

IRONHORSE
Golf Club



GOLF COURSE COMMITTEE

Minutes of October 27, 2011

5:30 P.M. – Ironhorse Golf Course – Clubhouse

Members attending: Dick Fuller(Chair), Shawn Hickey, Bob Reid, Tommy Davidson, and George Waterman.

Council Liaisons: Lou Rasmussen and James Azeltine

Staff members attending : Chris Claxton and Tonia Morgan.

Members of Troon Golf Management Team, Jeff Thomasson [General Manager] Mitch Harrell [VP of Operations] Troon Corporate, James Kennedy [Superintendent] Matt Shrum [Golf Operations Manager] and Dan Cutler [Assistant Superintendent]

Chair Fuller called the meeting to order at 6:03 p.m.

Chuck Sipple made a motion to approve the August 2, 2011 meeting minutes. George Waterman seconded the motion. The minutes were approved unanimously.

Chair Fuller introduced Mitch Harrell, Senior Vice President of Operations from Scottsdale, Arizona. He is Jeff Thomason's direct report from Troon.

Guest Jack Koenig also attending. He resides on the golf course.

I. Operations Report

Jeff reported that the revenue per round as of October 17, 2011 increased \$1.84 versus the same period in 2010. Total rounds increased by 1,547. This is an 8% increase. Passholder rounds represent 14% of the total rounds.

Jeff reported that the total facility revenues generated are \$1,259,913 through October 17. This compares to \$1,173,623 for the same period last year. This is an increase of \$86,290.

Jeff added that the total operating expenses through October 17 were \$1,245,593 compared to \$1,257,970 in 2010. Thus the net result year to date in 2011 shows an improvement of \$165,573.

Jeff added that the total golf fee revenue has increased 82,400 (13%). This has been accomplished due to the following actions:

- Providing consistent playing conditions for the entire season. (This is the number one priority and has been the entire time.)
- Capturing higher revenues per round in both regular and event rounds.
- Having the ability to adjust rates “at once” and react to real-time marketplace conditions.
- Utilizing *Golf Now* as an alternative booking engine to generate 2,167 additional rounds equaling \$106,250.00 in revenue.

Jeff also reported that we currently show an improvement in tournament revenue in 2011 of 13% versus in 2010. Event revenue per round has increased \$3.38 in 2011.

Jeff added that to date the food and beverage revenues reflect an increase of \$32,993 (18%) over 2010.

Jeff proceeded to the Marketing Report; his staff has focused on the following over the season.

- Radio on Sports Talk WHB 810. The bulk of the marketing budget was spent over the summer on radio. It has been a good vehicle for the golf course with positive results.
- Advertising during the year in KC Golfer Magazine. The Golf and Lunch special promo netted \$21,000 in gross revenue.
- Seven hours of raw video was produced to use in upcoming holiday television spots, as well as early season spots in 2012, to up sell annual passes and corporate outings. They continue to have a very active pipeline of potential outings and corporate events as well as annual pass inquiries.

Jeff added that by all accounts 2011 has been a successful year. The KC Cup team advanced to the semifinals for the first time ever, missing the finals by one point.

Chuck asked George if he played on the KC Cup Team.

George reported that he did play. They tied to go to the finals.

Chair Fuller thanked George for his representation.

Jeff also reported that production time has been reserved for construction of the new monument sign at the entrance to the main parking lot. It will mirror the sign at the main entrance on Mission Road.

Chuck asked if the change to the monument is a repeat of an upgrade to what is currently there or is it significant.

Jeff replied that the sign at the entrance of the main parking lot at the top of the hill is the only one being done. It will have a granite inlay with stone like the front of the clubhouse. The landscaping will also be re-done.

Chuck asked if the work will be done in-house.

Jeff added that some of the landscaping will be done in-house. The construction of the sign will be outsourced.

Jeff added that they are taking bids to replace the overhead doors on the golf car storage area.

Jeff reported that the new HVAC system in the clubhouse has performed well. The climate control aspect of the building was very good this year even with the excessive summer heat.

Jeff added that staff has been reduced to 28 associates. A further reduction will be done bi-weekly over the next month.

Jeff also reported that the contract for the capital plan fence installation will be finalized and placed on the November 7 Council agenda for approval. The bid is approximately \$30,000 lower than the original estimate. They would like to re-allocate the remaining funds to the much needed upgrade of the irrigation system controllers.

