

IRONHORSE
Golf Club



GOLF COURSE COMMITTEE

**Minutes of October 27, 2016
5:30 P.M. – Ironhorse Golf Course– Clubhouse**

Members attending: Dick Fuller (Chair), Mark Bodine, and Alec Weinberg

Members absent: Dr. Greg Peppes, Leo Morton, and Tommy Davidson.

Troon Management Staff: Troy Newport, and James Kennedy

Council Liaisons attending: Jim Rawlings, Chuck Sipple and Steve Kaster

Continental Engineering: Brett Haugland

Staff attending: Chris Claxton, and Dalnita Holland

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

Alec Weinberg made a motion to approve the June 16, 2016 meeting minutes. Mark Bodine seconded the motion. The minutes were approved unanimously.

I. Introduction of New Council Liaison

Chair Fuller introduced Council Liaison Kaster to Ironhorse GC Advisory Board.

Current board members introduced themselves to Dr. Steve Kaster.

II. Clubhouse Expansion Update

Chris stated she had asked Brett Haugland to come and update the Board on the progress of the expansion. He and Continental Engineering have been working with Ironhorse GC since the beginning. They have a lot of history with the course, and Brett does a great job overseeing projects. Tonight he will talk about the change orders as well as some critical dates coming up. Particularly if they have detailed questions, they would like to ask him.

Mr. Haugland reported that Continental along with Chair Fuller began working together in the early 90s on the original design of the golf course, plus the reconstruction of the course in some areas of the floodplain. All parties are familiar with the property. The emphasis has always been on golf course and not the clubhouse. Excel Constructors are conscientious, and run a tight ship. They ask many good questions, and try to head off problems before they occur to reduce any delays. A remodel is harder than a brand new construction. Many variables along with underground water problems have occurred. It has created the need to put in underground drainage. Bad soil under pavement had to be excavated and replaced with better bearing soil composition. After excavating and removing the concrete, they realized that one of the sanitary sewer line was in the way of the footing. It slowed them down as well as cost some money to move. The slow down put the subcontractor a week behind. They hope the next two weeks

will bring significant change. The elevated concrete is scheduled to be poured November 14th. The biggest concern is to get out of the ground and the concrete in place before winter.

The contractor was given 6-9 months without any liquidated consequences. Excel will not be penalized if it takes all 9 months. They are pushing hard to complete on time. Every two weeks everyone meets with the contractor and their subs, as well as the architect on site. There is good communication going on.

The architect does have input in solving problems, meeting communication, as well the budget, and a number of change orders. Brett decided to set the force account at 2.5% of the contract. Contingency money is always an unknown. Normally he likes to set aside 5 to 10%. Currently they have spent \$17,800 of the \$50,000 with \$32,000 leftover. Some things have recently come up this week: details in the drawings that might lack structural components, plus emergency latches on doors might need to be added. Matching roof tiles of a 20-year-old roof. A concrete roof is almost impossible to match. The need to spend money on sealing the roof if they try to use the remaining roof. Just getting out of the ground might deplete the money in the force account. Hopefully, most of the issues have been identified and addressed. He will need to go back to Chris and the City Council, if all of the money is used. It is the biggest concern keeping within the budget, but not the quality of work. He can go over each one in detail if they prefer.

Chris commented that one \$20,000 example was completely unforeseen, but it had to be done. It wasn't a break in the plan and the contractor is good about trying to save money. A couple of weeks ago they checked with the architect about an idea change that worked and saved \$20,000.

Mr. Haugland added the \$20,000 in savings helped offset the problems of 12 or more issues. Some are \$800, others \$2,000, they all just added up. Providing a good product is the goal.

Council Liaison Rawlings stated he sees the fresh poured concrete. When the columns go in along with the floor is that when they will be able to start closing in the building?

Mr. Haugland commented the original plan was to start in October trying to miss some of Troon's pending tournaments. They started earlier at the beginning of September. It is a good thing because they would not have been this far along.

Council Liaison Kaster asked why only put in 2.5 % if you normally put in 5% or more. It seems like you were destined to fail.

Mr. Haugland explained there is some history to this project. A design build constructor estimated the cost at \$1.4 million. They received information a couple of months later that the estimate had increased to \$1.7 million. The City didn't feel comfortable, with the cost going up that quickly and it seemed like it was too much. The decision was made to change to a bid project instead of a design build. Brett put together a fair estimate of \$1.9 million. He thought it was a fair number as well as more than one bid. When setting up the bid he made the call on the small contingency. He thought \$50,000 was reasonable amount at that time. He also thought the bid would come in lower than \$1.9 in fact lower than \$1.8. It is a judgement thing; typically, you would rather have more in contingency.

Chair Fuller asked about weather constraints pouring concrete.

Mr. Haugland answered there is cold weather concrete; it does generate heat when it cures. Using it becomes an additional cost. Temperatures below 35 degrees at night can damage concrete and requires the need for blankets.

