

**CITY OF SANTA ROSA
OPERATIONS AND MAINTENANCE MANAGEMENT AGREEMENT
WITH TOUCHSTONE GOLF LLC,
AGREEMENT NUMBER F002437**

7th This Operations and Maintenance Management Agreement (“Agreement”) is made as of this ____ day of June, 2022 (“Effective Date”) by and between the City of Santa Rosa, a municipal corporation (“City”), and Touchstone Golf, LLC, a Delaware Limited Liability Corporation (“Operator”). City and Operator are individually referred to as “Party” and at times collectively referred to as “Parties.”

RECITALS

The City is the owner of the Bennett Valley Golf Course (“BVGC”) as defined below.

The City desires to retain a qualified firm to provide for the overall operations, maintenance and management of the BVGC for City, as more particularly described in this Agreement.

Operator represents to City that it is a firm composed of highly trained professionals and is fully qualified to provide the management, operations and maintenance services (collectively referred to as “Services”, as defined more specifically in the Agreement) for City with respect to all aspects of the BVGC in accordance with City requirements and objectives.

The City desires to enter into agreement with Operator to provide Services for City at the BVGC, including, without limitation, improvements to existing Facilities, collection of fees and other related golf services to ensure the highest quality golf and restaurant services to the community.

The City and the Operator agree that the primary objectives for Operator’s performance under this Agreement are to (1) gain revenues that fund the golf course expenditures, debt service and capital investments, (2) employ a professional management, maintenance and operations staff that will incorporate best management practices, (3) provide guests with a memorable experience, ensuring that exceptional service is delivered consistently and effectively, (4) address deferred maintenance and capital improvements needed through revenues generated at the golf course, and (5) include diversity, equity and inclusion in all aspects of the golf course operations.

The Parties have negotiated upon the terms pursuant to which Operator will provide such Services and have reduced such terms to writing.

NOW, THEREFORE, City and Operator agree as follows:

AGREEMENT

Section 1. DEFINITIONS

- (A) **“Agreement”** has the meaning set forth in the Preamble.
- (B) **“Base Management Fee”** has the meaning set forth in Section 20 A of this Agreement.
- (C) **“Bennett Valley Golf Course” or “BVGC”** means the entire golf course Facilities, Equipment, Supplies and all other elements of the golf course enterprise located at 3330 Yulupa Avenue, Santa Rosa, California 95405 and delineated on Exhibit A (Facility Map) attached hereto,

including but not limited to the 18-hole golf course, restaurant and banquet facility, Pro Shop, driving range, maintenance shops, yards and parking, restroom, main parking lot and landscaping and all other appurtenances.

- (D) **“City”** means the City of Santa Rosa, California, a municipal corporation.
- (E) **“Days”** means Calendar days, excluding Holidays
- (F) **“Effective Date”** has the meaning set forth in the Preamble.
- (G) **“Environmental Laws”** means, as the same may be amended from time to time, all federal, state, local, and municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, or requirements of any government authority regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Substance (as later defined), or pertaining to occupational health or industrial hygiene (and only to the extent that the occupational health or industrial hygiene laws, ordinances, or regulations relate to Hazardous Substances on, under, or about the Golf Course), occupational or environmental conditions on, under, or about the Golf Course, as now or may at any later time be in effect, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA") [42 U.S.C.A. §§ 9601 et seq.]; the Resource Conservation and Recovery Act of 1976 ("RCRA") (42 U.S.C.A. §§ 6901 et seq.); the Clean Water Act, also known as the Federal Water Pollution Control Act ("FWPCA") [33 U.S.C.A. §§ 1251 et seq.]; the Toxic Substances Control Act ("TSCA") [15 U.S.C.A. §§ 2601 et seq.]; the Hazardous Materials Transportation Act ("HMTA") [49 U.S.C.A. §§ 1801 et seq.]; the Insecticide, Fungicide, Rodenticide Act [7 U.S.C.A. §§ 136 et seq.]; the Superfund Amendments and Reauthorization Act [42 U.S.C.A §§ 6901 et seq.]; the Clean Air Act [42 U.S.C.A. §§ 7401 et seq.]; the Safe Drinking Water Act [42 U.S.C.A. §§ 300f et seq.]; the Solid Waste Disposal Act [42 U.S.C.A. §§ 6901 et seq.]; the Surface Mining Control and Reclamation Act [30 U.S.C.A. §§ 1201 et seq.]; the Emergency Planning and Community Right to Know Act [42 U.S.C.A. §§ 11001 et seq.]; the Occupational Safety and Health Act [29 U.S.C.A. §§ 655 and 657]; the California Underground Storage of Hazardous Substances Act [Health & Saf. Code §§ 25280 et seq.]; the California Hazardous Substances Account Act [Health & Saf. Code §§ 25300 et seq.]; the California Hazardous Waste Control Act [Health & Saf. Code §§ 25100 et seq.]; the California Safe Drinking Water and Toxic Enforcement Act [Health & Saf. Code §§ 24249.5 et seq.]; the Porter-Cologne Water Quality Act [Wat. Code §§ 13000 et seq.] together with any amendments of or regulations promulgated under the statutes cited above and any other federal, state, or local law, statute, ordinance, or regulation now in effect or later enacted that pertains to occupational health or industrial hygiene, and only to the extent that the occupational health or industrial hygiene laws, ordinances, or regulations relate to Hazardous Substances on, under, or about the Golf Course, or the regulation or protection of the environment, including ambient air, soil, soil vapor, groundwater, surface water, or land use.
- (H) **“Facilities”** means all buildings, structures, improvements, irrigation system, cart paths, fencing, fixtures, trade fixtures, furnishings and equipment, food service facilities, parking lots and utility systems on premises.
- (I) **“Fiscal Year”** means the one (1) year period commencing on July 1 and continuing through June 30.
- (J) **“Furnishings, Fixtures and Equipment (“FF&E”)** means all furniture, fixtures, furnishings, trade fixtures, apparatus and equipment, including without limitation, course maintenance