Chair Dick Fuller added that Jeff recently shared with him that he has received positive comments and calls about the course. People are seeing the changes. This is a pleasant result.

Chuck Sipple made a motion that the Golf Committee of the City of Leawood is extremely pleased with the performance of Troon turning the golf course around from 2010 to 2011. They look forward to continued progress in 2012. George Waterman seconded the motion. The motion was carried unanimously.

Chair Dick Fuller reported that he is sure Mitch Harrell is pleased to hear this. The fact that members aren't attending the golf advisory meetings complaining speaks for itself. This was done in the past.

Chair Dick Fuller thanked Chuck for the motion.

II. Course Maintenance/Projects Report

James reported that the aerification on all tees and green surrounds is complete. They also completed the verticutting on the fairways. Fall fertilization was applied to all zoysia grass areas and the roughs.

James added that drains and sod were installed on the low areas of 3, 8, 10, and 14 fairways. All rough has been seeded with fescue bluegrass mix.

James also reported that the greens were aerified the last week of August. They also spot sodded and seeded the small areas on the greens. His crew has continued top dressing the greens on a biweekly basis since the August aerifications.

James reported that they moved to the backup pump in September for the irrigation. This is the second time this year Blue River has been too low to pull irrigation water.

James added that they installed two new satellite boxes on 1 and 9 to provide parts for older satellite boxes.

James reported that mums were added to all of the tee monuments and front entrance areas. They also continue to weed and cleanup a lot of the native areas. They will begin tree trimming and moving dead trees within the next few weeks.

Chuck asked if #17 is the only green that the aerification requires blowing air through the pipes underneath. Are there other greens with the same problem.

James replied that there are a total of five greens: 9, 10, 12, 14 and 18. There is one blower unit that has the ability to blow air into the drainage system as well as pull the excess water out.

Chuck asked if this was a result of a flaw in the design when the greens were remodeled.

James reported this is not necessarily true.

Mitch added that location is the problem. The greens can't go through a drying process because the air circulation is poor. The grass needs to get wet and dry out and repeat this process. Currently the water sits. Mechanized systems, fans and sub-air systems are needed to get the water out.

Chair Fuller asked James how long the process takes.

James reported that it depends on the amount of rain we've had. It typically takes three hours once the water is out.

Chair Fuller replied that it has certainly made a difference.

Tommy asked if there is a drainage problem on t#13 white tees. It is nearly plain dirt and looks bad.

James reported that a lot of the issue is sunlight. He plans to resod it like the lower blue tees. He is uncertain if the current drainage is working properly. He will look at this soon.

Tommy added that this was the only negative comment he heard while playing Tuesday in the Men's Club. Everyone was positive about the greens, fairways and the condition of the course.

George reported that it is directly from the house above it. The homeowner loves to water his grass. It is always wet in this area by the tee.

James added that it is a product of where the curb is.

George added that we need to figure out a curb to keep the water from crossing the sidewalk instead of allowing it to continue to run down towards the creek.

Jeff reported that an extensive French drain could be added on the home side of the cart path to gather the water and direct it under the path and run it out to the creek in front of the area. As a rule it is a fairly small tee complex and receives a lot of traffic. It needs to be resodded in the spring due to the shade, coupled with the water and the traffic.

Council Liaison Rasmussen recommended the Committee request the City Council to direct Patty Bennett to look into this problem and how to address the neighbor to control their irrigation. The laws of the State of Kansas are very clear; you cannot dump your water on somebody else. We shouldn't be responsible for this nor spend our money to solve it if it consistently causes a problem.

Jeff reported that he is willing to speak with the homeowner. They recently had another homeowner on the practice course with a leaking irrigation system. It was seriously damaging one of the tees on par 3. He talked to the homeowner and made them aware of the problem.

Jeff offered to manage the system and arrange for a contractor to do the repairs. The homeowner was appreciative and easy to work with. It is possible that people set up irrigation systems and forget about them. They may not notice the excessive run off.

Council Liaison Azeltine asked Jeff to clarify if the City paid for the homeowner repairs.

Jeff reported that the City didn't pay for anything. He made the homeowner aware of the problem. He had no prior knowledge that his irrigation system was running three times as often as it should be.

