



City of Helena

GOLF ADVISORY BOARD SUMMARY June 7, 2016



- | | |
|---|--|
| <input checked="" type="checkbox"/> Pete Aspinwall | <input type="checkbox"/> Christopher DeVerniero <i>excused</i> |
| <input checked="" type="checkbox"/> Dave Bauer | <input checked="" type="checkbox"/> Arthur Pembroke |
| <input checked="" type="checkbox"/> Kelly Casey | <input checked="" type="checkbox"/> Lynn Staley |
| <input type="checkbox"/> Andy Cottrell <i>excused</i> | |

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: Ed Getherall, Director of Consulting Services, National Golf Foundation

1. Call to order/establish quorum/review agenda

The June 7, 2016 Golf Advisory Board Meeting was called to order at 11:34 am. A quorum was established.

2. Approval of minutes: May 10, 2016

With no corrections, Dave moved to approve the May 10, 2016 minutes as presented. Lynn seconded. Motion carried.

3. Old business

None.

4. New business

National Golf Foundation – Ed Getherall, Consultant

- Prior to Ed Getherall's arrival, Amy created a packet of information that Ed requested. The same information was also distributed to Pete, Scott and Larry for review.
- Ed spent Monday morning visiting with Amy, Ron Alles, City Manager and Glenn Jorgenson, City Controller/Treasurer. He then spent most of the afternoon reviewing the information received from Amy. He wanted to get a flavor of the operations and the advisory board's role in overseeing things and acting in an advisory capacity at the golf course.
- Ed stated we are in a good position in several ways. The first thing that Ed noted was 45,000 starts. In this climate region, that would put us in the top 2-3% in the country. We are in a good place in that we have an engaged council and a city that is being proactive – not just looking year to year,

Mission Statement: The Bill Roberts Golf Course is committed to providing a high quality, friendly, and affordable public golfing experience for all ages and abilities within the greater Helena community!

but ten years down the road. It is good to see that we realize that golf course is a living, breathing organism. We have to plan for the future. There is always going to be unexpected bumps in the road – there is going to be seasonal or year-to-year variations; there is going to be unexpected expenses. Ed added that he appreciates the fact we are being proactive about this. There are some revenue constraints at the facility that stand out, especially regarding the facilities themselves. But this is also an opportunity – the caveat being that the word “never” was tossed around for general funds ever supporting golf again. If you have to take on debt, you have to meet that debt service payment each year. Ed likes what he sees. The National Golf Foundation is immersed in municipal golf. Since 2000, NGF has done 150 studies for municipalities. It used to be feasibility studies for new development and now it is feasibility studies and operations review for existing facilities. Municipal golf is struggling right now. Expenses are high and rising faster than revenues. Even though many courses are closing nationally, the supply and demand is coming a little more imbalanced. NGF has seen golf courses supported by general funds having to write off \$2M – \$4M in accumulated deficits. Many golf courses have had to move over to general funds funding because they can’t sustain themselves anymore – this all comes with public policy implications.

- Ed stated we are in a good situation. The main concern as he sees it is funding the improvements that are needed. NGF’s response in their RFP was more of a typical operations review type scenario. The more Ed visits with the city staff and in reviewing previous minutes, he believes our concerns are more about the feasibility to make some improvements that will help make our facility sustainable long term. There isn’t a lot we can do regarding more rounds as we are at peak capacity. So this leaves only a few options: raising green fees, creating new revenue centers, or improving existing revenue centers. Ed believes NGF’s time is better spent on the feasibility of the improvements that Scott and this board have asked him to consider.

At this point, Ed asked that we open this up for discussion. What are the key issues we see at the golf course?