vehicles and equipment, golf carts, driving range pickers, puller, mats, range ball baskets, rental golf clubs and bags, ball washers, benches, uniforms, kitchen equipment, appliances, China glassware, silverware, office equipment, computers, copy machines, telephone systems, and other personal property used in or help in storage for use in the operation of the Golf Course, other than resale inventory.

- (K) **“GCSA”** means Golf Course Superintendents of America
- (L) **“Hazardous Substance”** means, without limitation, the following definitions and statutes as the same may be amended from time to time:
- (i) Any substance included within the definition of "hazardous substance," "hazardous waste," "hazardous material," "toxic substance," "solid waste," or "pollutant or contaminant" in CERCLA, RCRA, TSCA, HMTA, or under any other Environmental Law;
 - (ii) Any substance listed in the United States Department of Transportation (DOT) Table [49 CFR § 172.101], or by the Environmental Protection Agency (EPA), or any successor agency, as a hazardous substance [40 CFR Part 302];
 - (iii) Any other substance, material, or waste that is or that becomes regulated or classified as hazardous or toxic under federal, state, or local law or regulation; and
 - (iv) Any material, waste, or substance that is
 - (a) a petroleum or refined petroleum product,
 - (b) asbestos,
 - (c) polychlorinated biphenyl,
 - (d) designated as a hazardous substance pursuant to 33 U.S.C.A. § 1321 or listed pursuant to 33 U.S.C.A. § 1317,
 - (e) a flammable explosive, or
 - (f) (vii) a radioactive material.
- (M) **“Holiday”** means all holidays observed by the City. An annual holiday calendar will be provided to the Operator by the City.
- (N) **“Incentive Management Fee”** has the meaning set forth in section 20 B of this Agreement.
- (O) **“Legal Requirements”** means, for the purposes of this Agreement, including without limitation any reporting, notice or other requirements set forth in the Safe Drinking Water and Toxic Enforcement Act of 1986, [Health & Saf. Code §§ 25249.5 *et seq.*] and any and all laws, statutes, ordinances, codes, orders, rules, regulations, permits, licenses, authorizations, entitlements, official orders and requirements of, and conditions imposed by, all federal, state and local governmental regulatory agencies and authorities which are applicable as of the date hereof or hereafter become applicable to BVGC, including, without limitation the Equipment and Supplies, Facilities or the operation thereof, including without limitation any Environmental Laws.
- (P) **“LPGA”** means the Ladies Professional Golf Association

- (Q) **“Operating Contract”** means the contract the Operator maintains to provide the services defined in this Agreement such as but not limited to contracts with food vendors, software providers, internet hosting and similar.
- (R) **“Operating Year”** means the period from the Effective Date to the following June 30 and each following twelve (12) calendar month period for the term of the Agreement commencing on July 1 and ending on June 30.
- (S) **“Operator”** means Touchstone Golf, LLC, a Delaware Limited Liability Corporation
- (T) **“PGA”** means the Professional Golf Association.
- (U) **“Pro Shop”** means the facility that provides the customer service space to provide golf tee times, all golf and merchandise sales and provides retail space to display merchandise.
- (V) **“Resale Inventory”** means Pro Shop merchandise and food and beverage items.
- (W) **“Supplies”** means consumable items used in or held in storage for use in the operation of the Golf Course, including but not limited to, scorecards and cart tickets, driving range balls, bathroom supplies, towels, fuel, cleaning materials, fertilizers, pesticides, seed, maintenance parts and supplies, office supplies, and other similar items.
- (X) **“Weekend”** means the period commencing at 12:01 a.m. Friday and ending at 11:59 p.m. on Sunday.

Section 2. TERM

- (A) **Term.** The term of this Agreement shall be for a period of three (3) years, commencing on the Effective Date of this Agreement.
- (B) **Option to Extend.** Upon mutual interest of the Parties, the Term of this Agreement may be extended up to two (2) additional years at the discretion of the City upon written notice by the City. The City shall provide notice of approval or denial of extension of the Term to the Operator no later than one hundred eighty (180) Days prior to the end of the Term.

