

IRONHORSE

Golf Club



GOLF COURSE COMMITTEE

October 24, 2002 – 5:30 p.m.

Committee members in attendance were Dick Fuller (chairman), Lou Rasmussen, Jim Dickson, Bob Reid, Dave Fearis, Scott Gullledge, Mike O'Connell, and John Campbell. Chris Claxton, Parks and Recreation Director, Laurie McCauley, as well as Shane Gardner, and Pete Spratlin, of IRONHORSE.

The meeting was called to order at 6:05 p.m.

A motion was made by Lou Rasmussen to approve the minutes from the September 26, 2002 meeting. Jim Dickson seconded the motion. The minutes were approved unanimously.

General Operations Report

Shane reported for the month of September, they are about \$12,000 to \$14,000 over budget. The month of October year to date is right at budget. He said they are trying to reschedule the tournaments they had this year for next year. They are also trying to wrap up things for the year and start on the business plan for 2003.

Matt is attending a First Tee Meeting in Jacksonville.

Shane said that when he had talked to Mike Gill earlier that he had asked a question regarding debt payments and lease payments. Shane said that what we had budgeted falls short of what the actual is, and the difference is the lease payment for the maintenance equipment.

Shane said that the feedback from the tournaments has been very positive. He said that he submits a spreadsheet to Chris, monthly, that shows how many tournaments they have had, how much money they have spent, the number of players, dollar amount and what the tournaments brought in for the whole year, which is approximately \$400,000.

Dick Fuller asked if there had been any complaints about the number of tournament being held. Shane said yes, that they had had some complaints in the last six weeks from Triple Crown members in particular. The complaints are because of the shotguns and not just Saturdays.

Lou moved to accept the General Operations Report. John Campbell seconded. The motion was approved unanimously.

Course and Project Update

Pete said that as of November 1st they would be on the cart path only. Course conditions are good. #4, #6, & #13 are sodded, they are now drying out #17 in order to put in drainage, closing the holes underneath the cart path on #18, and shelling the bunkers out.

The sand was not the problem with the drainage. Pete said that they are going to completely change how they maintain the bunkers.

Lou asked where they are at with the intake to the pumps. Pete said that the emergency pump has been shut down and is going to be winterized. Dick asked about the algae in the pond on #6 and Pete said that they are treating it, also that the lake has turned over and that the rain has helped.

Pete said that course conditions, tees, and greens are in really good condition.

Pete said as far as a project update, sodding is done on 4, 6, and 13. They are working on bunkers 9, 11, and 6 and then will go in order with the ones that hold the most water. He said that they might have to replace the sand every year in some of the bunkers.

Discussion of Access Road

Lou had a drawing made of the road and the characterization of the road. He said he is proposing that first Mr. Simpson will build the sub-base of the road from 151st all the way through to the golf course property. First, the characterization of the road in terms of the gravel, the width, etc. are now specified in the drawing. Second, because of the change of jurisdiction to Overland Park, Lou said that he has been assured by Public Works and the staff that we could asphalt the sub-base to be installed by Simpson's contractor, and that it would be at a minimum cost to the city. Third, Mr. Simpson wants the City to add some landscaping to the rest station. Parks and Recreation is going to dig up trees by Roe and place them by the rest station. This expenditure (from drawing #967 page 7, plan 7) will be five evergreen trees and we will not be responsible for their maintenance, or if they die out. In summary, Lou recommended to the staff, City Administrator and the Mayor that we take this proposal back to the golf course committee to see if this draft agreement is acceptable, which is what is being done tonight. Dick Fuller made the motion for approval, Jim Dickson seconded. Motion carried. The proposal will be moved forward to the City Council.

Discussion of Easement for Mission Road Development

This is originally the area called Summertree Villas, where the cart path on #9 infringes on the property to the north. Chris met with the City engineer, Diane Binckley, and Pete, along with Marty Arling from Kaw Valley Engineering, to make sure they were comfortable with the easement, stipulations as far as tree replacement, etc. Lou said that he wants to make sure that what we are proposing does not affect the three covenants: the no build zone, the no fence gate,

and the liability that runs with the land. Jim Dickson wanted to make sure that the stipulations were in the plans and Dick said that they were. Pete said that the sewer line that they have to tie into is on our property. Pete said that there are about 25 large trees, and they would replace those trees per the inventory. Those trees might prevent a house from getting hit. Pete said that the agreement would be a 40 ft. construction easement and any trees lost on either side they would be responsible for. Lou made a motion for approval and Dave Fearis seconded. Motion carried.

