



## JUNIPER GOLF COMMISSION MEETING MINUTES

Date and Time: 27 October 2011; 2:00 pm

Location: Juniper Golf Course; 1938 SW Elkhorn Avenue, Redmond

Commission Members Present: Paul Klotz; Pam Garney; Don Noldge; Bill Saling; Ed Boero, City Council Liaison

City Staff Present: Chris Doty, Director of Public Works; Summer Sears, Controller; Susan Bailey, Public Works Administration

CourseCo/Juniper Staff Present: Tom Bugbee, CourseCo; Steve Bratcher, CourseCo

Media/Others Present: Club Members: Ron Grace, Jim Flaherty, James Goad, Pat Ross, Lynn Kurth; Trish Pinkerton, Redmond Spokesman

### **CALL TO ORDER**

Paul Klotz welcomed the Commission and called the meeting to order at 2:01 pm.

### **PUBLIC COMMENTS**

Klotz acknowledged the members of the public in attendance and clarified that they would be able to provide comment during the meeting. No public comments were given at this time.

### **APPROVAL OF MINUTES**

*MOTION: Noldge moved to approve the minutes of 25 August 2011, as written, second by Saling, motion unanimously passed.*

### **DISCUSSION/DECISION ITEMS**

#### ***GM Search Update and Discussion***

Bugbee introduced Steve Bratcher as the new GM and noted that Bratcher has been with CourseCo for 6 years. Bugbee explained that Bratcher is the current GM at another CourseCo managed facility, Crystal Springs, in Burlingame, CA. Bugbee noted that the Crystal Springs course is similar to Juniper and that Bratcher has extensive food and beverage experience. Bratcher is scheduled to start at Juniper January 1st. The Commission members introduced themselves to Bratcher.

*Council Liaison Boero arrived at the meeting.*

#### ***Monthly Update and Review of September Financials***

Bugbee reviewed the financials and explained that membership remains strong, however noting that the budget numbers fell short due to greens fees. Bugbee expressed that the food and beverage numbers were disappointing the past 2 months, especially in August. Bugbee indicated that the new GM will be focused on both customer service and expense control in the areas of food and beverage. Bugbee noted that after one quarter, financials show that we are ahead at the bottom line. Bugbee clarified that with the lack of historical

data there will be variations in the month to month budget data and that he is confident with where the course is at financially.

Bugbee stated that he is very happy with the conditions of the course and that the temporary greens have been cut in. He noted that historically this has been done the Monday after Thanksgiving and that they will be flexible based on the weather. Bugbee reported that they did examine the option of not using temporary greens this year; however, the cost of year-round greens is not a feasible option. Klotz clarified that it is a weather driven issue.

Klotz noted that "non-personal" in the food and beverage category was the largest discrepancy in percentage terms. Bugbee explained that this item includes repairs and other expenses. Klotz also asked about the ratios in the wages and salaries categories. Bugbee will verify this number, however suggested that it could be due to taxes or personnel benefits.

### ***Course Co Report/ Operational Update***

No *General Manager's Report* was given as the GM position is in transition and operational information was previously provided. Doty asked about a holiday event and Bugbee noted that it is currently being discussed.

### ***Discussion/Action Regarding Proposed Membership Package Modifications For 2012***

- ***Consideration of motions at discretion of the Commission***

Doty explained that the Commission is responsible for reviewing the membership package proposal from CourseCo and making modifications, if necessary, prior to sending them to the City Council. Doty noted that a vote is not necessary today and that a decision can be made in the next two weeks if more review is needed.

Klotz clarified that CourseCo will have the opportunity to explain the modifications prior to opening up the meeting to any public comment.

Bugbee explained that CourseCo prepared a competitive market assessment (CMA) to see what other clubs are doing, as well as evaluating internal operations. Bugbee noted that comparisons were also done for food and beverage, and banquet room pricing. Bugbee explained that they have discounted the initiation/joining fees in the past. Bugbee explained that the major price shift is in range balls and that they are proposing a \$149 annual range ball option for high users. He noted that the new range ball machine will allow for a 20-30% discount on pre-loaded cards for members. Bugbee stated that there is a \$5 per month increase in every category and that the goal is still to grow membership. He noted that the cart fee increased by \$1 and monthly cart options increased by \$5.

Klotz noted that the joining fee keeps people from starting and stopping membership. Bugbee explained the partial year memberships. Saling stated that he would like to see a snowbird rate. Noldge asked about average joining fees in Central Oregon and Bugbee stated that it was negotiable at many clubs.