Council Liaison Rasmussen asked what action should be taken regarding the homeowner. Should Jeff speak with them as he did the other homeowner he worked with or involve the City Attorney. Something is needed to either instruct Jeff to speak to the neighbor or go through the City Attorney.

Council Liaison Azeltine suggested Jeff speak with the homeowner first before involving legal action.

Chuck Sipple made a motion that the golf course staff will interact with the homeowner, in the absence of any cooperation the next step will be taken to speak with Patty, City Attorney regarding what recourse we have. Shawn Hickey seconded the motion. The motion carried unanimously.

George reported that some of the walking bridges are deteriorating and have holes in some of the boards. He is worried if they get too deteriorated someone walking across could go through. An inspection of each board should be done and replace those as needed as soon as things slow.

James asked if there are any in particular that need immediate attention.

George replied that #13 on the footpath as you cross the creek have a couple boards. The stone bridge on 11 is beautiful but the wooden bridge in the middle of the fairway has one board that needs repair.

Council Liaison Rasmussen reported that he thought expenditures were approved some time ago to fix the planks on the bridges

Chuck reported that this was three to four years ago and Pete bought new lumber to repair these as a winter project.

Jeff added that in large they are in good condition.

George added that the cart bridges received new wood at that time. Some of the walking bridges did not. He would like to see a horizontal plank with the vertical plank so they aren't so loud. Currently they announce when someone walks across them.

Jeff reported that they will research every foot bridge. Potential safety hazards will be repaired immediately. They don't normally research every square foot of the course daily so he appreciates golfers bringing this to their attention.

[Jeff passed around and reviewed a memorandum previously addressed to Chris Claxton regarding the needed upgrade of the control system for the irrigation.]

Jeff reported that the original system is rapidly outliving its useful life. It is creating some very unreliable and potential harmful issues if it were to fail in the summertime. This needs to be addressed expeditiously. The cost will come from existing Capital funds; additional funds will not be requested.

Jeff added that the funds will come in three parts; a portion from the balance remaining of this year's fence project; unpurchased unencumbered equipment in the 2011 Capital plan, and some from the 2012 equipment fund for equipment not needed at this time.

Jeff added that some control satellites and time clocks will be retrofitted or replaced. This will bring us to current technology and satisfy requirements for 10 to 12 years.

Shawn Hickey asked how old the original system is.

Jeff replied that the original system has been there since 1994.

Mitch reported that these are the computers that run the sprinkler heads.

Jeff added that the existing system is neither reliable nor efficient. Not having an efficient water resource is not good. Backup pumps have been utilized twice this year to get water. The golf course needs to be able to have water in critical times. Currently we do not have 100% certainty. It is needed most during June 21 – Sept. 21.

George reported that this is fantastic that the money was found. What was the \$50,000 originally slotted for. Was it a new mower or new carts, etc.

Jeff replied that the annual capital fund for equipment replacement based on a ten year life cycle can average \$90K to \$170k. Some equipment will last twice as long as others. This will not put us in a bad position if something were to need repair.

George thanked Jeff for clarifying this. He wants to make sure we will be alright if something were to break.

Council Liaison Rasmussen reported that George makes an excellent point. It took a lot of struggling years ago to approve this with City Council. He doesn't want to hear 'oops' later. This makes him nervous.

Jeff replied that this won't happen. A lot of time was spent scouring the schedules and understanding the needs of the course. They would never put themselves in a bad position.

Chair Fuller asked Jeff to clarify if many of the systems will be replaced and some retrofitted.

Jeff reported that this is correct. Eventually it will all be upgraded. One-hundred percent of the system will work the same within a couple of months after approval is received to move forward. Everything they are doing is above ground.

Chris reported that it may be phased budgetarily. Funds can't be encumbered now that can't be spent until 2012.

Jeff reported that there is \$19,000 encumbered in the 2011 plan. The rest will come post January 1.

Council Liaison Azeltine asked will this represent an amendment to the budget that needs Council approval.

Council Liaison Rasmussen reported that if the payment is scheduled, it should not.

Chris reported that the contract may need amending in 2012 because it can't reflect any expenditure yet for 2012 money.

Council Liaison Azeltine asked if the contract was approved by Council.

Chris reported that Council has not approved it yet. She is certain a recommendation can be made if a motion of support is received by the Committee tonight. The drafts are due tomorrow.

