



PUBLIC GOLF COMMITTEE Meeting Minutes October 20 2020 Webex



I. Call Meeting to Order

Commissioner Demmer called the meeting to order at 5:01 p.m.

II. Roll Call

Present: David Demmer, Jenny Peterson, Noah Kramer, Tammy Sundbom, Jim Sadness, Dan Baumgartner, Steve Kinney, Thomas Griggs, Troy Barnette

III. Presentations

A. Operational Review for Duluth Golf (Informational) Bill Colgan, Regional Director of Operations – Midwest Region for Billy Casper Golf

Demmer questioned if there is any effort to prevent the turf damage, as it effects playability. Bill Colgan mentioned they have on boarded a new Superintendent, who holds a lot of experience in preventive measures. Mentioned they count on the snow melting in order to apply fungicides, and all the greens will be aerated, which will help with drainage. Indicated that freeze and thaw accumulations for a long period of times cause the most damage to turfs – ultimately in comes down to mother nature, but more aggressive approaches are being taken.

Demmer shared he would like to have further conversations on how to prevent turf damage. Questioned what the debt to the general fund means, and how it is calculated.

Dan Baumgartner indicated he has seen different numbers with national numbers, shared he has seen 10% increase in players because of COVID. Questioned how season passes have been impacted with the closure of Lester.

Bill Colgan shared the National Golf Foundation won't release information until March or April. Agrees that golf participation has gone up, some areas in the country are higher than others. Highlighted COVID guidelines in Duluth were strict, and we had upset some that deterred others, but we are proud to keep players safe. Shared that season passes were down with the closure, but with year to date numbers in revenue at Enger Park Golf Course is right in line with last year.

Commissioner Kramer questioned if the City had to pay a fee to close Lester Park Golf Course, and if this is reflected in tonight's presentation.

Bill Colgan shared fees were suspended in April, and management fees are included in the operational expenses. Jessica Peterson indicated with the course not being open to play, there are still base level costs to maintain to course. Stated if we had not spent funds for minimal maintenance, we wouldn't be able to afford the course should it be revived. Indicated we did not pay a closure fee, but we paid fees in order to perform minimal maintenance.

Commissioner Jenny Peterson questioned Enger's financial report for this year. Bill Colgan indicated he would be able to get this information, but can confirm numbers are in the "black".

Troy Barnette questioned what the percentage of rounds were played by season pass holders. Bill Colgan stated 32% were from season pass holders.

Jim Sadness questioned who funded the seeding, and what the cost was. Bill Colgan indicated this is within the Labor and Expenses line, and can get this number.



PUBLIC GOLF COMMITTEE
Meeting Minutes October 20 2020
Webex



Dan Baumgartner indicated he has had conversations with other area golf courses, stated the area courses have had a record year. Questioned if Billy Casper Golf holds conversations with the other area golf courses. Bill Colgan mentioned he does not personally, but the local team does. Shared Black Bear did not open their course this year.

IV. New Business

A. Duluth Golf Financials through August 2020 (Discussion) Jess Peterson, Manager

Jim Sadness shared the effort to understand previous financial reports, noted there are various statements, questioned which financial statement is used for the Enterprise Fund, and what line this is from. Jess Peterson shared she will follow up with the Finance Division. Jim Sadness questioned if he could receive better access to details of the financials. Questioned if the metric - rounds played on playable days, should be used for capturing data. Questioned if allocated expenses to Lester vs Enger – questioned who makes the spending decisions. Jess Peterson shared we can have further conversations on defining a metric. Bill Colgan indicated the courses do not share expenses, also indicated the Manager and Superintendent are pulled from the Enger Park Golf Course fund. Stated that funds are based on each individual facility.

Dan Baumgartner stated Mike Bender's crew did a fantastic job while navigating the pandemic this year. Shared we need to find opportunities to provide more rounds. Shared he would like to have conversations on if both courses will be open next year.

Commissioner Demmer agreed with Dan in regards to having conversations if both courses will be open next year.