- Pete stated that one thing board members will echo is that our course is extremely well run. It is unusual for a small municipal facility to be self-supporting. We are lumped in with other “enterprise funds” that the city has. The term enterprise funds as it relates to the city means you as a citizen do not have a choice to contribute to these funds (such as streets, water, sewer, etc.). What we need to make the city understand is that BRGC is a true enterprise. We are completely supported by the golfers.
- Pete then stated one area that has been a bone of contention is our administration fees. We pay a fixed administration fee to the city which is high and out of skew and it does have a big impact on our ability to do some of the things we are discussing here. While it may not make a huge difference, Pete wants to make sure it is fair because in essence what it amounts to is an unfair tax on our golfers.
- Pete added he feels we are very fortunate in that Scott and his staff do a tremendous job maximizing our revenue. One of the things we started years ago was our winter simulator league. From the very start, this program is full. Our issue now is that we don’t have enough space. We have to convert the pro shop into a simulator during the winter and one of the things we would like to do is add another one. He also does a great job merchandising. Our clubhouse facilities could be improved, such as the kitchen, but we do pretty well with what we have. Larry and his grounds crews do an incredible job – our course is in phenomenal shape and considering the budget we give him, he really gets a lot out of his budget.

Mission Statement: The Bill Roberts Golf Course is committed to providing a high quality, friendly, and affordable public golfing experience for all ages and abilities within the greater Helena community!

- Pete then added that as Ed stated, we have an opportunity to have a chance to garner more revenue, to increase our footprint, and to potentially grow our wintertime revenue.
- Ed agreed and said we are getting a lot of value out of our budget. Ed then stated they will be taking a look at the city charges. To give us a broader perspective of this, Ed stated there are no typical charges. They can run from zero support up to 1M dollars. Some cities will charge administrative overhead or even payment in lieu of taxes. All of these charges can be astronomical. The recommendation NGF makes is that it is realistic and reflects the actual value provided. Sometimes when this is based on FTE's a consultant will come in and establish how charges are allocated on FTE's. Sometimes this works out in favor of the business and sometimes it doesn't. Even \$50K makes a huge difference. It's a public policy decision. Pete then added that what we are looking for is an impartial third party to come in and say these fees are out of line. The advisory board has said it, but they agree it could carry more credence coming from someone else. Dave agreed and added that no tax dollars go into BRGC. It is completely sustained by the golfers.
- Ed stated they will look at all charges and see if they are fair. NGF would like to see every golf course as part of the general fund. They will also look at some of the big picture items such as revenue enhancements. That is what Scott, Larry and Ed will focus their efforts on.
- Pete stated that we do have some challenges. There are two other courses in town – one private and public and the other is private. The private club (Green Meadow Country Club) has problems retaining members. It's a nice golf course. The other course (Fox Ridge Golf Course) does not have a great course. Their rates and fees are high enough that we don't feel as much of an impact by them. All of this hinges on our ability to provide services at competitive rate. Rates and green fees for our golfers is a very sensitive topic. We have held our rates steady for three years. We have a lot of loyalty to our golf course.
- Lynn said she feels that Pete summarized our situation very well and she too shared her concerns of Green Meadows course.
- The board then discussed female play and length of the holes. Scott said this is something we need to look at not only for our female players, but our senior players as well.
- Ed asked is the committee members were season pass holders or punch card holders. Most committee members have season passes. Members typically play 2 – 3 times per week and if retired, they play more. He then asked if we spend money on food and merchandise. Dave said yes, but players could spend more if we could keep them at the course for longer periods at a time.
- Amy asked what would keep people around more. Pete stated we need more complete service. Dave said the grille is very small and the clubhouse is not sufficient. We are very limited in size. Dave has seen over the years that less people are sticking around.
- Ed – so you are looking at more of a bar and grille type atmosphere with more seating. Dave said yes and added we have a year-round facility with the simulator league – we need a better facility.
- Scott then said that we have 68 – 72 players in the men's league alone. Our building doesn't hold 68 – 72 people. Also, when 20 people order food at once, there is a long wait. There is not enough room in our kitchen to have more than one person working.
- Pete added that in the winter, BRGC doesn't offer anything. He has 52 names on his list and they get together all winter long. They just go to the Brewhouse Pub and Grille. They would much rather spend time at money at the course.
- Ed then asked the board what is done for a charity outing. How do we handle food service at a large event? Do we have a menu for such outings? Scott stated we have a separate menu for

