

CITY OF NORTH SALT LAKE
EAGLEWOOD GOLF COURSE
OVERSIGHT COMMITTEE MEETING
ANCHOR LOCATION: CITY HALL
10 EAST CENTER STREET, NORTH SALT LAKE
MAY 8, 2024

FINAL

Roger Graves called the meeting to order at 5:00 p.m.

COMMITTEE PRESENT: Roger Graves
Court Huish
Ron Jibson via Zoom
Karen Mills

EXCUSED: John Logan, Chair
Lisa Watts Baskin, City Council

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

1. APPROVAL OF MINUTES

The Golf Committee minutes of February 28, 2024 were reviewed and approved.

Committee Member Graves moved to approve the minutes as written for February 28, 2024. Committee Member Mills seconded the motion. The motion was approved by Committee Members Graves, Huish, Jibson, and Mills. Committee Member Logan and Councilmember Baskin were excused.

2. APRIL REVIEW

Tyler Abegglen reported on April 2024 revenues of \$365,624 consisting of \$169,350 in green fees, \$81,245 in cart fees, \$20,806 for the driving range, \$32,289 in merchandise, \$16,920 for the event center, and \$46,528 in food and beverage. He compared this to April 2023 revenues which were \$227,210 comprised of \$90,675 in green fees, \$41,188 in cart fees, \$14,123 for the driving range, \$19,759 in merchandise, \$24,860 for the event center, and \$18,412 in food and beverage. He explained that the difference was due to poor weather last year and said there were over 10,000 rounds played in April this year which was a record for the course. He noted that the LDS Bountiful Temple was closed this April which accounted for a decrease in event center bookings for the month. Mr. Abegglen mentioned that there were six or seven tournaments for May compared to the typical one or two. He spoke on the recent Sunday tournament with \$14,000 in

revenue and how the course would otherwise not have earned any revenue that day due to the snowy weather.

3. FISCAL YEAR 2023 REVIEW

Tyler Abegglen then reviewed the fiscal year (July 2023-April 2024) with greens fees of \$915,936 (projected \$1,287,936), cart fees of \$448,570 (projected \$630,570), driving range revenues of \$105,531 (projected \$153,494), merchandise revenues of \$292,220 (projected \$388,000), and food and beverage revenues of \$420,702 (projected \$554,702). He said total revenues for fiscal year 2023 (July through September) were \$1,500,173 compared to total revenues for fiscal year 2024 (July through September) which were \$2,510,233. He projected 78,916 rounds and \$3,409,013 in revenues for fiscal year 2024. He commented that the course was almost \$1 million ahead in revenue this fiscal year compared to the last fiscal year.

Tyler Abegglen added that he would provide a final fiscal year review at the next Golf Committee meeting. He mentioned June was almost completely booked with scheduled weddings, events, and tournaments. He explained that tee times on the weekends were continually booked throughout the valley.

Roger Graves commented that rounds had leveled out nationally since COVID and said it was good to hear that demand was still high in the area. Ken Leetham shared that the State was adding 45,000 individuals per year to the population due to births and relocation to Utah.

Karen Mills shared how a New Yorker was in town and looked up the number one golf course in the area and chose to come to Eaglewood because of those search results.

Tyler Abegglen spoke on biweekly meetings for The Grill and said labor costs were high at 40% but food costs were 29%. He mentioned working on less staff overlap to bring down costs as well as the difficulty in hiring good cooks.

4. SIMULATOR UPDATE

Tyler Abegglen shared photos of the simulator space and provided an update. He said the painting and ceiling were completed with lighting, flooring, putting green, and fixtures (doors, trim) to be installed soon. He spoke on the bar area that would be behind the two bays. He estimated that the work should be completed by mid-July.

Roger Graves enquired about the projected versus actual cost for the project. Tyler Abegglen explained that the flooring would be less than estimated due to some changes, HVAC was as estimated, and plumbing and electrical were more than estimated due to some prior issues.

5. DISCUSSION ON 2025 RATES

Tyler Abegglen explained that currently tax was included in the cost of golf fees; however, this could potentially change in the future. There was a discussion about how taxes were required for green fees and pro shop purchases but not for event center rentals, how the course was owned by a municipality, and how the course was used for recreation.

Tyler Abegglen shared a chart comparing Eaglewood to Bountiful Ridge, Lakeside, Davis Park, Valley View, The Ridge, Bonneville, Glendale, and Mountain Dell for 9 hole and 18 hole rates on weekday and weekends with and without cart rentals. He stated that some courses had higher rates than Eaglewood while several courses were charging the same rates as the prior year.

Mr. Abegglen then shared a chart with the proposed increases per fee type (9 hole and 18 hole with and without cart, Youth on Course, juniors, women's and men's association, punch card rate, etc.) with the old rate pre-tax, tax, and posted rate versus the new rate with tax. He explained that currently the posted rate included tax and suggested that moving forward the posted rate would be shown pre-tax. He proposed that the rates be increased to the prior rate shown with tax and then tax be included. He gave the example of the current rate for weekday 9 holes walking which had a posted rate of \$20 (\$18.65 rate +\$1.35 sales tax) versus the proposed posted rate of \$20 and then charging the \$1.45 sales tax at the point of sale.