Section 3. TERMINATION. This Agreement may be terminated prior to the end of the Term or any Extension as follows:

- (A) **Mutual Agreement.** The Parties may terminate this Agreement at any time by mutual agreement.
- (B) **For Convenience.** City may suspend or terminate this Agreement, at any time and for any and no reason, with or without cause, by giving specific written notice from the City Manager or designee to Operator of such termination or suspension at least one hundred and eighty (180) days prior to the effective date of such termination.
- (C) **For Cause.**
 - (i) Following an “Event of Default”, “Default” or other material breach of the terms and conditions of this Agreement, City may terminate this Agreement following a written

notice of breach from the City Manager or designee to Operator of such termination and failure to cure as follows:

- (a) **Notice.** City agrees to provide written notice of breach from the City Manager or designee to Operator with sufficient detail to inform the nature of the alleged breach and shall indicate a date not less than fifteen (15) Days from the date on the Notice by which breach shall be cured.
 - (b) **Opportunity to Cure.** Operator shall have the opportunity to cure the alleged breach within the timeframe provided in the Notice. In the event that a cure cannot reasonably be accomplished within the timeframe identified in the Notice, the Operator agrees to provide the City with an explanation of why the cure cannot be accomplished within the timeframe provided, indicate a proposed date by which the cure can be completed, and diligently pursue the cure to completion.
- (ii) Upon termination for Cause, Operator's right to possession of the Golf Course shall terminate and Operator shall surrender possession and vacate the Golf Course immediately. In such event, Operator hereby authorizes City to enter upon the Golf Course, or any part thereof, immediately and to take possession of the Golf Course and improvements thereon. Election by City to terminate this Agreement shall not prejudice any rights or claims City may have for sums remaining due it or for damages or pursuing such other remedies as may be available to City by law or equity, all remedies of City to be cumulative and not alternative.
- (iii) The occurrence of any of the following shall constitute a "Default" or an "Event of Default" by Operator:
- (a) Any failure by Operator to perform any of the terms, conditions or covenants of this Agreement to be observed or performed by Operator within thirty (30) days after written notice from City;
 - (b) The filing of a petition of an order of relief under the Federal Bankruptcy Code or for an order or decree of insolvency or reorganization or rearrangement under any state or federal law, that is not dismissed within thirty (30) days;
 - (c) Operator makes a general assignment for the benefit of creditors, or makes or suffers any transfer that constitutes a fraudulent or otherwise avoidable transfer under any provision of the federal bankruptcy laws or any applicable state law;
 - (d) The making or entry of any decree or order by a court of competent jurisdiction adjudging Operator to be insolvent, or approving as properly filed a petition seeking reorganization of Operator, or directing the winding up or liquidation of Operator, and the decree or order shall have continued for a period of thirty (30) days;
 - (e) Failure of Operator to carry and keep in full force and effect the insurance required by this Agreement;

- (f) Failure of Operator to remit payment to the City when due under any provision of the Agreement regarding payment of money to City; or
- (g) Any other prohibited activity as set forth in Section 20 if not fully ceased by Operator within fifteen (15) days following written notice by City requesting the same.

(D) Gross Negligence. In the event of gross negligence in the operation of BVGC by Operator, City may immediately terminate this Agreement effective on the date of Notice.

(E) Effect of Termination.

- (i) Immediately following any termination of this Agreement for any reason whatsoever, Operator shall assign, convey, transfer and deliver to City, pursuant to an assignment in form and content satisfactory to City, all of Operator's right, title and interest in and to all Operating Contracts in effect with respect to the Golf Course as requested by City, and Operator shall transfer to City possession of all equipment owned by, purchased by or supplied by the City.
- (ii) Upon any termination of this Agreement for any reason whatsoever, Operator shall, for a period of three (3) months following such termination, assist and cooperate with City to ensure an orderly and efficient transfer of the operations of the Golf Course by Operator to City or to City's designee at no additional expense to the City. This covenant of Operator contained herein shall survive and remain in full force and effect following any such termination of this Agreement.
- (iii) Upon termination of this Agreement for any reason whatsoever, Operator shall surrender the Golf Course and all related structures, operations, improvements and alterations in good condition, except for ordinary wear and tear, and in accordance with all other provisions of this Agreement regarding fixtures, alterations and improvements.
- (iv) Upon termination of this Agreement for any reason whatsoever, City reserves the first right of refusal to purchase from Operator, at fair market value, any of Operator owned supplies or equipment that the City deems necessary to the transition of the Golf Course. The fair market value of merchandise and consumable supplies shall be established by original receipts indicating wholesale cost. The fair market value of FF&E shall be determined by an independent appraiser designated by City, and the cost of such appraisal shall be split equally between City and Operator.
- (v) In the event of termination of this Agreement (other than for Default, in which case no Incentive Fee shall be due) that occurs prior to the end of the operating year of any year this agreement is in effect, the Incentive Fee to be paid shall be 20% of the amount of Net Operating Income for the partial year that exceeds an amount equal to the number of identical actual operating months of the prior operating year. Reference Section 21 in this Agreement for further information regarding Incentives.
- (vi) Any notice given by City under this Section may also serve as, include or be given concurrently with any and all legal notices required in connection with an unlawful detainer action or any other legal or equitable action or proceeding, it being the intention of the Parties that City shall not be required to serve separate or sequential notices in

order to satisfy any applicable notice requirements of this Agreement or the notice requirements of applicable law.