Jess Peterson indicated that the goal today is to discuss the year to date, and recommends having a conversation in November. Shared the golf budget will go to City Council the end of November or December. Shared at this time, we do not know if both courses will be open or not – as numbers have not yet been processed at this time. Mentioned the proposed budget will be shared with the committee prior to going to City Council.

Bill Colgan indicated that national statistics show that numbers for driving ranges are going up. Shared companies like Top Golf may have an impact on driving people to actual golf courses. Highlighted that driving ranges are known to be an entry point for new golfers. Shared the efforts to draw in new people by providing equipment to rent at both courses. Jess Peterson indicated that if we find a developer, the next step in the process would be to relocate the driving range across Skyline Parkway in order to realign goals and have a driving range. Shared there is a revised proposed layout, which is listed on the Golf page of the Parks and Recreation website.

Commissioner Peterson questioned the process of putting together the budget, questioned if there is opportunity to provide input by the Public Golf Committee. Jim Filby Williams reflected on the mission of the Parks and Recreation Commission, there is not expense authority.



PUBLIC GOLF COMMITTEE
Meeting Minutes October 20 2020
Webex



B. Proposed Changes to Ownership and Use of Public Green Space in Lester Park and Enger Park Areas, Proposal Component III. Preserve Public Golf, item C, Evaluate future of 18 holes of golf at Lester (Discussion) Jess Peterson, Manager

Jess Peterson indicated with the current financial information for the project budgets, it will be challenging to extend the study timeline.

Jim Filby Williams shared the clear intent was to have a full operating season of both courses, following completion of renovations at Enger, per the recommendations. Indicated that when the recommendations were passed, keeping Lester open would likely increase continued financial losses – the City chose to do so with considerable discomfort. Shared the City Council does not want to prolong the incurred losses. Indicated he understands the thought to extend, but there is considerable reason to be concerned. Indicated that it is important that the Public Golf Committee knows of the financial crisis concerns.

David Demmer agreed that the playing field has changed, but the committee is charged to make recommendations.

Thomas Griggs thanked Jim Filby Williams for explaining the complexity of the issue. Shared we should look at what has been done before, and the document of Proposed Changes...item 3, preserve public golf, and providing an additional three year window as 45 holes. Questioned when the three window started, stated the Public Golf Committee started just last month. Recommends the time start from when the committee started. Shared he doesn't understand how we can improve Enger while we have closed Lester. Jim Filby Williams shared staff struggle with the condition of Enger because of the significant deterioration of the irrigation system. Shared it is a conundrum that the most readily available way to finance would be a revenue bond – which would mean we would need to close Lester. Shared that this could be \$200k of debt service per year that the city would have to pay for.

Dan Baumgartner shared this information seems inevitable, stated that importance of readdressing the charge is of the Public Golf Committee. Indicated Lester was still playable this year, with just walking only. Shared he hopes to explore other options, not just open or close a course. Questioned if there was only one RFP submitted. Jim Filby Williams indicated only 1 application appeared to be serious in the midst of a pandemic. Shared it is the first time he is hearing of the idea of limiting use at Lester, shared there are numerous opportunities had decisions didn't have to be made in March in April, indicated decisions were made to the best of the ability with the little information provided during a once in a lifetime event.

Commissioner Demmer questioned if there is probability that Lester will be closed in 2021. Jim Filby Williams indicated that information would need to be reviewed, and make a decision early next year.

Dan Baumgartner questioned if the City is looking at alternative options for stripping down use at Lester Park Golf Course. Jim Filby Williams indicated the City will ask Billy Casper Golf to provide alternative operational scenarios.

V. Old Business

A. Set Agenda for next month – David Demmer, Committee Chair

- Discussion of 2021 Budget
- Financial Follow-Up
- Discussion on Creative Options



PUBLIC GOLF COMMITTEE
Meeting Minutes October 20 2020
Webex



Monthly Financial Report

VI. Adjournment

Meeting adjourned at 7:20 pm.

IV. Next Meeting

The next meeting will be Wednesday, November 17 via Webex