Mission Statement: The Bill Roberts Golf Course is committed to providing a high quality, friendly, and affordable public golfing experience for all ages and abilities within the greater Helena community!

outings/events. There are not a whole lot of options. We typically do buffet style (i.e., taco bars, pulled pork sandwiches, etc.). If the weather is good, this works great as they set up the buffet in the clubhouse which then limits seating. There would be a huge potential for more events if we had a larger facility. With a few of the events this year, they have taken the entrants to another place in town for food / beverages (i.e., moving the award ceremony to the fairgrounds or somewhere larger to accommodate our crowd).

- Our course has a great atmosphere. Pete said we just want to be in a position financially where we can pay the bills and grow – take care of our maintenance, take care of our capital expenditures, etc. We want to be self-sustaining and to continue to provide that great golfing experience.
- Dave added that with a larger facility, we could have more events such as the Wine and Wedges event. Ed said that NGF has a list of events that could be held at the course with the proper space.
- Ed – there are demands for a new building. A new building would allow for more corporate type meetings, more rounds played, expanded use of the simulator, additional food service – all of these items will increase revenue. We will need to look at project construction cost and funding.
- Amy – her biggest question is can we afford NOT to do this. Ed stated that NGF will also look at what can potentially happen if we don't expand (and this would include the ADA requirements).
- Ed will sit down with Glenn and review the CCIP. There are a lot of items to consider when reviewing golf operations. The money has to be found somewhere.
- Ed then stated that they are seeing season passes going away in the golf industry. Are they really affordable? He has seen over the last decade that they have disappeared or are being sold at a much higher rate. What is our feeling on a price increase? It is a trend in the industry that season passes go away or that there is a per-round surcharge on the season ticket pass holders.
- Per Pete – Scott did a study on what we make per-round regardless of the source of the round. It was actually close to what we get for a regular fee 18 hole round. One of the things that make up for the difference is that a lot of the pass holders spend money in concessions, lessons and lessons generate equipment sales. At this time, Pete doesn't feel we are suffering unduly. The passes seem to bring golfers to our course, so that makes sense.
- Lynn stated that this is our third year without an increase and we can't keep doing this. We have a great facility and it is going to cost us money to run it.
- Art – our season passes for members are cheap. These are the folks playing the most rounds. If we increase fees on daily and seasonal rentals, Art does not believe that would not be unreasonable. If we want to generate the revenue to make some improvements, somehow we must sell the purpose of the increase to our golfers.
- Ed – we will have to look at several different areas to generate incremental revenue. NGF will do an analysis – look at what other revenue centers are spending. What we are seeing nationally is that the reason courses are making it more expensive is to try and drive the number or pass purchases down and flip more towards a daily fee pay.
- Pete then stated that this is a small community. We are pretty much reaching the percentage of avid golfers in our area. The number of new golfers is not rapidly changing, but is growing. Pete agrees on the increase in fees. If you compare our rates to others, we offer a good deal here. In Boise, Idaho, you can only use your season passes for play Monday – Thursday. On the weekends it was fee based play only.
- Dave believes that if we restrict play for our season pass holder to Monday – Thursday, our revenues will drop.

Mission Statement: The Bill Roberts Golf Course is committed to providing a high quality, friendly, and affordable public golfing experience for all ages and abilities within the greater Helena community!