The proposed rate increases were as follows:

- 9 Hole Regular Rate: \$21.45 with tax (\$20 posted)
- 18 Hole Regular Rate: \$42.90 with tax (\$40 posted)
- Youth on Course: \$5.00 with tax (\$4.66 posted)
- Juniors: \$12.87 with tax (\$12 posted)
- Women's and Men's Association: \$16.09 with tax (\$15 posted)
- Punch Card Rate: \$18.77 with tax (\$17.50 posted)
- 9 Hole Cart Fees: \$10.73 with tax (\$10 posted)
- 18 Hole Cart Fees: \$21.45 with tax (\$20 posted)
- Private Cart Fees: \$10.73 with tax (\$10 posted)
- Tournament Tue. & Wed.: \$7,507.50 with tax (\$7,000 posted)
- Tournament Thur. & Fri.: \$8,580 with tax (\$8,000 posted)
- Tournament Sat. & Sun.: \$11,797.50 with tax (\$11,000 posted)
- Corporate: \$16.09 with tax (\$15 posted)
- 10 – 9 Hole Round Punch Card Rate: \$187.69 with tax (\$175 posted)
- 20 Range Token Pass: \$134.06 with tax (\$125 posted)
- 1 Range Token: \$8.58 with tax (\$8 posted)
- 2 Range Tokens: \$15.02 with tax (\$14 posted)
- Simulator Hourly: \$32.18 with tax (\$30 posted)

Tyler Abegglen commented that he would provide the proposed fee schedule changes to the City Council for review and if approved he would implement the new pricing prior to November 15th, 2024.

The Committee discussed the proposed changes, providing signage or notice that sales tax would not be included in the posted rates, and starting the proposed rates at the beginning of the fiscal year.

Tyler Abegglen said he would still like to offer dynamic pricing when the course was slow. He said Saturdays and Sundays were very busy and felt that play on Sundays had increased significantly from prior years. He then suggested that the proposed fee changes be implemented now and then another fee change could be implemented at the start of 2025.

Roger Graves was in favor of the proposed fee change with sales tax added to the current posted rate. He suggested it be implemented at the start of this fiscal year which would be July 1st. Karen Mills agreed.

The Committee clarified that the addition of the sales tax would not be added to tournaments that had already been committed/paid.

Tyler Abegglen mentioned that he had removed the one month membership for the golf simulators and replaced it with a three month membership. He said the costs were \$700 for a three month membership, \$1,200 for a six month membership, \$2,000 for a twelve month membership, and \$30 hourly. He estimated it would take four years to pay off the simulators and felt that the expansion would help generate more business. Mr. Abegglen noted that he did not recommend any changes to the event center pricing. He said that outside catering would be removed from the fee schedule and would no longer be allowed.

Roger Graves asked how the bar/alcohol for events was facilitated. Tyler Abegglen replied that a \$500 deposit was required and a \$50 hourly bartender charge. He said part time staff provided the bartending services and spoke on the reporting and purchasing processes with the Utah Department of Alcoholic Beverage Services (DABS).

Court Huish questioned the process for golfers and tournaments to purchase alcohol. Tyler Abegglen explained that the Course had two different licenses that allowed for service from beverage carts versus mixed drinks and liquor in the event center space.

The Committee discussed the sale of alcoholic beverages. Tyler Abegglen indicated that he could provide sales information related to alcoholic beverages to the Committee. He said The Grill had a large selection of drinks including a private label for the course and mentioned that staff also ground their own hot dog and hamburger meat.

Court Huish asked about the possibility of offering a three hour rental of the event center for corporate or similar uses. Tyler Abegglen responded that staff had discussed allowing three hour booking with certain restrictions and could be offered in conjunction with Gateway Park activities.

Committee Member Graves moved to approve the proposed fee schedule to add tax to the rate that was currently in effect. Committee Member Mills seconded the motion. The motion was approved by Committee Members Graves, Huish, Jibson, and Mills. Committee Member Logan and Councilmember Baskin were excused.

Tyler Abegglen said he would provide more information to the Committee on the following: afternoon special/dynamic pricing and the three hour rental for the event center.

Tyler Abegglen provided an update on the parking lot and said the asphalt would be removed and refilled by next week. He said there were two sections that did not need to be replaced but the entire parking lot would receive a surface treatment which would achieve a uniform appearance overall. He also mentioned that the new drainage system was working well and had reduced standing water in the parking lot.

Roger Graves asked about staffing for the pro shop and outside service. Tyler Abegglen replied that there were a lot of returning staff from last year in addition to some college age hires. He was also pleased with the current maintenance staff.

Tyler Abegglen provided an update on the turf equipment including new and refurbished equipment that would be delivered soon. He shared that the City Council approved the pond and construction would begin in October. He said the tee box area would be expanded and some trees would need to be removed. He then mentioned several more items including that additional funding had been provided for new trees at the golf course, vandalism, and future tee box repairs.

6. ADJOURN

The meeting was adjourned at 6:32 p.m.

The foregoing was approved by the Eaglewood Golf Course Oversight Committee of the City of North Salt Lake on Wednesday July 10, 2024 by unanimous vote of all members present.


Wendy Page, City Recorder