Chuck asked for clarification if more sprinkler heads will be received at the course.

Jeff replied that no more sprinkler heads will be received right now.

Chuck asked if we have the ability to do this in the future to remain consistent if needed.

Council Liaison Rasmussen asked what Jeff means when he says right now. Why can't this be done entirely right now.

Jeff reported that it is a different type of project. Everything done now is the electronic part of the irrigation system. It is the controls and the nervous system of the irrigation system. It doesn't have anything to do with the distribution of the water in a mechanical sense.

Jeff added that until the clocks are in place and we understand where our new capacity is needed, we can't do so.

Council Liaison Rasmussen reported that he understands.

Chris reported that adding sprinkler heads won't have any effect on what they are doing with the technology piece. They won't see anything happening in 2012 to determine what's needed in 2013.

Jeff added that this piece will give them the ability to more wisely manage the water resource head-by-head in a much more efficient manner. Currently there are heads that are piggy backing off the other, which causes certain areas to over water and others to under water. The new system will give the ability to micro manage every radius section of the golf course as needed. Then they can decide if and where additional heads are needed.

Mitch added that this will allow to water separately. Different grasses need different amounts of water. Zoysia will need different amounts than the blue rye and the roughs. The amount of traffic in certain areas also plays a huge factor. This will allow individual control of each head. More can be added in the future.

Chuck asked where it will put us in regard to our competition giving the fact that we are upgrading the electronics in the irrigation system. Will we be light years ahead or just catching up with the other daily fee courses. Who in our competition already has this option.

Jeff reported that we will be generation appropriate. Some courses haven't upgraded their system in years. But the newer the course the newer the irrigation system. If approved, it will bring the course ahead 20 years. Irrigation systems are one thing that is cut the most in construction and drug along as long as it is allowed to do so until you are faced with wholesale replacement.

Shawn made a motion to recommend the repurpose of the funds currently allocated in the CIP for 2011 and 2012 towards upgrading the irrigation system as presented by Troon. Tommy Davidson seconded the motion. The motion was approved unanimously.

George asked what funds are needed if we want to get additional new sprinkler heads in the rough such as number seven or some of the areas that are a constant problem. Is there a per foot estimate.

James reported that this is a pipe sprinkler head.

Mitch added that it is not a per foot cost. Each sprinkler head cost roughly \$250.00 per head. The pipe is cheap. The trench work is cheap and can be done in house.

George asked if theoretically a lot could be done with \$10K once the controllers are paid for.

Jeff replied that this is correct, especially if we focus and prioritize where they are needed. It is primarily the rough areas, landing areas and some of the tee complexes.

Tommy asked if the course has enough water pressure to cover them.

Jeff reported it couldn't be done with the existing system but the new system will have the ability to manage the pressure.

George asked if the pumps and the big part of the sprinkler system are alright. They rebuilt the pump on #6 a few times.

James reported that money is set aside for this year and next. We don't want let this go.

George replied that this is great. Some of the areas should be on the wish list for the future.

III. 2012 Fee Recommendations and Business Plan

Jeff reported that daily fees for 2012 will not change, with the exception of the annual passes. Recognizing the economy is in a weak state and based on the competition, rates will remain the same. Right now \$69.00 is pretty much the top end rate for a public golf course. Anything about that turns people away. They will not increase the annual passes drastically. They will increase minimally; \$50 - \$75 across the board for the year.

Jeff reported that the rates will be revisited in 2012 for 2013 depending on the economy and it turn-around is noticed.

Chair Dick Fuller asked if a reduced or a senior prime time rate will be offered for eighteen holes on Friday. A lot of people try different courses and other courses offer \$35 - \$45 senior rates on Friday. Our rate remains \$65. He is certain the course is steady in the afternoon but seniors could possibly utilize discounted playing times in the morning.

Jeff reported that a lot of golf is played on Friday morning. A regular senior ten play card is offered Monday – Thursday and Friday before noon. He isn't opposed to advertising an additional senior rate if this is the direction the Committee wants to go.

Chair Dick Fuller reported that it would be nice for Troon to have the flexibility that if it is noticed that it would work to be able to do so.

Jeff reported that certain rates are offered during certain windows on a weekly basis. They've had good success doing this.