- Dave added that as long as someone can see they are getting something in return for their money, a fee increase will be much easier to swallow.
- Ed then said the BRGC will have to raise fees to make it sustainable. We need to show the community the reasons why this is a benefit and how these improvements to the course will only benefit the golfers even more.
- Amy argued that someone could say we don't need the fancy remodel – fine with the way things are. The additional message needs to be that this renovation of the facility will help us generate more money to support what you won't see such as better irrigation or other capital improvements, etc.
- Pete added that in order to keep the course viable, rates will have to increase. Amy agreed and said that this doesn't just include green fees but all other revenues.
- Pete – right now all we have is seasonal opportunity – a new clubhouse will enhance our revenues for a 12 month period. This use will include avid golfers, non-golfers, new golfers, and the community. At this time, our course is not conducive to new golfers – the addition of a new simulator can help with that. And for our younger community members, the simulator can be a much better method to get them excited about the sport of golf.
- NGF recently did a year and a half long study on millennials and golf. There is a segment of millennials who are traditional golfers, but there is also a segment of millennials that want to golf in different ways to include use of the simulators. If you have a course that offers simulators and food and beverages, you will draw in more millennials as well as non-golfers.
- Ed also suggested events such as a Wine event or late afternoon scrambles with music. These are the types of events we should be looking at. This golf course is not set up for this. The popularity of the simulator is a start; however, if you have a sports-bar type atmosphere, you will draw in the entire community.
- Scott – the more non-golfers we can draw to the property to experience what we have to offer, the more they are there and the bigger we will grow.
- Kelly – he understands that Green Meadow will be purchasing a simulator. He was a member at Green Meadow and stated he was spending \$4,000 at Green Meadow and he spends \$1,000 at BRGC. While our rates are so much cheaper, Kelly realizes a rate increase is necessary.
- Scott asked Ed philosophical views nationwide on getting rid of season passes. Ed stated that we may lose golfers less tethered to game but the core golfers have held firm. While there are closures nationwide, most of that is due to the fact that they are short courses or have not been the best used golf courses.
- Season passes are still available where the course is under general fund operations. It's a public accommodation. Where it is an enterprise fund is where you are seeing membership passes. You have to offer affordable golf.
- Scott believes municipal golf is more about growing the game. Scott too knows how expensive golf can be. There is a balancing act there, but he believes the season passes are a must for us. Pete added that we don't have to be wildly profitable. We want to be in a position financially where we can pay our bills and grow – take care of our maintenance and our capital expenditure. We want to be self-sustaining enough manage our course and yet continue to provide a great golf experience for the community. We do have to make money to put it back into the operation.

Mission Statement: The Bill Roberts Golf Course is committed to providing a high quality, friendly, and affordable public golfing experience for all ages and abilities within the greater Helena community!

- Dave stated we need to do more events like the Wine and Wedges. Other events such as this could include: Brews and Birdies, Nines and Steins, Pints and Pars, Pints and Putts, etc. Ed stated he will make sure to offer more examples of programming in his report.
- Ed – the capacity issue is difficult once you get new golfers on course. Ideally mid-day period would be great. Pass holders are not always patient.
- Art suggested we do a better job of teaching our new golfers and perhaps review golf etiquette in an effort to make the golf experience better for all.
- Dave added that the prime golfers typically golf early Saturday/Sunday. That is the prime time for the better golfers. Scott agreed and added that Saturday morning is the busiest time at BRGC. Saturday afternoon is less busy. Sunday afternoon (4:00 pm) is busy as it is family night. Kids 6 – 17 ride and play for free when accompanied with a paid adult. Kelly asked if we market this event. It is marketed on our website, via email, posters, and on the radio.

Ed then stated he wants to talk about the process of the study.