Section 4. STANDARD OF PERFORMANCE

- (A) **Standard of Performance.** Operator shall perform all services performed under this Agreement in the manner and according to the standards currently observed by a competent practitioner of Operator's profession in California. All products of whatsoever nature that Operator delivers to City shall be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in Operator's profession and shall be provided in accordance with any schedule of performance. Operator shall assign only competent personnel to perform services under this Agreement. Operator shall notify City in writing of any changes in Operator's staff assigned to perform the services under this Agreement prior to any such performance. In the event that City, at any time, desires the removal of any person assigned by Operator to perform services under this Agreement, because City, in its sole discretion, determines that such person is not performing in accordance with the standards required herein, Operator shall remove such person immediately upon receiving notice from City of the desire of City for the removal of such person.
- (B) **Fiduciary Duty.** Operator acknowledges that there is a relationship of trust and confidence between Operator and City, and that Operator has a fiduciary duty to City pursuant to this Agreement. Operator shall use skill and judgment in performing the duties and obligations hereunder, and shall at all times provide such management, operating, supervisory and maintenance services in a manner which maintains the good name of City; perform the duties and obligations under this Agreement in an efficient, expeditious, prudent and economical manner, consistent with the best interest of City, in accordance with generally approved practices and standards followed by similarly-situated public golf courses in Northern California. For purposes of establishing whether Operator manages, operates, supervises and maintains the Golf Course in accordance with such industry standards, the following golf courses shall be used to establish minimum service levels and expectations for the Golf Course: (i) Windsor Golf; (ii) Rooster Run Golf Course; and (iii) Oakmont Golf Club.

Section 5. BENNETT VALLEY GOLF COURSE MANAGEMENT

- (A) The City hereby appoints and retains the Operator, and Operator hereby accepts such appointment and retention as the manager to operate and maintain the BVGC during the Term, as defined in Section 2 of this Agreement, and any extensions thereof, with full power and authority to carry out all of the duties and responsibilities specified herein, upon the terms and subject to conditions set forth in this Agreement.
- (B) Hire, train, schedule, manage and supervise all personnel necessary to properly fulfill Operator's requirements under this Agreement. Employ a General Manager who oversees the operations of the entire Golf Course. Employ a full-time, qualified golf professional who shall provide golf instruction and other services typically provided under industry standards. Employ a full-time, qualified maintenance superintendent who is in charge and shall oversee course maintenance, is a member of the Golf Course Superintendent Association of America and has a Qualified Applicator Certificate and/or a Qualified Applicator License issued by the California Department of Pesticide Regulation or has on staff a qualified individual maintaining the same applicator license. Hire, train, and supervise an employee of Operator who is in charge of the Food Service Facilities and providing food and beverage services at the Bennett Valley Golf Course ("Director

of Food and Beverage or similar title"). Hire, train, and supervise an employee of Operator who is responsible for selling and promoting golf tournaments, special events, private catered events and marketing for the Bennett Valley Golf Course, including the Food Service Facilities ("Director of Sales or similar title") Operator shall ensure that all employees, including the golf professional and the superintendent, meet or exceed industry performance standards for their respective positions.

- (C) The Operator will appoint one representative of the entire management operation to act as the Liaison between the City and the Operator. The city will appoint one staff member to act as the Liaison to the Operator. The Operator's Liaison and the City's Liaison must always be available, 24 hours a day, 365 days per year, including holidays or appoint a designee when the Liaison is not available. Both Liaisons must regularly communicate availability or their designee's contact's cell phone number and email address if not regularly available for any reason.
- (D) The Operator shall have and retain control over the employment and discharge of all persons assisting in the performance of its services. The Operator shall be solely responsible for all matters relating to wages, hours of staff work, working conditions, and payment of its employees, including compliance with all State and Federal laws related to social security, payroll taxes and withholdings, unemployment compensation, and all other requirements related to staffing. The Operator shall be responsible for its own acts and those of its subordinates, employees, and any/all subcontractors during the Term of the BVGC Agreement.
- (E) All professional staff must be clearly identifiable and present in a neat and clean manner.
- (F) The Operator shall employ on a full-time basis an experienced golf professional for its operations at the Bennett Valley Golf Course. The Golf Professional shall be a licensed member of the PGA or LPGA. Submit evidence of this staff member within 30 days of Council approval of the Operator Agreement.
- (G) The Operator will maintain a current list of all key staffing contact information referenced in this Section 5 of this Agreement and as shown in the Key Staffing Plan (Exhibit B).

Section 6. SERVICES

Operator shall provide to City the services described within the entire Agreement, the attachments and Exhibits, including Exhibit F ("Operator Scope of Services"). Operator shall provide these services at the time, place, and in the manner specified in the entire Agreement including all Attachments and Exhibits.

Section 7. OPERATOR'S GENERAL DUTIES AND OBLIGATIONS

- (A) Throughout the Term, and any extension thereof, subject to any restrictions or limitations set forth elsewhere in this Agreement and City's approval of the Business Plan, Operator shall, at a minimum, do the following:
- (B) The Operator shall be responsible to the City and the public for providing full-time, golf-related services and conducting its business on or about the Bennett Valley Golf Course facilities in a manner consistent with the prevailing standards and practices promulgated by the Club Management Association of America, the Professional Golf Association of America, and the Golf Course Superintendents Association of America.

