

CITY OF NORTH SALT LAKE
EAGLEWOOD GOLF COURSE
OVERSIGHT COMMITTEE MEETING
ANCHOR LOCATION: CITY HALL
10 EAST CENTER STREET, NORTH SALT LAKE
JULY 13, 2022

FINAL

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

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

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

1. APPROVE MINUTES

The Golf Committee minutes of June 8, 2022 were reviewed and approved.

Committee Member Graves moved to approve the June 8, 2022 minutes as amended. Committee Member Jibson seconded the motion. The motion was approved by Committee Members Graves, Huish, Jibson, and Mills.

2. REVENUE UPDATE

Tyler Abegglen reported on revenue and said the numbers presented did not include the audit or the miscellaneous revenue from the cell phone towers and office space rentals which was around \$100,000. Fiscal year 2022 was at approximately \$2 million with a record set in June for the highest monthly revenues in the history of the golf course.

Ken Leetham asked if concession revenue was also included. Tyler Abegglen replied affirmatively.

Court Huish stated that there was a \$160,000 increase over the previous year or an approximate 9% increase. Tyler Abegglen said that rounds were down 4% but revenue was up 9%.

Roger Graves commended Tyler for his efforts on a record-breaking year even with the renovations, a closed restaurant, and other barriers. Tyler Abegglen commented that he had great support staff.

Tyler Abegglen reported on rounds and said they were about 2,000 rounds and \$3,000 short from last year at 6,700 rounds. He noted merchandise revenue was \$300,000 with \$46,000 in June. He said there were numerous tournaments this year with several in June.

Tyler Abegglen commented on the push for online bookings and that walk-in customers would be charged more. He also spoke on dynamic pricing for July when the course was slow. He stated revenues for July were on track to meet or exceed last year's July revenue of \$262,000.

Court Huish asked about cost control related to the remodel. Tyler Abegglen replied that he was very aware of costs and what was being spent. He said the focus for the last fiscal year had been on improving the building and amenities. This fiscal year he would be much more conservative.

Tyler Abegglen said \$1.4 million had already been spent on the remodel but said that there would not be repair or maintenance expenses for AC, plumbing, golf carts, irrigation controllers, etc. for some time.

Ron Jibson asked if there had been any customer comments about the course related to water conservation. Tyler Abegglen replied that they were pushing for positive Google reviews and those that had been received were a mix of positive and negative reviews for the same day. He said it depended on the golfer but the course was at 4.6 or 4.7 rating and was the highest rated in Davis County.

Karen Mills commented that the course was in great shape considering the water conservation and said the greens were in great shape. Tyler Abegglen replied that staff was still working on converting some of the sprinkler heads to half circle from full circle.

Court Huish asked how Eaglewood compared to other golf courses. Ron Jibson commented that the country club courses had supplemental water so they were green but from a public course standpoint the course was comparable to other courses.

Roger Graves asked if the Bountiful Ridge course relied on Weber Basin water and said they were not conserving water. He assumed they had an additional water source.

John Logan said he recently brought several players from Park City who said Eaglewood was in good shape.

Tyler Abegglen clarified that the watering was 90% tees, 60% fairways, and 100% greens. Ken Leetham said staff really looked at allocating water with the initial 60% water reduction to

preserve the greens. He said there was an ability to supplement with culinary water if necessary, which meant the greens, fairways, and tee boxes would not be lost.

3. CONSTRUCTION PROJECT UPDATE

Tyler Abegglen reported on the construction project and said the original construction manager left the job which resulted in a difficult two weeks. He said there was now progress including completion of the golf simulators which were anticipated to be operational by the end of the week. He indicated the exterior hardie board and cement were currently being done with the stone and paint to be completed soon. He stated the front decking would be installed on July 18th and the exterior deck columns had been ordered. He explained the timber columns would now be metal as the wood had a 9 week lead time. He acknowledged the pro shop was currently in disarray but cabinets, countertops, and flooring would be installed next week. He added interior painting of the building would be done later in the fall.

Court Huish asked about the expected November completion date for the event center. Tyler Abegglen replied that he would walk with the contractor tomorrow to see if that was still a realistic expectation. He said no events had been booked from October 2nd to November 19th to allow for the renovations. Mr. Abegglen mentioned they had several events scheduled for December.

Tyler Abegglen anticipated the exterior of the building would be completed in the early fall including replaced landscaping. The restaurant had received approval from the Health Department to operate. He said the next step was to determine what to do with the current concessionaire.

Ken Leetham reported that a 90 day notice was given to the current concessionaire. The City's attorney and the concessionaire's attorney were working on a settlement to address claims. He said this was keeping the City from making decisions on moving forward.

Tyler Abegglen said that sandwiches, drinks, and snacks could be provided and there were job postings for some positions.