Jeff added that a daily analysis was done for the entire year, for the last two years, of operating revenue. When events are sold, money isn't left on the table. This is part of the process.

Council Liaison Rasmussen if any other City management has the flexibility that the City Council gave Jeff in terms of rates. What necessarily needs to be done to give him more flexibility to increase rounds on an as needed basis.

Council Liaison Rasmussen added that Jeff approached the Committee last November requesting flexibility. It was approved unanimously by City Council to decide what the rates would be. As he is listening to him now, it appears that Jeff is still under restriction. What else is needed for Jeff to increase the rounds.

Mitch reported that Jeff would need to approach him. He hasn't heard any problems and doesn't foresee any as long as Jeff has the ability to react to what is going on in the market and move rates as needed. Regarding Lou's question, we need to keep in mind that the rates are "ceiling rates" and he doesn't have the authority to go above them. This is the difference.

Mitch added that as the manager of Troon North, he can move the rate up as he needs to. He also has the authority to adjust the posted rate as he feels necessary. He can charge higher or lower rates.

Jeff reported that there are no constraints in the last year that he feels impede the ability to drive rates or rounds from his perspective since he asked for and received it.

Shawn Hickey asked if there was a time when he could have raised rates and gotten away with it. And, if so, is this good business.

Jeff reported that he doesn't feel that in the golf business you can get away with this. With rates vacillating to the extent they are. We can't get away with this like a gasoline chain.

Mitch reported that hotels do this a lot. If there is a huge event such as a Super Bowl or an All Star Game, they will raise their rates as high as they can and know they will get it.

Jeff reported that there is one tee time in an ideal world that is the most valuable on the tee sheet, if it can be done in such a way to understand you would price everyone according to the demand. We don't have that sophistication. This is only in an ideal world. Generally speaking we set it in blocks of time.

Mitch reported that the only flexibility Jeff doesn't have is to push the rate up if something is going on- the week of a holiday for example.

Jeff reported that this is a really good point, weather depending. The Friday after Thanksgiving is the busiest day of the year in the golf business as a rule. Black Friday is another busy day.

Mitch added that the ability to move the rate to the maximum is the only concern. There aren't a lot of situations where it would make a lot of since here but these are valid points.

Jack(guest) asked Jeff to clarify an advertisement regarding purchasing a discounted senior ten play card for \$275.00 Monday – Thursday.

Jeff reported that this is correct. This is the rate through the end of the year. It is good for the entire 2012 year.

Jack stated that this is a great deal.

Jeff reported that the Achilles heal of the golf course is the early morning weekday play. Anything we can do to drive rounds in those time slots is going to benefit us. We are solid from 10:30a.m. on Friday mornings. It isn't utilized properly prior to this.

Jack reported that Ironhorse is up against a lot of competition at that time. Some courses are offering \$25 including tax all week for senior's weekdays.

Jeff added that Jack makes a very valid point. He agrees competition is always there but in his opinion solely, Ironhorse isn't a \$25 golf course. If rounds of golf are sold for this amount, how will we justify charging the same person \$70 on a different day of the week.

Jack added that Sycamore Ridge is offering the same deal and a four play discount. He is uncertain how long it will last.

Jeff replied that he understands this but their annual pass is twenty percent higher than ours also.

Jack stated that he has played golf for more than fifty years. He's never seen anything like this. A lot of courses are running specials due to the economy and the weather we've experienced.

Jeff reported that we will manage the moment and charge the appropriate rate but there has to be a floor for every golf course.

Chris reported that she wants to clarify that the only proposed increases are the annual passes. Everything else will remain the same.

Jeff reported that this is correct. He looks at the quality of the golf course from 2010 to 2011 going into 2012. He would argue that the rates could be more but we have good momentum and the course is great but we shouldn't charge an arrogant rate. It is best to practice good sound management and maximize the tee sheet.

Jeff added that a comment was made last year that the rates were set in previous years and the course didn't have good success due to the conditions.

George agreed but feels confident that the course is in great condition and he is happy to finally have a course he can play on. The best thing to do is win customers back and get the course busier. We are finally at the point where we have a good product. The past four-five years we had a bad product lost a lot of people.

Chair Dick Fuller reported that this will be really big for tournaments. In the past, a lot of groups of more than one hundred people or more would have their tournament at Ironhorse and we wouldn't deliver.

