

CITY OF NORTH SALT LAKE
EAGLEWOOD GOLF COURSE
OVERSIGHT COMMITTEE MEETING
ANCHOR LOCATION: CITY HALL
10 EAST CENTER STREET, NORTH SALT LAKE
JUNE 14, 2023

FINAL

Chair John Logan called the meeting to order at 5:00 p.m.

COMMITTEE PRESENT: John Logan, Chair via Zoom
Roger Graves
Court Huish
Karen Mills
Lisa Watts Baskin, City Council

EXCUSED: Ron Jibson

STAFF PRESENT: Ken Leetham, City Manager; Tyler Abegglen, Golf Course General Manager; Wendy Page, City Recorder.

1. APPROVE MINUTES

The Golf Committee minutes of April 12, 2023 were reviewed and approved.

Councilmember Baskin requested a spelling correction on line 131 of the word ledger.

Councilmember Baskin moved to approve the minutes from April 12, 2023, as amended. Committee Member Graves seconded the motion. The motion was approved by Committee Members Graves, Mills, Logan, and Councilmember Baskin. Committee Member Jibson was excused.

2. TRAINING ON THE OPEN AND PUBLIC MEETINGS ACT

The Committee members participated in a training exercise on the Open and Public Meetings Act in accordance with State code.

3. GOLF REVENUE AND EXPENSE UPDATE

Tyler Abegglen reported on the fiscal year round totals as of June 9, 2023 in comparison to fiscal years 2016 through 2022. He noted total rounds for fiscal year 2023 were 58,034 compared to

67,523 for fiscal year 2022 and 70,890 for fiscal year 2021. He anticipated another 7,000 rounds this month for 66,000 rounds in the fiscal year which would end June 30, 2023.

Tyler Abegglen said the fiscal year total golf revenue as of June 9, 2023 was \$2,086,091. He stated revenues for fiscal year 2022 was \$2,018,794 and \$1,859,840 for fiscal year 2021. He acknowledged revenues for fiscal year 2023 were slightly skewed as they included event center and The Grill revenues and those were not included in prior fiscal year revenues. He noted the total was for the event center and The Grill was \$90,000 for this fiscal year. He anticipated \$280,000 to \$300,000 for a total of \$2.4 million in revenues for this fiscal year.

Mr. Abegglen provided a fiscal year May 2022 to fiscal year May 2023 comparison. Fiscal year 2022 May rounds were 8,630, revenue was \$297,674, merchandise was \$43,662, event center revenue was \$0 (the City's portion for the previous year was \$4,800), and food & beverage was \$4,728. Fiscal year 2023 May rounds were 10,592, revenue was \$443,138, merchandise was \$56,172, event center revenue was \$26,270, and food & beverage revenue was \$70,041.

Roger Graves asked about the net cost for food & beverage in May 2023. Tyler Abegglen replied that costs were high due to obtaining equipment, storage, serving ware, etc. He said June 2023 was looking good as most equipment had been purchased.

Ken Leetham commented that employee costs would stabilize now as well as most employees had been hired and trained.

Tyler Abegglen shared the five year comparison budget spreadsheet with the Committee which included revenue, rentals, non operating, clubhouse operating, greens operating, café operating, event center operating, non operating, etc. He mentioned the golf course revenue green fees were \$812,488 for fiscal year 2022-2023. Driving range fees for fiscal year 2022-2023 were \$94,946. Pro shop sales for fiscal year 2022-2023 were \$273,353. Golf cart rental fees were \$407,628. Event center revenues were \$112,135. He anticipated that by the end of June these revenues would be higher.

Roger Graves asked what the increased revenues for the event center were attributed to. Tyler Abegglen replied that it was marketing, renovated facility, dedicated employee, etc.

Ken Leetham said the biggest difference was removing the private contractor and having a dedicated booking employee. Tyler Abegglen also said staff was focused on maximizing revenue and mentioned the restructured event/booking fees.

Tyler Abegglen commented that expense wise he had purchased a lot of merchandise this year especially compared to last year when there were difficulties obtaining product. He anticipated spending less in the fall which would equalize the budget year. He noted one area where spending was higher than anticipated was the café with operating supplies at \$20,373.

Karen Mills questioned the determination for a capital equipment or expense. Tyler Abegglen replied that it was determined by length of use or a useful life of ten years or more.

Court Huish asked about depreciation. Ken Leetham responded that the City's finance director would determine depreciation.