Roger Graves asked what the City lost in revenues over the last year with the dysfunctional restaurant. Tyler Abegglen replied that the City only received around 12% with the concessionaire earning around \$200,000 in a good year.

Ken Leetham said that he felt opportunities were being lost but not necessarily revenue over the existing concessionaire.

Roger Graves said the bottom line was with the remodeled space there would be a brighter picture and reiterated high revenues over the last fiscal year with all the challenges.

Ken Leetham commented that the concessionaire made some claims and no longer wanted to invest or hire staff after they received the City's demand letter. He said hopefully their exit would happen before the 90 days.

The Committee discussed hiring a caterer or having food trucks at the course for the rest of the season.

Ken Leetham said the reason the City had not been more proactive was because they had been accused of getting ahead of the settlement such as removing the current concessionaires name or saying that they were no longer involved with the course. He said the City did not want to disparage them or make any statements until the settlement was completed.

Tyler Abegglen reported on the deck and said it would be one of the last items completed due to concrete issues, obtaining supplies such as wood. He said the hope was for a September 1st completion.

4. DISCUSSION ON THE CITY'S 2022 LIBERTY FEST

Tyler Abegglen reported that Liberty Fest went well, and City staff and volunteers were able to do good job of cleaning up afterwards.

Ron Jibson commented the car show seemed smaller this year with fewer vehicles on the grass.

Tyler Abegglen said they had a booth that was well received this year so staff would provide this again next year.

Roger Graves asked if there was any damage to the course during the events. Tyler Abegglen replied that there was some but nothing attributed to vandalism this year. He said there was also some burn marks from the fireworks.

Karen Mills asked how many volunteers signed up this year. Ken Leetham responded that there were about 30 volunteers who helped with garbage cans and other cleanup.

Tyler Abegglen spoke on internet searches related to the golf course and the information on how advertising funds were spent. He usually spent around \$1,500 a month on advertising with \$500 specifically for the event center. Mr. Abegglen said the next advertising promotion would be for the golf simulators.

Roger Graves asked about quantifying the return on investment for advertising. Tyler Abegglen said that he could see the specifics from the Google ads such as keyword searches, how many

people visited the website from a keyword search, etc. He said running ads and good reviews would push the course to the top of the search results.

The Committee spoke on preparing a long range plan including an increase as the renewed popularity in golf could fade.

John Logan said golf courses needed to look at improving the speed of play and course etiquette. He suggested a deposit that could be refunded if the players finished within a certain timeframe. Mr. Logan spoke on how improving the speed of play would allow for more rounds and increased revenues.

Ron Jibson mentioned that the monitors at Hidden Valley would show a golfer if they were behind on play and that the golf marshal may ask them to skip a hole. Tyler Abegglen replied that the new golf carts would have this ability. He said the carts were anticipated to arrive in August.

Council Member Baskin asked if the new golf carts would have lights as this was a concern with the older carts during Liberty Fest. She suggested next year that two or three carts, which were used for shuttles during Liberty Fest, have LED lights.

Court Huish spoke on Tyler Abegglen's interview for the general manager position and how his focus on social media and other ideas, which set him apart from the other applicants, had helped to move the course forward. Tyler Abegglen replied that he would do the same thing for the event center and café.

Ken Leetham said that there would be more discussions about food services and the opportunities in the future. He said golf may flatten but food services would continue to increase.

Tyler Abegglen spoke on the bond proceeds and the expenditures. He reviewed the budget and what was spent. Mr. Abegglen highlighted the line items including available funds that would be used for sprinkler heads, key fob/gate for maintenance, renovation of the snack shack, tee repairs, simulators, event center furnishings, parking lot, HVAC, marquee boards, trashcans, paint, etc. He said approximately \$1.4 million had been spent so far and the project was under budget at this point.

Roger Graves asked about the initial timeline for completion of the remodel with the previous contractor. Tyler Abegglen responded that the initial completion date was July 1st.

Roger Graves asked about increasing golf course fees and the City's increasing costs of doing business. Ken Leetham replied City staff performed projections and reviewed the consumer price index (CPI). He said the City focused on cost of living and used a consulting firm to perform a

compensation analysis for employee wages. Mr. Leetham spoke on how the City wanted to remain competitive particularly in regard to employee compensation.

The Committee discussed increasing costs at the course and the overall increased costs for everything such as housing. The pricing should reflect the quality of the course and the services offered such as new golf carts and remodeled building.

Ken Leetham said golf was a discretionary choice and raising prices right now was a great strategy. He said staff would carefully review fees including event pricing, wedding pricing, and charging more at the restaurant once the renovations were complete.

5. ADJOURN

The meeting was adjourned at 6:06 p.m.

The foregoing was approved by the Eaglewood Golf Course Oversight Committee of the City of North Salt Lake on Wednesday August 10, 2022 by unanimous vote of all members present.



Wendy Page, City Recorder