- (C) The Operator shall operate the Bennett Valley Golf Course facilities in an orderly manner and not annoy, disturb or be offensive to customers, patrons, or others in the immediate vicinity of such operations. The operation of the Bennett Valley Golf Course facilities shall be conducted in a manner acceptable to the City of Santa Rosa in its reasonable determination.
- (D) Fully comply and cause all Bennett Valley Golf Course facilities and all equipment and supplies and operation thereof to fully comply, with all Legal Requirements.
- (E) Immediately advise City of any discovery by Operator of any Hazardous Substance in, on or about the BVGC and, promptly following such discovery, jointly determine with City the actions which should be taken to ensure that the presence of such Hazardous Substance in, on or about the BVGC will not constitute a violation of any Legal Requirements, and upon approval by City of any actions, promptly take or cause to be taken such actions as City shall require.
- (F) Except for fuel and motor oil reasonably necessary for operation and maintenance of the BVGC and except for any other substance or material reasonably necessary for the operation and maintenance of the BVGC (all of which substances and materials shall be used, installed, kept and maintained in compliance with all applicable Legal Requirements), place or cause to be placed in, on, under or around the BVGC or any related facilities any Hazardous Substance.
- (G) In addition, Operator shall comply with any hazardous materials compliance program or policies of the City and the County of Sonoma now or hereafter in effect. In the event Operator discovers or obtains actual knowledge of the existence of any Hazardous Substance in, on, under or around the BVGC or related facilities other than as permitted to be so located in compliance with this Agreement, Operator shall immediately notify City. Operator shall not be responsible for any Hazardous Substance (a) present on the BVGC or related facilities prior to the date hereof, unless deposited thereon by Operator or Operator's agents, contractors, or employees; (b) placed on the BVGC or related facilities in accordance with the terms of this Agreement; (c) which become present on the BVGC after the date hereof as the result of some event or condition over which Operator has no control, provided, however, that Operator shall promptly notify City of any notice received by Operator from any governmental authority of any actual or threatened violation of any applicable laws, regulations or ordinances governing the use, storage or disposal of any Hazardous Substance, and shall cooperate reasonably with City in responding to such notice and connecting or contesting any alleged violation. Operator hereby agrees to indemnify, defend (through counsel reasonably satisfactory to City) and hold City (including City's officers, employees, agents, representatives, and their respective successors and assigns) harmless from any cost, expense, loss, damage, or other liability incurred by City, including all costs of testing, monitoring, and remediation incurred by City as a result of any breach by Operator of the obligations under this section.
- (H) Fully cooperate with and provide any necessary or appropriate documents, materials and information to City, any financial institution, lender or any other third party designated by City, and consent to the assignment by City of this Agreement to any financial institution or lender as security for any loan made by such financial institution or lender to City.
- (I) Make recommendations to City from time to time concerning improvements and modifications to the Golf Course.
- (J) Obtain and maintain in full force and effect all insurance required to be maintained by Operator pursuant to this Agreement.

Section 8. OPERATION OF THE BENNETT VALLEY GOLF COURSE

- (A) Subject to and throughout the Term of this Agreement, and any extension thereof, Operator shall, subject to any restrictions or limitations set forth elsewhere in this Agreement, perform or cause to be performed all tasks necessary or appropriate to the ongoing operation, management, supervision, maintenance, and repair of the BVGC. In performing such tasks, Operator shall, at a minimum, do each of the following:
- (B) Accept and manage all reservations for the BVGC and related facilities under rules and policies established in consultation with City.
- (C) Create and provide various tournament packages and compile printed and electronic informational brochures for potential restaurant and banquet customers.
- (D) Golf Course Maintenance:
 - (i) At a minimum, perform the following Golf Course maintenance services:
 - (a) Irrigate greens, tees, fairways, driving range and landscaped areas
 - (b) Change cup locations a minimum of six days a week
 - (c) Rake traps with a mechanical rake five days a week and spot rake two days a week
 - (d) Repair divots in fairways and tees weekly
 - (e) Move tee markers daily
 - (f) Edge all sand traps twice monthly in season and as needed November through February
 - (g) Verticut all greens four times per year
 - (h) Fertilize greens, collars and heavy traffic areas every eight weeks; Aerate and top dress greens two times per year
 - (i) Mow greens six times per week in the months of March through October
 - (j) Mow greens four times per week in the months of November through February
 - (k) Mow fairways two times per week during the months of March through October
 - (l) Mow fairways one time per week during the months of November through February
 - (m) Mow collars and tees two times per week March through October
 - (n) Mow collars one time per week during the months of November through February
 - (o) Mow fairways one time per week during the months of March through October
 - (p) Mow all rough areas twice monthly November through February
 - (q) Implement weed control as needed
 - (r) Maintain the boundary of the Golf Course
- (E) Refer to Exhibits G and H for reference regarding the Golf Course irrigation equipment, including irrigation pumps and wells. The Operator is responsible for ALL irrigation maintenance and repair, including lateral and main line breaks, valves, sprinkler heads, controllers, and all other parts of the irrigation system above and below grade.
- (F) The Operator shall maintain the irrigation system in a manner that prolongs the useful life of the entire irrigation system. The irrigation equipment shall be kept in good repair, functioning

properly, and continually in conformance to all related codes and regulations. An annual preventative maintenance program shall be performed on the irrigation system, including pumps each year. The irrigation system is over fifty (50) years old and major systems malfunctions are a regular part of irrigation maintenance.