Court Huish asked what year Tyler Abegglen was hired. Ken Leetham replied that Tyler's first full fiscal year was 2021. He noted that there was a significant increase in revenues after Tyler Abegglen was hired. Mr. Leetham shared as an example the driving range revenue at \$31,218 in fiscal year 2019-2020 prior to when Tyler was hired compared to \$107,071 in fiscal year 2021-2022.

Tyler Abegglen reviewed the golf course non operating fund and said that the construction on the clubhouse was almost complete. He anticipated paying the final check to the contractor this year after they completed minor items. Mr. Abegglen said overall it went well but said there was a lot of employee turnover, need for him to supervise the project, and staff follow-up on quality.

4. GOLF COURSE POLICY REVIEW

Tyler Abegglen reported on issues at the course including stealing, vandalism, walkers/dogs on the course, unapproved maintenance, access to the golf course. He said the items being stolen included unpaid golf course use and stolen tee markers and cart signs.

John Logan left the meeting at 5:45 p.m.

Tyler Abegglen spoke on vandalism including in the bathrooms, graffiti, and broken sand trap rakes. He mentioned walker/dogs on the golf course and unapproved maintenance as well as improvements to "their" property that was really golf course property. He said there were a dozen residents that had made a pathway or access from their property to the golf course.

The Committee had a discussion on the issues at the course. Tyler Abegglen said it would take time to create the expectation that people could not just go onto the golf course. He said those that would not leave or who were on the course consistently could be charged with trespassing. Staff would be walking the course to see which adjacent residents were accessing the course illegally or had made paths onto the course. Mr. Abegglen mentioned other types of vandalism occurring on the course and in the restrooms.

Ken Leetham suggested increased public outreach, especially in the surrounding neighborhood, and then follow up with an increased presence with employees and volunteers. He added this included letters to the neighbors and a notice in the City newsletter.

The Committee discussed the cost of vandalism and the affect it had on the community.

Councilmember Baskin said that the vandalism had a demoralizing effect that residents did not care about the shared asset which was a treasure to the City. She said it needed to be addressed.

Court Huish commented that in the private recreation sector there had been more damage, disrespect, and vandalism lately than he had ever seen in his lifelong time in the industry.

Tyler Abegglen mentioned installing additional cameras on the course. He reviewed the current policy and suggested revisions to be taken to the City Council for approval that included changing and the addition of wording to “running, walking, jogging, and other non-golf activities are not allowed at any time. When asked to leave the golf course property, by staff, it will be for the cause of operating the golf course and to ensure their safety. Violators or repeated offenders will be trespassed.”

Councilmember Baskin said it would be difficult to get buy in with the language “not allowed at any time.” She said there was signage prohibiting sledding and trespassing. Tyler Abegglen said if residents were allowed to be on the course during the off season then it was setting a precedent for liability.

The Committee discussed potential issues such as motorized vehicles on the course, liability to walkers/non-golfers when golf was occurring, sledding, and damage to the course.

Court Huish spoke on public education and establishing a standard or rule for when residents needed to be removed from the course.

Roger Graves asked what the police chief had to say. Tyler Abegglen replied that they had discussions about having an officer on the course in the evenings.

Councilmember Baskin said there were ways to finesse the current policy instead of just stating that residents/non-golfers were not allowed on the course. She said there was a balance to prevent harm, damage, and vandalism while at the same time allowing residents to enjoy the asset.

Karen Mills mentioned an issue with aggressive dogs that had harassed golfers. Staff agreed to follow up with animal control.

5. 2024 RATES RECOMMENDATIONS

Tyler Abegglen reported on fee changes for next year. He said dynamic pricing had been utilized over the past several weeks with good success. He pointed out changes included an increase from \$19 to \$20 for 9 Holes Monday through Sunday, carts fees would remain the same, the

Women's/Men's Association fees would remain the same, the punch card would remain the same, the PGA Book rate would increase from \$45 to \$50, and the corporate rate would remain the same. He added a restriction to the Eaglewood employee comp that no tee time could be reserved more than one day in advance unless with a paying customer. He indicated this would ensure that prime tee times were not being used. He said cart fees would remain the same, range balls would increase to \$6 for one range token, \$11 for two range tokens, and \$14 for three range tokens.

Tyler Abegglen spoke on simulator fees and the addition of a base fee of \$400 for a six hour event for both bays. Staff had discussed simulator packages that included food.

Karen Mills asked if there was a way to monitor who was using the membership. Tyler Abegglen said they would be stricter on that this year. He said the memberships had been reduced from \$1,400 to \$1,200 for the six month membership. There were 33 memberships sold in the fiscal year.