Jeff added that a \$12,000 tournament was held in October with a group that used to have their tournaments at Ironhorse in the past. They quit coming because they could not be convinced that the course would have greens good enough to entertain clients. They hosted their tournament at Ironhorse this year and the course delivered.

Jeff reported that people are now saying the right things in the market. The people he's talked to that left to go to other courses have commented that they have buyer's remorse because they due to deals that were offered at other courses. Now, they can't wait to come back.

Jeff also reported that the annual pass sales will be effortless 2012. The golf course speaks for itself. He isn't insinuating that we won't have to go out and sell them. This will be a nice problem to get to the point when we have to stop selling passes because of the overwhelming response he is certain we will receive.

George reported to Council Liaison Azeltine and Council Liaison Rasmussen a golfer can on average go to any course in the city and play for \$50 but when he gives his \$2300 up front, he must play at least 50 times to make it work. If a player does this, it is like signing someone up for fifty rounds of golf and they will spend a great amount of money in the food and beverage area. Selling annual passes is a good thing.

Chuck reported that fifty rounds of golf is a lot for someone who is still employed.

Chair Dick Fuller asked how many Triple Crown Members play fifty rounds of golf.

George reported that in his opinion probably 25%. Most pay to have the country club feeling but less than half meet or beat the amount paid for the rounds of golf.

Chair Dick Fuller reported that a report was presented a few years ago showing the number of rounds played by Triple Crown members; there were some that didn't play at all.

Jeff added that a handful of Triple Crown members would be better served to pay as they go. The same argument could be made with members of a private club who may pay a monthly fee. Everyone has their own reason for joining as a Triple Crown member. It is a good sound economic decision for eighty-five percent of the Ironhorse pass holders. The balance is a healthy.

George reported that a lot of IGA members were lost. It would be nice to have an IGA night designated specifically for them to discuss what they want. The program should be structured accordingly instead of laying a program out and finding out later that it doesn't meet their needs.

Jeff reported that he is aware of this and understands. It will be managed differently moving forward in 2012. He will meet with them soon. The challenge is Ironhorse Golf Club is a fully public municipally owned course that exists for the benefit for the thousand plus people who pay taxes and support the Club and fund the bonds but it also exist for others who utilize it.

Jeff added that we have to be very careful developing a medium point between a fully public course and moving toward a semi-private model. A good balance was met this year.

Tommy Davidson made a motion to approve the fees as presented. Chuck Sipple seconded the motion. The motion was carried unanimously.

Jeff reported that the Business Plan is a thirty page document. Everyone received a copy. He encouraged Committee members to call him specifically with questions.

Chris reported if everyone wants to take the opportunity to read it and meet at a later date to discuss the Business Plan only, this can be done.

Jeff added that this is a standard document that basically speaks to the history of the performance, plan moving forward, budget, agronomic plan, marketing and the calendar.

Chris added that the two most significant items are the budget and marketing.

Jeff added that the budget for 2012 was approved in August of 2011. This is a rehash of an approved document.

Council Liaison Rasmussen asked the Committee to concern themselves with page 26. We are still showing an operating budget deficit. Some may remember Jeff being given notice in 2011 to try to get Ironhorse back in shape. The goal has never been other than to get to supporting 100 percent of its operating cost. As we go into 2012 we will notice it still shows a loss of roughly 86K per year. He is unhappy about that.

Council Liaison Rasmussen asked Chris if this business plan is supposed to be operable for 2012.

Chris reported that this is correct.

Council Liaison Rasmussen added that he understands the budget is fixed, which means it is being supported with taxpayer's funds going in to 2012. But, he would think the Committee should be very concerned going forward with an operating budget deficiency. This should not be the goal. Jeff and James have done a good job bringing the course back, but at the end of 2012 he would hope we will show a zero dollar amount. He isn't expecting positive numbers but zero would be nice.

Council Liaison Rasmussen added that the Committee would be behooved to convey to the Managers that we are looking forward to covering the operating expenses in 2012 and beyond.

Chuck asked Jeff to clarify an area Council Liaison Rasmussen addressed that he is sensitive to; which is a 25% increase in the number of rounds. He understands the radio and TV spots, which is great, but this is a huge increase in the number of rounds in a slow economy. He wonders what other Troon courses are expecting next year. Going from 23,000 to 28,000 rounds is optimistic.

