a discount. We will need to take this into consideration when setting the fees. Staff will continue this discussion and review the costs and bring this back to the table at the October meeting.
- Season Passes
  - NGF proposes a \$40 increase for Unrestricted Individual Adult and \$30 for Unrestricted Individual Senior. Dave – an increase in fees will be easier to digest when players see a benefit. Lynn agreed but said that we haven't increased fees in 3 years. Amy said we shouldn't make fees associated with a capital project. A fee increase is necessary to maintain the course and provide good customer service.
  - Pete moved to increase Unrestricted Individual Adult \$40 and the Unrestricted Individual Senior \$30 for this year the restricted passes a percentage thereof. He also stated we should not increase the Junior Fees or Military fees. Dave seconded. Motion carried.
- Daily Green Fees
  - Daily fees are more difficult to increase as we they also tied to what our competition is doing. We currently charge \$20 for 9 holes and \$34 for 18 holes. Staff will come back with recommendations. Once we determine the pass rate, we will adjust the daily rate.
- Amy suggested we have fees approved by the first meeting in December.
- Pete would like to get the initial approval done in October.
- Amy is recommending that at the October meeting, staff present a memo and draft resolution of intention that this board can approve. If this is done, we will then take it to the city attorney for the process of approval. Amy will not be at the October meeting, but will make certain the memo is done.

## **Reports**

### Parks and Recreation Director's Report

- None.

### Golf Professional Report

- Per Scott – the August financial report looks good as we received the HBIA payment.
- In August, we were up in \$6,000 green fees. Merchandise sales were also higher; however, punch card sales were down. Year to date numbers are good.
- Scott is still researching the \$35,000 charge back in July based off of debt service.
- Upcoming tournaments include: The Snowball Tournament is October 1; The Capital City Challenge is October 15.

### Golf Superintendent Report

- Larry – we had to postpone aeration to this week due to weather and some equipment problems.
- Tore down the retaining wall on #2 fairway next to the school and are backfilling with soil and will get that graded out.

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- Upcoming projects include normal maintenance and fall fertilizing and spraying. Also doing fungicide applications. Larry is currently looking at complete fairway coverage, greens and tees.
- We are in the process of purchasing 6 pieces of equipment through the National IPA (Intergovernmental Purchasing Alliance) Purchasing group. If the equipment is shipped before November 1, we can avoid potential price increases. The total amount for the equipment is \$207,000.

#### Men's League Report

- Men's League is done for the season.

#### Ladies League Report

- Ladies League is also done for the season.
- Lynn is excited to see the ladies league growing. She asked for clarification on getting more people to serve on this board. A public service announcement went out to recruit for the board from the clerk of the commission office. We hope to have vacant positions filled as soon as possible.

#### **Public comment**

- None.

#### **Next meeting date – October 11, 2016**

#### **Future agenda items**

#### **Adjournment**

With no further business, the Bill Roberts Golf Course Advisory Board adjourned at 1:15 pm.

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 TTY Relay Service [1-800-253-4091](tel:1-800-253-4091) or 711  
[citycommunitydevelopment@helenamt.gov](mailto:citycommunitydevelopment@helenamt.gov)  
 316 North Park, Avenue, Room 440, Helena, MT 59623

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