

**MINUTES FOR THE REGULAR MEETING OF
THE CITY OF CAPE CORAL GOLF COURSE ADVISORY BOARD**

Tuesday, August 4, 2020

CONF PW GREEN/ROOM A200

3:00 P.M.

Chair Crann called the meeting to order at 3:00 p.m.

Roll Call: Allard, Crann, Hinkle, and Pickett were present. Member Kennedy participated remotely. Members Frey and Kenney were excused.

Also Present: Allen Manguson, Golf Professional Manager
Jennifer Nelson, Council Liaison
Kerry Runyon, Parks and Recreation Director

Citizens Input Time

No speakers.

Chair Crann stated he needed to leave the meeting at 3:30. Since the Vice Chair is not here at this point and if he does not arrive by that time, he asked MGA President Allard to take over the meeting.

Approval of Minutes

January 28, 2020 Regular Meeting Minutes

Board Member Hinkle moved, seconded by Board Member Pickett, to approve the Minutes of the January 28, 2020 meeting (as presented). Voice poll: All "ayes." Motion carried.

Business

Golf Advisory Report Financial Update

Golf Pro Manager Manguson discussed the Financial Update. The numbers were down as expected. Coral Oaks was closed for 30 days in peak season which was about \$275,000 in revenue. Third Quarter was down \$231,000 which would have included some of April. Daily Play and Passholder Play were positive. We have lost some of our market share with everyone being closed and allowed other people to gain some of our business. We had a strong July, rounds are down, but revenue is pretty decent for July, but those numbers are not complete. The 12-minute intervals and single rider carts puts a limit on us. Our Saturday Tee Sheet is booked in the morning, and every morning sheet is booked. There are a limited numbers of players that can be booked.

Chair Crann inquired if two riders can be allowed in a cart when we get to Phase 3.

Manager Manguson stated we were looking right now on getting quotes for dividers in the carts. If that happens, then two people can be in a cart.

Chair Crann asked if we were getting any golf outings.

Manager Manguson stated everything is postponed at this time. The Chamber is supposed to come back October 2nd. There was the possibility of Mariner coming back too. He questioned how it could be done with over 50 people. He was putting together a plan for the City Championship. All those events can be done in Crossover Tee Times. No more than 50 people can gather at a time so we should be able to pull this off including the Pro-Am.

Chair Crann asked if there were any issues going on at the Golf Course.

Manager Manguson stated the State of the Course is listed in the Golf Advisory Report. Presentations for the Coral Oaks Golf Course Maintenance Request for Proposal have been completed. The City Manager will provide the information to Council at a date to be determined.

Parks and Recreation Director Runyon explained that they were in negotiations with one company and as soon as we finalize all those negotiations, then we will bring it to the City Manager to make a decision if he wants to go to Council with it.

Chair Crann asked if that would be a decision for John Szerlag or the incoming City Manager.

Director Runyon was not sure since we were still in negotiations. If that is done before the 11th, then it will be under City Manager Szerlag. If it's done after the 11th, it will be under Mr. Hernandez.

Chair Crann asked if any of the members had any questions.

Council Liaison Nelson asked Director Runyon the privatization will save us money. What will our savings look like versus what we are doing now?

Director Runyon stated the first year looks pretty promising because it is dependent on the negotiations. If the company buys our equipment, we will be ahead by about \$175,000 for the year. If they don't purchase our equipment, then the equipment and the maintaining will be on our side. It will cost us more, and we will be in the negative. The second and third years will still have a subsidy. That could be anywhere around \$400,000. Then it goes up every year at least \$50,000 because we will still be dealing with the maintenance of the golf course, personnel, and operations that go up 3% every year. Also, the golf contractor will go up a certain percentage every year as well.

Council Liaison Nelson asked what the benefit was for doing this. If they don't buy the equipment, it seems like we are in the same boat, right?

Director Runyon responded in the affirmative.

Council Liaison Nelson still questioned why we were doing this.

Director Runyon stated Staff was instructed by Council to research this in 2019.

Manager Manguson explained that it started in March 2018 with a recommendation from the Budget Review Committee which went to the City Manager's Office. We started a process, but the process changed, and it came back to Administration through the Budget Review and Council in March 2019. It still has not been completed.