Mitch reported that the way the budget process works here (and when things are approved) is so far advanced than what you know will happen for the remainder of the year. The budget becomes slightly irrelevant because it is so far ahead, although we try to get close to the numbers. There isn't any confirmed operating history for 2011. The 20% increase is exactly that. There is that piece of it. Nationwide they are seeing between 5 – 10% movement in 2011 over 2010. The economy is improving some. It is odd to see a 20% increase on a stabilized property but it is possible. The course has been here since 1994.

Chuck reported that this is a rebounding property.

Mitch agreed. Everyone in town knows Ironhorse and although things weren't good before there is encouragement to return so the increase may be a stretch but is realistic and doable based on good weather and good word of mouth.

Mitch reported that he exchanged e-mails with Chairman Fuller recently discussing the conditions of the course and how good things are. Although he appreciates the positive feedback about Jeff, James and the staff who all worked to make things better; he is especially appreciative to the Ironhorse Committee as well as City Council for providing them with the necessary tools needed to be able to do what needed to be done. Regardless of the team, if those things weren't possible we couldn't improve. He would like to reiterate that he hears what the Committee is saying regarding the difficulty to meet the increase but the rounds may not be as important as the revenue side of it and how the revenue per round figures and the expense is managed.

Mitch addressed the comment made by Council Liaison Rasmussen regarding getting to zero and he would like to stress if anyone can do it, Jeff can. There could be an expense incurred to assure breaking even but Jeff is capable of breaking even. Some of it will need to come from the expense side. He is uncertain if it can all be done on the revenue portion alone. He personally doesn't see it in this economy and the recovery Ironhorse is experiencing. We all need to discuss how to get there and is zero realistic.

Chair Fuller reported that everyone on the Committee and Troon would like the minutes to reflect that the City Council has been very supportive of the golf course and provided funds necessary for the improvements. The sub-air system is a tremendous asset to the course. A lot of positive comments have been received regarding the condition of the greens. Council should be commended for recognizing the validity in the requests.

George Waterman made a motion to accept the Business Plan as presented. Tommy Davidson seconded the motion. The motion was carried unanimously.

IV. 2013 CIP

Chris reported that an estimate will be received regarding what is being suggested for the sprinkler heads. This will be discussed with staff within the next sixty days. It will be presented to Council in late January or February.

Council Liaison Rasmussen asked if this is the last phase regarding fencing.

Chris replied that this is correct. It is on the agenda for Monday. We didn't spend money in 2010 so it is 2010 and 2011 money.

George suggested as a consumer that the kitchen windows where patrons order food doesn't flow properly. It would be nice to have one long opening or close the two windows and have one main opening in the middle.

Council Liaison Rasmussen reported that it was open in the past and they received complaints.

Chris reported that she took the complaints and was told that there were people from the outside wanting to rent the room who did not like looking at the grill or behind there. She was responsible for its current design and tried to give some opening without exposing the entire kitchen. This also gave those in the kitchen more storage. She is uncertain how Troon feels but this is the reasoning for it.

Jeff reported that ironically he and Amy spent a lot of time discussing this yesterday. From a schematic standpoint and operationally how they set up the kitchen with regard to the flow there needs to be a turn window and an incoming window. They will departmentalize each window into its own operation. They will create two separate profit centers in the same location utilizing three pieces of shared equipment ultimately having their own pod.

Jeff added that he agrees with Chris- he would not want to look at the grill and fryer and all that goes on in that area if renting the facility.

George asked for clarification that there is a hall and space in the back that sits there empty. Can the walls be reconfigured.

Chris asked what he means by hall.

George reported he means the area behind it. There is a way to make it work instead of closing it in. It doesn't matter how small the windows are, the grill can be seen.

Chris reported that there are blinds to pull down over the openings when rented. It was designed this way.

Jeff reported that the entire stack will need to be moved if a pass through window is taken into consideration from the back of the house to cook and prepare food. This could get very expensive. This is a weight-bearing wall. All of the prep machines, fryer along with anything that exudes heat must be under the vent.

George reported that a wall could be created to hide this.

Jeff reported that the vent would also have to be removed if this is done. All of the prep machines would be affected.

Mitch reported that if it were a kitchen behind the wall or back some it takes more than a one person to staff it.