- (G)** The Operator is responsible for all maintenance and repair of holding pond pumps, well pumps and wells and any other part of component of the wells and pumps system. The holding pond pumps are in poor condition but are fully operational. The City is in the planning stages for a capital improvement project to remove the holding pond and pump system in replace of a new water well and holding tank or ponds. The well project is expected to be complete in approximately 2-3 years. Until the well project is fully funded and complete the existing holding pond pumps will not be replaced and therefore the Operator must maintain the pumps in the best working order possible. The City will be responsible for major clearing of intake valves, annually from the holding ponds that contain the pumps until such time as the new water supply system is installed.
- (H)** All electrical issues for any irrigation equipment including valves and controllers, pumps and all other electrical based equipment on the golf course is the responsibility of the Operator to troubleshoot and repair.
- (I)** Operate the Golf Course and all related facilities during all daylight hours, seven days per week, on all days when the Golf Course is playable.
- (J)** Establish, and timely implement, and publish fees for the driving range, golf equipment rentals, golf cart rentals, instruction and lessons. Notwithstanding the foregoing, Operator shall obtain the written consent of the City prior to increasing any fee more than ten percent (10%) aggregate in any single year of the Term or any extensions thereof Consent may be granted in the City's reasonable discretion.
- (K)** Establish prices for golf equipment and retail merchandise available for purchase through the pro shop.
- (L)** Timely implement and publish greens fees established by City. Operator is authorized to discount greens fees up to 20% and offer promotions to fill open tee times, provided, that the discounts and promotions are consistent with industry standards. Any non-industry standard practices and any discounts combination that results in a discount of more than 20% must be approved, in writing by the City. Such promotions and discounts shall be thoroughly documented and reported to the City pursuant to Section 21 of this Agreement. The City shall have the authority to reduce, rescind, or otherwise modify Operator's discounting authority at any time upon written notice to Operator.
- (M)** Third Party Marketers (e.g. Golf Now): The City acknowledges and agrees that the Operator may trade tee times with third party marketers to increase distribution and the sale of tee times. In return for the distribution and marketing of tee times, the Operator may trade tee times at a rate which is consistent with other similar golf courses in the area.
- (N)** The City approves of the Operators volunteers to lead charitable efforts and serve as golf course greeter or starter and golf course assistant, and agrees volunteers may receive complimentary golf on a space available basis and other privileges as defined by the Operator.

- (O) The use of complimentary golf may also be used at the discretion of Operator to promote and increase business (revenue), and to provide for customary privileges for PGA, GCSA, LPGA members, and course employees and volunteers, on a space available basis. City employees and officials are not eligible for complementary golf, or any other complimentary options offered by the Operator.
- (P) Maintain and operate the pro shop, golf cart storage area, maintenance shop, restrooms, and all other Bennett Valley Golf Course facilities in a safe, neat and orderly condition. The City shall have the right to make reasonable objections to the appearance and condition of the facilities and to the level and quality of service provided by staff utilized by Operator. Operator shall promptly meet and confer with the City regarding any such objections upon notification by the City. Operator shall respond to all customer complaints in a timely manner and attend to and accommodate customer needs and complaints to the best of Operator's ability.
- (Q) Clean and maintain restrooms and provide all supplies, materials and regular cleaning necessary to ensure that they are continuously clean and fully equipped; maintain and repair restroom fixtures.
- (R) Ensure the Bennett Valley Golf Course is free of garbage, trash and debris; deposit all garbage, trash, debris and recycling in proper receptacles.
- (S) Maintain and repair the premises, including, but not limited to, greens, fairways, tees, roughs, sand traps, driving range, pond/reservoir banks and inlet pipes, maintenance yard, irrigation systems, landscaping, shrubs, trees, planter areas, fencing, lawns, restrooms, pro shop, parking lot, restaurant, banquet facilities and all equipment and personal property related thereto, in accordance with industry standards and established minimum maintenance levels for the Bennett Valley Golf Course as described herein.
- (T) Provide customers with a variety of clothing, sundries and golf equipment for purchase. Provide golf clubs for rental. All inventory in the pro shop shall be purchased by Operator and Owned by the City.
- (U) Manage and schedule all golf instruction and lessons.
- (V) Comply with all agreements and instruments governing or affecting the BVGC now or in the future, including, without limitation, regulatory agreements, mortgages, deeds of trust and similar documents, copies of which shall be provided to Operator upon execution of this Agreement, or promptly after such documents become effective.
- (W) Negotiate, prepare, review and, subject to the restrictions set forth herein, execute and maintain in full force and effect all agreements necessary or appropriate for the management, operation, maintenance and supervision of the BVGC ("Operating Contracts"), and assure that any such contracts (1) may be terminated without cause or penalty upon not more than thirty (30) days notice; and (2) include adequate indemnification and insurance coverage requirements on behalf of City, as an additional insured thereunder when applicable given the nature of the Operating Contract. Contracts with more than a thirty (30) day termination clause must be approved in writing by the City.