- We are looking at an 8 – 9 week time frame after the field visit. NGF will deliver a draft report. At the end of the process there will be a presentation and a final report. In the interim, Ed will be spending time with Scott and Larry going over operations. Part of the process will also be a golf customer satisfaction survey. He prefers to do this online. The survey measures customer satisfaction in several areas to include concessions, the pro shop, customer service, golfing habits, as well as custom questions. Those themes will immerge over the next couple days. We may add information that discusses proposed improvements and ask open-ended questions such as “what would you do to make this golf course better?” NGF can filter the responses by categories such as visitor, season player, women’s league, men’s league, etc. NGF will send a link with some introductory language and put on this on the website. It can also be placed on the city website. They will also email the link to the database provided by BRGC. This will be done approximately within three weeks once NGF has an opportunity to review all the information collected. The survey typically runs about one week. It really doesn’t capture non-golfers. Art recommended we also place a poster/flyer on the door at the pro shop directing people to take survey. We should also get the information out to the leagues.
- In terms of the report, NGF will include a few items such as what is going on nationally, summer trends and benchmarks, BRGC performance against what is seen nationally, trends, what is happening with municipal golf. On the operations side of the report, NGF may offer suggestions on fees and marketing. It won’t be a report telling Scott how to merchandise. He knows how to merchandise. The main issue will be revenue enhancement opportunities. NGF will also address city charges with descriptive language about what is reasonable.
- Kelly – are you going to be doing any golf course recommendations? Ed stated yes. They will address issues such as the importance of nice, clean restrooms, good apparel offerings, perhaps a female instructor. Women need to feel comfortable. NGF will address the millennial issue as well.
- PGA of America is often involved in NGF’s report process because they want to hit the immediate impact of player development. They have given NGF suggestions on Junior League Golf. Scott stated we have a junior league between Helena, Butte, and Great Falls. There are seven teams in the league and the first tournament is June 23rd. Ed added that the junior leagues are growing exponentially nationwide.
- Ed will leave on Thursday.
- Amy asked the board what is the one thought you want Ed to take away from this visit?

Mission Statement: The Bill Roberts Golf Course is committed to providing a high quality, friendly, and affordable public golfing experience for all ages and abilities within the greater Helena community!

- Lynn stated that she wants the golfers to know that the improvements we are going to make will cost them money. Ed agreed and added that the golfers need to know the **reason** we are building a new clubhouse is to increase revenue so we don't have to raise fees regularly.
- Art – no matter what we do to improve, there will be rate increases. We need to educate the people that there will be long term benefits and what they will be.
- Dave – goal is to make this doable for the future and enjoyed by everyone. Amy added that what she is hearing from Dave is demonstrating the economic benefit to the community as a whole. Don't look at this a pure benefit to the course, but how these changes will bring in others to our community.
- Kelly echoed what Art said. It will cost us something, so we need to create a positive buzz. Once this gets passed through the commission, we should look at doing a news piece. Ed agreed and said we need to brand the effort for long-term sustainability.
- Amy stated she has a challenge for the golf board. We have a contract for Ed to work on this report. We need to determine how we are going to communicate this to the community and how we will get golfers support at the same time.
- We need a robust picture of how the course is going grow.
- Amy reminded the board that we do have more money the FY17 budget for more consultant services. Amy's thought is that if there is a recommendation to do capital investment (i.e., a building, renovations, etc.) in this report, we will use that money for architectural engineering services. Once we know the costs, we will then put that in the budget for FY18.
- Amy would like to visit with the city manager on what this report contains and recommendations and how he wants to take this forward to the commission.
- Pete stated that as Art alluded to, we should have some kind of document that explains what our thought process is (new irrigation, better facilities, etc.) and where we are going. So when people do see rates going up, we can show them exactly what they are getting in return.
- Amy stated last year we went through a process on what we have accomplished, and from that we asked ourselves now where do we go. Pete agreed and said this will give us a good long-term, documented business plan.
- Ed referred back to two items he read in previous minutes. Is a par 3 course being considered? Dave said at one meeting a while back he mentioned a small practice area. Scott said this conversation was more of a brain-storming session.
- Dave then asked about eliminating the 30-punch card. Is this set in stone? Amy stated there will be further discussion on this once we reevaluate the fee structure.
- Ed stated he would like to meet with league representatives. Dave stated he would be available tomorrow at 1:30 pm.
- With no further discussion with Ed, the board moved on to reports.

5. Reports

Parks and Recreation Director's Report

- Amy has two questions for the board. Andy Cottrell has been unable to attend meetings. Is there a desire to replace his position? Pete stated we need to give Andy a chance and explain to him that if he cannot fulfill his duties on the board, we will need to replace his position. Amy will pursue this and be in communication with him.

Mission Statement: The Bill Roberts Golf Course is committed to providing a high quality, friendly, and affordable public golfing experience for all ages and abilities within the greater Helena community!

