

**BOARD OF ALDERMEN
STATUS OF GOLF CENTER CLUB HOUSE & LEASE
TOWN MANAGER'S PROGRESS REPORT 02/14/11**

Short-term Recommendations:

- ✓ Hire engineer to evaluate structural integrity and design necessary structural upgrades
- ❖ Issue RFP for informal discussion with interested parties, offering four options for food service: a) enhanced hot/cold vending; b) snack shop/grab & go combo; c) full service restaurant; d) catering and facility rental; e) any combination of a/b/c (*RFP prepared, but not yet issued*)
- ✓ Borrow \$250,000 from General Fund for: 1) capital improvements of course & equipment, 2) for required upgrades to golf center, and 3) to shore up operations, initiate marketing & software upgrades, develop website, implement staff reorganization (*Board of Aldermen approved 12/20/10, no funds transferred to date*)
- ✓ Seek cost estimate and proposals for structural upgrades to golf center, beginning with structural/code compliance issues and expanding to conversion of entire upstairs to restaurant/rental facility to generate revenue for course (*Cost to bring floor system into compliance with required commercial standard of 100psf = \$15,000*)
- ✓ Initiate Staff reorganization by February (see below)

2-4 Month Recommendations:

- ✓ Staff to contact course building consultant to assist with developing course rehab/maintenance plan
- ✓ Provide Golf Associations notice of termination of lease (by Jan/Feb 2011); eliminate exclusive leases, but initiate discussion with associations about providing combined open lounge area as service to all golfers (*provided verbal notice, with written notice to follow; Assn has responded with a proposal to not terminate the lease*)
- ❖ Re-build #16 & #4 greens and address overdue routine maintenance concerns aggressively (*Mgr recommends waiting for course consultant report to have sufficient information to prioritize projects and budget*)
- ✓ Consider additional course mgmt options (leased course/contract mgmt/consulting arrangement) (*Research underway, but due to initial lack of public and governing board support, this is considered a fall-back plan*)
- ✓ Develop equipment replacement plan (*Study underway. Equipment lease expires June 30, 2011; pursuing proposals for equipment and cart replacement--both gas and electric options; electric would be higher up-front cost, but lower operating cost*)

Staff Reorganization:

- ✓ Remove Golf Course from Recreation Department oversight, but remain under umbrella of Rec Commission
- ❖ Create Golf Course General Manager position reporting to town manager, by downgrading or eliminating Golf Pro position; new position will be open to internal and external candidates
- ❖ Eliminate 1-2 full-time maintenance positions through natural attrition/retirement and replace with more seasonal workers; engage services of community service volunteers on a routine basis during season.
- ❖ Hire additional staff (starters, rangers, seasonal maintenance) when/if revenues rebound

Manager's Revised Report regarding disposition/use of clubhouse:

- Remove all furnishings from Deck, moving picnic tables to grassy area outside Clubhouse, to Lake Tomahawk and/or to Recreation Park
- Close all access to Deck, by boarding up entrance to lounge and access points at rails; prominently post as dangerous; and prohibit all use of deck
- Immediately provide to the Men's Golf Association written 30-day notice of termination of lease
- Provide same to Women's Golf Association (even though no lease has ever been executed between the Town and the Women's Golf Association)
- Town staff will salvage usable furnishings (which are not members' personal property) and transfer to other recreation facilities or proceed with surplus declaration and disposition
- Winterize building, terminate utilities, cable service, board up and post prominently as permanently closed

Option 1: Spend no money on the building at this time, board up and secure until such time as funds become available for renovation or other future disposition.

Option 2: Go ahead and demolish the building at a cost of approximately \$20K, and begin plans for future construction of clubhouse facility that better meets the needs of the Golf Course, its members, and the community at large.

Option 3: Spend a portion of the \$250,000 authorized as a loan from General Fund to Golf Fund to renovate Golf Center club house to bring fully up to code and ADA accessibility. (Floor structure will cost approx. \$14,000; remainder of upgrades expected to cost a minimum of \$75-85K). Issue RFP for food service first and accommodate food service/golfers' lounge needs when code improvements are made.

Manager recommended Option 3 at the December 20, 2010 meeting of Board of Aldermen, but after reviewing staff projections through June 30, 2011 for Golf Fund, recommends Option 1, at least until costs for equipment replacement and course renovation are known (late March).