Tyler Abegglen reported on a co-ed league for the simulator during the winter months. He spoke on corporate event fees and charging by time instead of by player. He reviewed the following proposed rate structure: Tuesday and Wednesday would be \$7,500 for 80 or more players and \$4,000 for 80 or less; Thursday and Friday would be \$8,500 for 80 or more players and \$5,000 for less; Saturday tournaments would be \$12,000 for any number of players. He noted the clubhouse package would be \$5 per player or \$10 per player for the country club package. Mr. Abegglen said this was similar to what other courses were doing.

Tyler Abegglen reviewed the proposed changes to the event center rental including a 12 hour rental for \$3,600, decreasing the resident discount to 10%, and the addition of an outside catering fee of \$750. He spoke on obtaining a banquet serving license through the Division of Alcohol and Beverage Control (DABC) which would allow a bartender to be on staff. Mr. Abegglen shared information on the event center bookings with 18 residents and 42 non residents, 39 six hour rentals and 21 twelve hour rentals. He acknowledged the total resident discount (at 20%) was \$8,980 with \$3,000 for a twelve hour rental and \$5,980 for a six hour rental. He said staff had to turn down multiple requests for event center reservations due to prior bookings.

There was a Committee discussion on Bountiful Ridge pricing and food options.

6. GOLF SIMULATOR-SETUP

Tyler Abegglen reported on a golf simulator league that would be 8 events over 16 weeks at \$20 per tournament for members and \$40 per tournament for non members. The golf simulator tournaments would be five events with gift card payouts, online registration, and food packages.

7. UPCOMING EVENTS

Tyler Abegglen spoke on an upcoming five course dinner event on June 23rd at \$75 per person that sold out in two days.

8. OUTSTANDING GOLF PROJECTS

Tyler Abegglen spoke on outstanding projects including the golf simulator expansion, parking lot repair and striping, turf center gate, additional signage, and golf cart GPS. He detailed the parking lot repair needs including new asphalt and underground water issues. He said there was \$150,000 remaining on the bond.

Tyler Abegglen showed a floorplan of the clubhouse area with the simulator space and plans to expand. He said there was currently a tenant paying \$650 a month but spoke on the opportunity to expand the simulator space in the future. He indicated there was an additional 1,200 square feet that could accommodate a putting green, additional simulator(s), and lounge area.

Court Huish commented that food and beverage could be a big add on to the simulator experience/area and mentioned the Top Golf experience. Tyler Abegglen replied that there could be a kiosk to order food.

Councilmember Baskin said she would be happy to make a motion that the committee supported this option to maximize the simulator recreation space. Tyler Abegglen replied that he wanted to give the tenant notice if the plan was to move forward. He would then obtain pricing and projections.

Councilmember Baskin moved that the Committee authorized Tyler Abegglen to explore the concept of the golf simulator expansion. Committee Member Mills seconded the motion. The motion was approved by Committee Members Graves, Huish, Mills, and Councilmember Baskin. Committee Members Jibson and Logan were excused.

9. LONG TERM OBJECTIVES

Tyler Abegglen reported on long term projects which included Hole #8 pond expansion, Hole #8 intake screen repair, sprinkler adjustments, cart path yardage markers, irrigation gate valves, tree trimming and planting, Aerie Circle tree planting project, perennial and annual flower locations, amend and resurface driving range tee, Pump #9 pond with Mcnish well water, repair drainage to left side of #10, finish tee box repair project, community events, golf cart fleet analysis (2028), Mary's Creek stream repair, tournament and event center ongoing analysis, PGA family golf and PGA Jr. league expansions, on course railing repair and refinish, new windows in turf center, catch up on equipment schedule, entry and exit cart path strategy, updated beverage cart graphics, updated snack shack menu, additional revenue source analysis.

Tyler Abegglen mentioned that October 15th would be construction on the Hole #8 pond expansion. He showed an overhead view of the site and what the pond would look like. Ken Leetham said the City would pay for the expansion, though there may be some project costs attributed to the golf course.

Tyler Abegglen shared the Google reviews which were 4.7 stars with 1,200 reviews.

10. FY 24 BUDGET REVIEW

This item to be discussed at a later date.

11. ADJOURN

The meeting was adjourned at 7:44 p.m.

The foregoing was approved by the Eaglewood Golf Course Oversight Committee of the City of North Salt Lake on Wednesday July 12, 2023 by unanimous vote of all members present.



Wendy Page, City Recorder