- Amy then asked if there is a need for a July meeting. She knows how busy this time is for Scott and Larry. The committee agreed to not meet in July. We will meet again on August 9, 2016.
- Amy will be working with Ed to look at the report review process for feedback and how to best get this in the queue for the administrative meeting. She recommends that we have our GAB meeting the same day Ed returns to Helena in September or October.

Golf Superintendent Report

- Maintenance is very busy. We have five returning employees and five new employees – lots of training time in May and June.
- Larry said he has sprayed out 44 acres for weeds and he has approximately 100 more to go.
- John Reeves has been working on the back 9 cart paths. He is getting a better grade on them.
- Growing Friends – Bob Throssell stopped in and would like to do some tree replacement along Benton. He is recommending we remove the Russian Olives with boulevard trees and would like to replace them with memorial trees.
- Lynn – Have you received a request for a memorial tree for Donna Warner? Larry stated he has not so Lynn will follow up.
- Working on fiscal year end – funding to be adjusted. We are still in good shape fiscally.
- Tree on 11 is declining and it will have to go. We need to make a decision on this. Pete stated that tree defines the hole so much. We need to get something in there. Larry said we can remove it but we will have to plant something substantial. We don't want an evergreen or pine – they shed too much. Larry will plan on replacing the tree this fall.

Golf Professional Report

- Per Scott – in May we did 5,782 rounds. There was a slight decrease due to bad weather. Last year at this time, we did 6,276. We are down about 600 – 700 hundred rounds. Historically, June is our worst month for rainfall. Scott believes we may have gotten a little of that in May.
 - Financials weren't too bad for May.
 - Demo day went well. Even though the rounds were down, the merchandise was up by \$2,000. Season passes were also up in May.
 - Golf lessons are down due to the fact that we lost two instructors. Losing Chad will probably hurt us on lessons. Mike won't do anything in this area at this time. He will work his way up just like Conlin is teaching as is Josh and Scott. Pete has heard good reports on Josh with job at Wine and Wedges.
 - June is typically the busiest month of the year. Tournaments are spread throughout the month. We have several upcoming tournaments to include:
 - Tournament on June 10 and 11
 - Senior Olympics – June 16
 - Ladies Invitational – which is on a Thursday
 - Subaru 3 Man Tournament – which is our biggest event
- In July, we have the following
- United Way – full field – 144 players
 - HBIA Golf Tournament – July 21, 2016 – 132 players
 - 1st Annual DAV Tournament – July 23, 2016 – 140 players
 - Couples Night – July 23, 2016

Mission Statement: The Bill Roberts Golf Course is committed to providing a high quality, friendly, and affordable public golfing experience for all ages and abilities within the greater Helena community!

- BRGC only has 55 carts in the fleet. On these larger tournaments, we have players that will bring their own carts.
- Thursday is our slowest day of week and that's when we try to book these events.
- We have two new employees getting trained. Conlan Burk and Mike Horner. He is well liked in community.

Men's League Report

- No report.

Ladies League Report

- No report

6. Public comment

7. Next meeting date – TBA

8. Future agenda items

- ADA Audit Discussion – Review and discuss.

Adjournment

With no further business, the Golf Advisory Board meeting adjourned at 1:10 pm.

ADA NOTICE

The City of Helena is committed to providing access to persons with disabilities for its meetings, in compliance with Title II of the Americans with Disabilities Act and the Montana Human Rights Act. The City will not exclude persons with disabilities from participation at its meetings or otherwise deny them the City's services, programs, or activities.

Persons with disabilities requiring accommodations to participate in the City's meetings, services, programs, or activities should contact the City's ADA Coordinator, Elroy Golemon, as soon as possible to allow sufficient time to arrange for the requested accommodation, at any of the following:

(406) 447- 8490
TTY Relay Service [1-800-253-4091](tel:1-800-253-4091) or 711
citycommunitydevelopment@helenamt.gov
316 North Park, Avenue, Room 440, Helena, MT 59623

Mission Statement: The Bill Roberts Golf Course is committed to providing a high quality, friendly, and affordable public golfing experience for all ages and abilities within the greater Helena community!