Discussion of Easements for White Horse Development

Dick Fuller said it is the property along Nall and the 14th tee. The White Horse sewer system will have to tie in to their stubb and all the new trees will have to be dug up. Pete said that we will have to hold them responsible for the guarantee of the trees. Lou moved that the easement for the White Horse Development be approved subject to the existing trees being moved and conveyed to the City of Leawood, and that trees equal in size and character of those now being removed be installed by the grantee. Lou moved to approve the motion. John Campbell seconded. Motion approved.

Presentation of Strategies for Improved Operations – Orion

Scott Gullede handed out a spreadsheet of financials that is broken down on a per round basis. He gave an explanation of the spreadsheet and a historical comparison. Through September we will be off by \$6700.00 of being 100% of covering operating expense and our debt. His conclusion is that this golf course is paying for itself.

Lou said that he added up the numbers that we showed in our recent performa and the numbers given to us by finance and we are ahead of the game. Our revenues are satisfactory.

Dick thanked Scott for putting the information together. He said that Orion should be commended. We still need to get around \$200,000.00 in the budget for capital improvements.

Jim Dickson said that they had spoken with the finance director and it could not be done, that they needed 18 months to address any lease requests. Dick said that we need to go back to City Council to get some kind of reserve set up. Scott said that in the next fifteen years this will be a paid off debt that will contribute to the City's income and that we are meeting our obligations to the voters.

Pete said that the IRS ruled that you could depreciate greens, bunkers, tees and fairways. Pete handed out some information regarding this and also said that it can be retroactive. This information has also been passed on to Kathy Rogers. Since we are changing the accounting system it may be something we should look into.

2002 Fee Schedule

Shane passed out a list of ideas for generating more revenue (see attached document) and a fee schedule. There was the discussion of sale of practice balls at the practice tees. Shane said that

they are looking at a cost efficient way of installing a washing machine and dryer to save money on uniforms and laundry that is currently being outsourced.

Shane said that they would be redoing the Conductor's Club. He recommended that membership fees for triple crown club, practice card, ten play card and golf association remain the same. He also recommended that the tournament fees stay the same.

Lou brought up the difference between the twilight fees. Scott recommended that the non-prime twilight resident be \$28 instead of \$30 and prime twilight resident be \$31 instead of \$33. He also recommended that junior/senior resident be \$29.

Chris said that Mike Gill had called her to express his views, as he could not attend tonight. Mr. Gill said that he was fine with raising the rates as long as it is across the board and that he does not want to see the burden put back on Leawood residents.

Lou moved to amend the 2003 recommendation list as follows:

1. Prime Twilight Resident be changed from \$33 to \$31
2. Junior/Senior Resident be changed from \$31 to \$29
3. Non-Prime Twilight Resident be changed from \$30 to \$28

Mike O'Connell moved to approve this motion to have our Fee Schedule set, seconded by Scott. Motion carried.

Lou asked if there will be a 2003 Business Plan and suggested that the ideas should also be included in the plan.

Shane said that they are gathering information regarding the ball machine, washer/dryer, etc.

Scott also suggested that we include the golf car issue in the Business Plan. Shane said that the Business Plan will be available around the first of November and brought to the November 21st meeting.

Mike asked about the cost of changing the holes in making number 18 number 1 and vice-versa, redoing scorecards, signage etc. Shane said that the cost would be around \$7500.00 to switch. John Campbell suggested testing the change of holes to see if it would be feasible before investing completely in the switch.

Misc.

John Campbell made a motion to adjourn the meeting. Jim Dickson seconded the motion. The meeting adjourned at 7:45 p.m. The next meeting will be on Thursday, November 21, 2002.

Respectfully Submitted,

Chris Claxton, Director
Parks & Recreation