Council Liaison Rawlings added concrete needs to cure for three or four days when it is cold.

Chris thanked Mr. Haugland for attending and taking questions. She added they would have more news in a couple of weeks.

Chair Fuller commented that Continental is a Leawood Company. Brett Haugland and Phil Gibbs are also both Leawood residents having been involved from day one. We are lucky to have such a conscientious and dedicated group. Brett provides personal attention, monitoring and follow through to ensure a successful project.

III. Operations Report

Troy reported:

- Year to date revenue is flat vs. 2015 with September outings being lower this year than last. Food and beverage revenue is slightly lower comparable to prior year.
- Golf lessons had two fewer teachers and golf shop merchandise sales were down significantly. Lessons were primarily due to the reduction of two instructors on staff. The past general manager and assistant pro taught frequently. One fewer teacher this year, however the golf camps didn't have a decline and were all full.
- Driving range revenue is up slightly. It is a busy and active practice area, 2 practice greens, 2 bunker that matches the course sand and greens.
- A new driving range ball dispenser is now capable of accepting credit cards wirelessly at the point of sale. This area is a profitable one. More golfers may choose a large basket of balls when they have the option of not having to come inside to purchase.

Council Liaison Sipple asked are the instructors contract employees paying themselves with lesson revenue or are they on the payroll. When is the delivery date for the machine?

Troy responded the director of instruction has a small salary. He relies on the active revenue received from lessons for most of his income. The rest are hourly and on the payroll. This is very typical of the business. The machine is set for delivery tomorrow.

- The software for the ball dispenser will go live mid-November. The current system did not integrate, but the new software integrates with other software. The jam proof machine is more reliable than the one they have now.
- Payroll expenses are right about the same amount as last year. Any expenses that are not capitalized go into operating expenses in the original budget. There was a large repair early in the year with a walk-in freezer problem.
- The building AC system needs repair. Irrigation pumps are currently under repair.
- The carts lease ends January 2017.

Council Liaison Sipple asked are the cart tires at our expense.

Troy answered yes, golf carts tires are one of the biggest expenses. The extended warranty only covers the battery for four years.

Troy continued reporting:

- October revenue estimate was less with only having 9 holes open to play, vs. the alternative of completely closing down. Currently bunker work has switched to the back nine and front nine is now open.
- They like the way the clubhouse it is looking so far. Excel has been great to work with. Haven't had any parking lot issues with a lot of moving parts involved.

- New point of sale software has been installed
- Very careful with dollars knowing we going to be closed.
- Completed new color brochure for the event space and presented it at the Council Work session this week. He has had a couple of calls about event space already.
- It is good to see the City's commitment to Jr. golf camps, an active Ladies and Junior League and the 1st tee programs. The industry is big on increasing participation at all levels. Increasing family play introduces new players to the game and, in addition, new revenue streams. For core golfers, the challenge is to add a round or two each season.

Council Liaison Rawlings asked when they would start booking new tournaments and clubhouse events.

Troy responded September 1st is our target date to host events for both. He wants to be careful on what they promised. A chance outing probably can be booked in June or July and will have ample room with the new clubhouse. Great Life Fitness courses, turning private instead of public is an example of fewer and fewer choices for public golf courses.

Chair Fuller asked how about the women's league that Whitney was working with.

Troy answered it went really well with 18 to 22 golfers. It is important with ladies and juniors not to make it too heavy in the beginning. The ladies played nine holes, had a cocktail and ordered some food. The key is not to scare people away, and make it too difficult. Whitney did a survey about what they liked and didn't like. Any beginning golfer faces the pressure of how good one needs to be to play. We just need to get the word out now that we know there is a market for it.

IV. Course Maintenance/ Project Report

James reported:

- Staff installed new driving range net along the south side of the range. The new net and clips were installed on the existing cable.
- Completed tee aerification on all tees.
- Began fairway aerification, finishing in August
- Sod work around greens and fairways completed where there was some contamination.
- Public Works repaired easement road off 151st Street. The road needed repair due to bringing in a crane to replace damaged maintenance pump.
- Replaced drive computer system that operates the pumps that was obsolete and couldn't get parts to repair.
- Blue River irrigation pump had one of the flanges above the motor fail and crack. It was leaking water into the vault. Pipefitter and welder replaced damaged pieces with new fittings. New bracing installed to support pipe to prevent future issues.

Chair Fuller asked in June, July, and August, approximately how often water is actually pumped out of the Blue River.

James responded at least a couple of times a week. The Blue tends to dry up quickly. The pumps in the hot summer of 2012 could not keep up constantly going 24/7. The pumps are very important.

Chair Fuller commented Continental is the one that made that call recommending the need to access the water.

James added Briggs sod farm has their 2 pumps above us. Once they turn on the huge irrigation pivots, we dry up.