Council Liaison Nelson understood that when it was presented to Council in March 2019 by Contract Business Manager Murphy, this would be a cost savings measure, and we would be saving money in terms of the expenses of the golf course to not have such a high subsidy. The purchase of equipment was not communicated to Council. She mentioned that this would be a point of discussion at Council and how some Councilmembers may question the benefit.

Board Member Pickett asked what exactly was on the table and not on the table for this proposal that will be taken to the City Manager.

Manager Manguson stated golf course maintenance is what is being currently negotiated.

Director Runyon explained that it was taking care of the greens and the turf of the golf course.

Council Liaison Nelson asked Director Runyon if she would have a cost savings or a cost benefit analysis to show Council when this gets negotiated and done. Will you be able to show us what we are currently paying for golf course maintenance versus what we will be paying with this company?

Director Runyon stated it will be going through Acting Financial Services Director Phillips. He along with his colleagues were putting it together. She did not know if cost savings will be addressed, but it should be part of the presentation. The City Manager's Office has not explained yet what direction we were going.

Council Liaison Nelson stated she may ask that question of Mr. Phillips.

Chair Crann asked if there were any other questions.

Council Liaison Nelson asked to go back to Manager Manguson's comment regarding the barriers in the carts. What cost benefit is that to put barriers in the cart? Is it because you can lease more carts if you have two riders to a cart?

Manager Manguson explained that we use 80 single rider carts. All 80 cannot be used in case there is a breakdown. A normal A.M. Crossover could have 128 players, but there is a limit of 72 right now. A double rider would allow us to maximize our Tee Times which would maximize our revenue and get us back to our normal revenue stream. He noted that this would go through the Parks and Rec Director for approval.

Chair Crann asked if they would still stay at the 12-minute intervals between Tee Times.

Manager Manguson stated they still have to abide by that for now.

Council Liaison Nelson asked Manager Manguson, along with the Parks and Rec Director, to send to the Committee what that cost benefit looks like.

Manager Manguson stated he would do so as soon as he receives all the quotes. If we add 40 players a day on the Tee Sheet, he recalled we were averaging \$28 right now, \$1,160 a day versus the cost of \$4500 or \$5000 for the units. When you're talking peak season revenue, you're talking an average of \$66 a head.

Council Liaison Nelson asked him to summarize that for this Committee so that we could see what the Return on Investment would be.

Manager Manguson stated he will send that to Director Runyon, and she can forward it.

Chair Crann asked if there were any other questions. There were none.

Board and Staff Comments

Chair Crann stated his only comment was that in January we were talking about resurrecting our Strategic Plan. He suggested that we keep that on hold once we figure out what is going on with COVID and what the future holds. He asked if anyone had any objections. There were none. He confirmed that we will keep the Strategic Plan on the back burner until such time it becomes beneficial for us to look at.

Board Member Pickett commended Staff on everything going well every time she is out on the course golfing.

Manager Manguson stated the team was working hard to follow the guidelines.

Council Liaison Nelson stated that the Budget Workshops would be starting next week. Topics of discussion have always included Sun Splash, Charter School, and Coral Oaks since she has been on Council due to the subsidies. She wanted to make sure that we

were ready to prove that we really need to invest in this golf course if we want it to be a Quality of Life opportunity for our residents. She stated that we would have to come up with other revenue generating ideas. She discussed that would be her angle of approach.

Chair Crann stated there has not been a meeting since January, but at least we are starting to meet again and ready to move forward. He welcomed Recording Secretary DePaula and thanked Assistant City Clerk Castillo for her assistance.

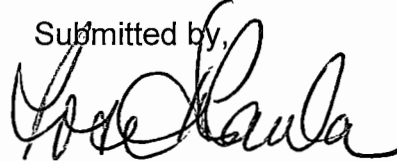
Date and Time of Next Meeting

The next regular meeting will be held Tuesday, September 29, 2020, at 3:00 p.m. in Conference Room 220A.

Adjournment

There being no further business, the meeting adjourned at 3:18 p.m.

Submitted by,

A handwritten signature in black ink, appearing to read "Rose DePaula", written in a cursive style.

Rose DePaula
Recording Secretary

Transcribed by Barbara Kerr 8/6/2020