Chris reported that the biggest thing the facility needs moving forward is extending the banquet facility, if money weren't an issue. There is a lot of competition with outside and tournament events. We don't have adequate space to host a huge tournament with food. Usually tents are placed outside to accommodate everyone.

Mitch asked if it were ever bid to determine cost.

Chris reported that this was done about ten years ago. At that time it was about \$500,000.

Mitch reported that the way it was before was much better for the normal customer.

Chris agrees. Some people did like the bar area but there was too much traffic behind the counter of people who didn't belong there when they were busy and frequently helping themselves to product. This was a major concern.

Tommy asked if the banquet room can be reconsidered.

Chris reported that it would have to fall in line with other projects, of which there are some costly ones already in the queue.

George reported that due to the economy there may be a company needing work that may give us a strong bid.

Chris reported that this is a thought. The banquet portion currently holds approximately 85 people.

Jeff added that they have held a banquet of 115 people but it was very intimate. It was full.

Chair Fuller reported that a perfect example is the Winterstone facility. They have an open air area that can be closed for tournaments.

George reported that it would be nice to add this to a long range plan. We will always think that we can't afford the renovation until ideas are discussed or bids are received. Bids are free. We should receive a bare minimum, basic and deluxe plan to know what we are dealing with.

Chair Fuller agreed- if we don't start making plans it will years before it is discussed again. They anticipated doing this within the first five years but the third year the hill fell down and a few other problems happened, which required money from the City, and the idea was put aside. Now, a Justice Center will be built, which will require a lot of money.

Chair Dick Fuller asked Chris and Jeff to meet to make a determination what type of facility is needed. At minimum we need to accommodate an additional one hundred people.

Chris reported that this would be a nice compliment. The Lodge holds 300 seated and 500 for meetings.

Jeff added that if this were possible, we would be a serious competitor for weddings and receptions. They receive a high volume of calls regarding seating space. This would be an instant market. We could create a facility that doesn't exist in Johnson County.

Shawn agreed. A golf course creates a certain ambiance.

Chris reported that she and Joe Johnson; Public Works Director will meet with O'Donnell next week regarding the cleanout under Mission. It is an eye sore and deposits a lot of silt over time. It is 50% or more silted in.

Jeff reported that it is five-six feet deep. The deeper you go in the weir, the deeper the silt.

Chuck reported that this could be a pinch point and the water would back on number three in the event of a flood.

Chris reported that they will get an estimate. It hasn't been cleaned since 2006. Some of it may be our own construction.

Jeff reported that a sump area should be created to avoid it from getting into the more pristine areas of the creek and isn't collecting trash.

Chuck asked if it will be cleaned out this winter.

Chris replied that money isn't available to do so. We would have to wait until 2013.

Chair Fuller asked the cost to clean the area.

Chris reported that it could potentially cost \$60,000 or more.

Chris was asked if Joe Johnson's crew can handle the job.

Chris reported that she doesn't think so. Special equipment would be needed to get to it and Joe would probably have suggested it. Right now we don't have any place to spoil it.

Jeff reported that a long neck back hoe is needed. He is also uncertain if Public Works could handle it.

V. 2012 Meeting Dates

Chair Fuller reported as a reminder the Committee has gone from eleven meetings per year to four. We anticipate (unless people disagree) that this is working out well.

Chris added that the 2012 dates will be February for the budget; May, and October for C.I.P. An additional meeting will be determined if needed. The four meeting schedule worked out really well last year. The meetings are set to what actions need to be taken.

Chuck added that it would be nice to meet mid-season.

Chris reported that this is up to the Committee.

Chair Fuller agreed. It is a long timeframe if we meet in May and not again until October. It is important to have four meetings.

It was a consensus of the Committee to meet the fourth Thursday in February, May, and October as suggested, and add the first Thursday in August of 2012.

Chair Fuller reported that Chris will notify the Committee of the exact dates.

Chuck reported that at least one meeting should be held at the golf course.

VI. Misc.

There were no miscellaneous items discussed.

The next meeting is scheduled for February 23, 2012. 5:30 p.m. in the Main Conference Room at City Hall.

A motion was made by Tommy Davidson to adjourn the meeting. The motion was seconded by Chuck Sipple. The meeting was adjourned at 7:57 p.m.

Respectfully submitted,

Chris Claxton, Director
Leawood Parks and Recreation Department