James continued reporting:

- His staff completed the road to get carts out from under the building
- They did tree work prior to dirt work beginning at clubhouse
- Mums planted in front entrance, parking lot, and surrounding pro shop door with assistance from Park staff
- Hired Danny Maisch as an assistant. He has begun working and now is training.

Chair Fuller asked where Danny comes from.

James responded that he is from the Atlantic Athletic Club. Danny is originally from the area, a K-State graduate, and a great addition to the team.

Chair Fuller stated he wanted the minutes to reflect the additional work the Parks department has done at the course. It has taken the pressure off the golf course crew and saved a lot of money.

Chris added James, along with Dustin Branick who is a Master Arborist and his crew work great together. Very fortunate to have them both.

James reported receiving a bid for the removal of 14 trees. Dustin and his crew were able to remove all of them for a \$12,000 savings. They were able to complete this in just a day and a half. Parks and Public Works have been very helpful. Public Works staff helped with the drain on #4 and the sinkhole. They were able to televise the line to see what needs replacement.

Council Liaison Sipple asked is that the one on the tee box.

James responded that he filled it in and it sinks.

Council Liaison Sipple asked is that a storm sewer drain. Has the concrete collapsed?

James added two 24-inch lines that taps into the 153rd storm sewer. The drain goes between the homes. After a rainstorm, two drains come out of the concrete wall in the creek. Only one had water flowing out.

Troy added all the comfort station floors and partitions have been redone. Brent Monroe and Chas Christ from maintenance came out helped with that. The flooring looks great.

James said the floor was a challenge it was hard to keep clean. It looks lot better.

James continued reporting:

- Preconstruction meeting start date last week of September
- The back 9 bunkers completed with a few punch list items.
- They are going to spray gravel tonight.
- They have done an excellent job keeping traffic down low impact on the golf course as far as damages.
- Plump house transformer failed
- Continue growing sod around construction site
- Tree remove and trimming once they move construction inside
- Get bunkers trimmed up

Council Liaison Sipple asked when is the irrigation system winterized.

James answered normally the last week of November. He normally blows out the small ones first. Several drains blown out in about 40 minutes.

Alec asked how often you mow the natural areas.

James answered three times a year.

Chair Fuller commented the course is in great shape. It is good to see city groups working together and cooperating.

Chris added the project includes the repainting of the whole clubhouse not just the new addition. They will work with the architect to add some stone to the front giving it a fresh new look. Dustin and his crew will add landscaping. They will do a great job mixing the old and the new horticulture. The entrance on Mission Road or Bell is going to look nice and inviting. It will have a positive visual impact whether a bride or someone wanting to have a tournament gets their first view.

Chair Fuller made a comment about the roof. Does it make that much difference with a slight variation?

Chris answered we have reached out to our vendors asking what will be the most economical thing to do. The problem is we can't get what was up there to match. We will do the best we can.

Mark added the landscape is going to look so good; no one will want to look up.

Council Liaison Kaster asked how much the city subsidizes the golf course operations. Is there a maximum amount?

Chris answered it is in the regular budget. The statues are different and there isn't a limit. It varies from year-to-year. Year-end reports show yearly numbers.

Council Liaison Sipple commented the original build debt was completely paid off. There aren't any outstanding bonds.

Chris commented the number one emphasis for the expansion of the clubhouse was to host golf events. During construction of the course, it was supposed to be twice the size it is now. The majority of the money for a larger clubhouse ending up going into the course. Tournaments would put up tents for their events, but no one puts up tents for before or after tournament food and drinks anymore. The Lodge is right down the street and fills up quickly. Now, if it is booked we can refer them to the Golf Course. Troy is going to manage that facility and operation the first year.

Chair Fuller reported the Lodge books out 18 months in advance.

Troy added this market is accustomed to paying a rental fee. The new event space will help our revenue. In other markets, revenue comes only from food and beverage. It is not the case here.

Chris reported wanting to come up with something appealing for tournaments and for other rentals in regards to the new space. They came up with Vista 154 at Ironhorse Golf Club. The name ties in the look down the no. 2 fairway and to the address. It is like a combination of the Lodge, it is a little more upscale and trendy.

Council Liaison Sipple asked about the reduction on Continental plan changing the acoustic system savings \$20,000. He doesn't want to lower the quality. Acoustics are important to most people.

Chris responded they had contacted a school in the area that already has this system. They met with them and felt good about the new system.

Council Liaison Sipple added he wouldn't want to drop the quality at of the acoustics at The Lodge.

Chair Fuller reported is not the acoustic it is the microphone system. They have worked on it. The microphone system sometimes overpowers.

Chris reported Mission electronics has been working with them to solve the problem. They are not the ones who put system in at the Lodge but did do the Justice Center.

V. Misc.

A motion was made by Alec Weinberg to adjourn the meeting.

Mark Bodine seconded the motion. The motion was approved unanimously.

The meeting was adjourned at 7:07 p.m.

Respectfully submitted,

Chris Claxton
Director of Parks and Recreation