Klotz suggested that the range ball fee change would require the most communication and that the course has bundled and unbundled the package over the years. Bugbee indicated that the range ball cards would be an opportunity to increase revenues from the general public. Bugbee noted that they are looking to install the new ball machine in the spring due to the need to safeguard the electronics with some type of cover.

Noldge asked about the \$100 food and beverage fee. Klotz clarified that the \$100 is for food only. Garney asked about a food discount for members. Bugbee explained that pricing is aggressive for food and beverage to encourage the public and that food prices would need to be offset with higher prices if discounts were given.

A member of the public noted that historically dues were \$175 plus \$5 for range balls. Another public member stated that members are already paying for range balls plus \$10 for capital improvements because a portion of the membership fee goes to range balls already. Bugbee discussed policies and prices at other courses. Doty stated that the City is looking at things from this point forward to change the fee structure based on CourseCo's recommendation and Commission approval. Bugbee noted that there are no food

minimums at other courses. A member of the public asked why they are required to have a food minimum. Doty explained that it was decided by the prior membership and would need to stay in place at this time.

A member of the public stated that he felt that the membership is being held responsible for increasing revenue. Boero asked to see what the effect of removing the food minimum would be on the bottom line. A member of the public stated that the food and beverage quality has deteriorated and that he would like to see the minimum go away.

Doty explained that, if the Commission was ready, a motion can be made to adopt the package proposal and CourseCo could begin marketing. Doty explained that the proposal would go before Council as a recommendation and that the Commission makes this decision as delegated by Council. Boero stated that he would like to see the food minimum numbers before moving forward.

The Commission discussed increasing and/or discounting the joining fee and its use as a negotiating tool. Doty noted that the contract with CourseCo allows them to flex prices as needed.

Boero asked about unspent food minimums and if the money can be made up elsewhere. Doty noted the current status of the restaurant and its need to be financially sustainable. A member of the public stated that the public is not forced to use the restaurant but that the members are.

Bugbee explained that they are trying to keep food pricing aggressively low. Noldge stated he would like to see additional sales numbers and Doty requested that CourseCo provide numbers. Saling noted the possibility of making the restaurant a snack bar only. Klotz suggested allowing beverages in the minimum and continuing with the minimum for another year to review. Bugbee suggested he could provide several scenarios based on different structures for future discussions. The Commission concluded that they would move forward with a recommendation.

*MOTION: Saling made a motion to approve the 2012 calendar year price structure as recommend by CourseCo, second by Noldge.*

Klotz called for discussion.

Saling asked if a new proposal could be made if things change. Bugbee reported that he will put numbers together in January and then again semi-annually. The Commission discussed other menu options for the restaurant.

*Klotz called for a vote: all in favor of approving the 2012 calendar year price structure as recommend by CourseCo; none opposed.*

All guests, including media left the meeting.

***Discussion of upcoming deliverables and timetables***

- ***Potential December Cash Transfer (December/January timeframe)***
- ***FY 12/13 Budget and Annual Plan (January/February timeframe)***

Doty noted that there are several items that will need to be discussed including the cash transfer policy, the budget and the acquisition of a new range ball machine. He indicated that there will be a December or January cash payment to the City based on the policy. Doty explained that a draft budget should be prepared in January. Doty explained that the purchase of the ball machine and construction of a protective cover would be part of the City's Golf Fund. Garney clarified that the cost of the machine would come from the \$60K Capital Improvements Fund.

**COMMISSIONER/STAFF COMMENTS**

Klotz, acknowledging his role as a former Juniper Board member, noted the difficulty of obtaining feedback that represents all membership opinions on a particular subject. He noted that while there are issues with the range fee and the food minimum, feedback received is not universally representative of the entire membership. Klotz suggested that some members would object to a larger fee at the benefit of reducing the food minimum. Klotz stated that the membership and restaurant fee may need to be separated and that a membership survey be done. Saling suggested opportunities for the membership to meet with the Commissioners and allow more members to voice their opinions. Doty indicated focusing on better and more communication.

**PUBLIC COMMENTS**

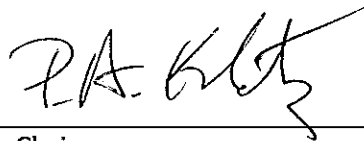
There were no public comments.

**ADJOURN**

There was no further business. The meeting was adjourned at 3:32 pm.

Next Meeting: The next meeting will be December 9<sup>th</sup>, 2011 at 2:00pm, at the Juniper Golf Course with a holiday social gathering to follow.

APPROVED by the Juniper Golf Commission and SIGNED by the Chairperson this 9<sup>th</sup> day of DECEMBER, 2011.



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Chairperson