- (X) Diligently pursue the collection of all fees and other sums due and owing to Operator or City relating to the BVGC. Ensure that tournament and event contracts are fully executed, and all required payments are received prior to or on the day of tournaments and events.
- (Y) Provide all marketing and advertising, including but not limited to on-line, print and other media.
- (Z) Except for major golf course maintenance equipment, procure and maintain all equipment necessary and appropriate for the profitable and efficient operation of the Golf Course. The City will procure all major golf course maintenance equipment and the Operator is required to maintain the equipment with qualified personnel. Reference Section 11.B.iii of this Agreement for further information regarding Operator's responsibility regarding maintenance of equipment.
- (AA) The BVGC and all property grounds shall always be maintained to the standard of a first-class daily fee golf course. Ground landscaping is kept free of weeds and dead plants are replaced in-kind or substituted with City approval. All Grounds and the golf course must be free of trash. Non-turf landscape areas shall be maintained to always reduce weeds to less than one foot in height. Rouge trees and large shrubs that may sprout must be removed when within ten feet of a structure of fence or receive City approval to remain.
- (BB) Dead trees must be removed immediately, pending City approval, and stumps ground to 18" below grade.
- (CC) The Operator shall maintain the property and the golf course in accordance with the accepted and most current Golf Course Superintendents Association of America (GCSAA) standards and Professional Golf Association of America (PGA) guidelines.

Section 9. GOLF TOURNAMENTS, LEAGUES AND SPEICAL EVENTS

- (A) The Operator will host at least two tournaments each year open to anyone to encourage and promote participation in the sport of golf. The Operator will coordinate tournament dates with the City to provide the maximum outreach for participation. The Operator is responsible for the marketing and outreach related to tournaments and leagues, however, the City will coordinate with the Operator utilizing its existing outreach methods as well.
- (B) The Operator will provide for special events at the golf course and restaurant such as but not limited to concerts/movie nights, holiday events, fundraisers that benefit the recreation of golf for populations that traditionally do not participate in golf.

Section 10. OPERATOR OPERATION OF THE RESTAURANT AND BANQUET SERVICES

- (A) The Operator shall operate the restaurant and banquet rooms/event space and monitor sales and concession areas. The restaurant must be open during the hours of operation and all days that the Golf Course is open unless otherwise approved, in writing by the City. The restaurant must offer a breakfast and lunch option for golfers and twilight hour dinner option Mondays through Thursdays. Full Dinner Service must be provided Friday, Saturday, and Sunday at a minimum, on all days when the golf course is open unless otherwise approved in writing by the City.
- (B) **Restaurant and Pro Shop Food and Beverage Service**

- (i) The Operator will determine what type of food it intends to provide to customers to the satisfaction of the City. Food must be provided for all expected patrons including options for youth patrons. The restaurant will also provide to-go items such as water and snacks and hearty snacks for golfers that are mid-way through golfing or similar. Beverages shall include commonly requested non-alcoholic beverages and alcoholic beverages for restaurant patrons and golfers.
- (ii) The Pro Shop may also sell pre-packaged to-go food and beverages with a long-shelf life such as water, gum, and similar.
- (iii) The Operator will provide snacks and beverages, both alcohol and non-alcoholic beverages to golfers on the course, while golfing. This is a key service at BVGC as the layout of the golf course does not easily allow for all golfers to stop at the restaurant, especially during fast play.

(C) Banquet Services

- (i) The Operator must provide as part of its Operation Plan for the banquet rooms/event center seven (7) days per week, or any day that the golf course is open, including holidays, if any, for breakfast, lunch, or dinner hours unless otherwise approved in writing by the City. Banquet rooms must be available to the public for rent at market rates and with variable rates to attract weekday use. The Operator must provide verifiable analysis that pricing, and availability is comparable or better than other similar facilities in the greater north bay area and specifically within Sonoma County. Costs should not be at the high range of the market unless approved by City Council. The Operator is encouraged to provide unique and interesting options for City consideration to attract regular use of the banquet facility.

Section 11. CITY AND OPERATOR'S EQUIPMENT AND SUPPLIES

(A) Supplies. Operator shall purchase all supplies necessary for the management, operation, supervision and maintenance of the BVGC, including but not limited to: all consumable goods, uniforms, cups, flags, flagpoles, tee markers, trash receptacles, bunker sand, ball washers, towels, grinding compound, special tools to maintain equipment, welders, grinders, air guns, hoses, sand trap rakes, restroom supplies, gasoline, oil, grease, small hand and power tools, shovels, rakes, hoes, brooms, fertilizers, broadleaf weed control products, fungicides, algaecides, weed control products for fence lines and cart paths, grub control materials, crabgrass control materials and all other chemicals for application on the Golf Course, grass seed, top dressing materials, sprinkler heads, range mats, range balls, and all other items necessary for the efficient and proper functioning of the Golf Course and as approved by the City. This is not intended as a complete list of supplies; Operator is required to purchase additional supplies where necessary and appropriate, whether or not specifically mentioned above and as approved by the City. All supplies purchased by Operator are the property of the City, with the only exception being any items agreed to in writing or per this Agreement that shall remain the property of the Operator.

(B) Equipment.

- (i) **City's Equipment.** An inventory of furniture, fixtures, and equipment supplied by City and available to Operator for the performance of this Agreement by Operator (the "Equipment"), is set forth in Exhibit I and maintenance equipment is set forth in Exhibit J

to this Agreement. Exhibit I and J may be updated from time to time in writing by the City. The purchase or disposition of Equipment is at the sole discretion of City. All Equipment listed in Exhibit I and Exhibit J is and shall remain the property of City.

- (ii) **Operator's Equipment.** Operator shall, within 30 days of Effective Date, supply City with a list of all furniture, fixtures and equipment ("FF&E") owned by Operator that will be used at the Golf Course by Operator, if any. For the purpose of clarity, Operator does not typically own any equipment, inventory or supplies at the golf courses under its management and does not intend to own any such items in connection with this Agreement. All such items will be purchased by Operator as a golf course operating expense.
 - (iii) **Equipment Maintenance and Repair.** Operator shall maintain and keep all Equipment and FF&E in good condition and repair throughout the useful life of the Equipment and FF&E in accordance with manufacturers' specifications and recommendations, reasonable wear and tear excepted. Operator shall replace FF&E including, but not limited to, office furniture, chairs, decor, window treatments, televisions and other audio/visual systems, closed circuit surveillance cameras, refrigerators, microwaves, and golf carts as they become worn or inoperable with City approval and unless otherwise noted in this Agreement. Operator shall provide all labor and parts for Equipment and FF&E repairs, including but not limited to, tune-ups, grinding, lapping, battery, belt, chain, and tire replacements, and perform all scheduled or manufacturer- recommended servicing of the Equipment and FF&E. Evidence of regular service of Equipment and FF&E through logs and other supporting documentation, such as receipts for service, must be provided to City upon request. The City may repair golf course maintenance equipment if the estimate of the cost of the services exceeds \$5,000 and/or if documentation of the Operator's attempt to repair are provided. Operator shall utilize the City's software system, Faster for logging of all golf course maintenance equipment services, including preventative maintenance. The City will coordinate with the Operator to train maintenance staff with utilization of the software program and reporting expectations.
- (C) **Maintenance Shop – Buildings and Yards.** Operator is hereby permitted to use the maintenance buildings and yards at BVGC. To store equipment and supplies for the maintenance and repair of the Golf Course and related facilities, and Operator shall keep these buildings and yards in a neat, safe, clean and orderly condition. Any damage to said buildings due to negligence or misuse by Operator, or Operator's employees, contractors, or agents, shall be promptly repaired by Operator at Operator's sole expense and to the satisfaction of the City. Operator shall defend, indemnify and hold City harmless from any and all claims by laborers, material suppliers or contractors in connection with any work done on, or goods or materials incorporated into, the Golf Course, or any facilities related thereto, including the pro shop, and shall perform all other acts as may be necessary or appropriate to preserve and maintain the Golf Course and all related facilities free and clear of any and all liens and free and clear of any and all stop notice rights.
- (D) The Operator must provide a plan for disposal of unwanted vegetation, natural products such as sand and mulch, including dead trees and stumps. It is not acceptable to stack, pile or hold onto any unwanted debris on site. Any minor equipment, parts or other items utilized in the maintenance of the golf course and grounds that must be disposed of immediately when no longer in use or needed for golf course and grounds maintenance. The Operator may not stack, hoard, or

dispose of debris on-site. Every piece of maintenance equipment and material utilized must have a dedicated location that does not interfere with the aesthetics of the golf course.

Section 12. UTILITIES, INTERNET, COMPUTER SYSTEMS AND RELATED SERVICES

- (A) All Golf Course utility accounts shall be held by City in City's name. City shall bear the cost of water, sewer, gas, electricity and refuse collection services to the Golf Course, including electricity to charge all golf cart batteries.
- (B) Telephone, Internet service, WiFi, television cable, satellite service, web site hosting, POS System including personal computers and server hardware, range ball machine maintenance, credit processing, security cameras and any other similar service utilities shall be held by Operator on behalf of the City. City will provide support only for existing local computer network cabling infrastructure (copper and fiber) located in and between the BVGC buildings. Modifications to existing copper and/or fiber computer network cabling, and the installation and termination of new copper and/or fiber computer network cabling will need to be reported to the City, then reviewed and approved by the City before proceeding. All expenses associated with these services are the responsibility of the City.
- (C) Water Supply: The City is responsible for all Water and Sewer Utilities costs, including irrigation water until such time as a separate water meter can be provided between the golf course and Galvin Park. The Operator will comply with all City of Santa Rosa and State implemented water restrictions related to drought. The Operator will make every effort to conserve water on the golf course and in the restaurant. The Operator is responsible for managing all repairs to the irrigation and water supply lines.
- (D) Electrical and Gas: Electrical and Gas Services are to be provided and funded by the City via PG&E. However, any monthly electrical and gas invoices over the average level will be subtracted from the Operator's Annual Incentive. The City will repair any main conduit electrical repairs needed for service to the buildings and within the buildings.
- (E) Refuse: The City has a Franchise Agreement for refuse disposal and therefore, the City will provide for the same refuse service that is currently provided. The large refuse bin for the restaurant must be kept within the outside storage area of the restaurant except on the day(s) when the refuse service will collect. The Refuse bin may not be rolled out the night before and in the following day after pick-up, instead it must be within the outside enclosure at the restaurant building at all times except on the day of refuse collection.

Section 13. PRO SHOP MERCHANDISE

- (A) The Operator has the authority to make decisions regarding the type and quantity of all golf merchandise available in the Pro Shop as agreed upon in advance per the BVGC budget. In lieu of a City approved budget, the Operator shall maintain inventory levels in a manner so as to minimize stale merchandise and achieve a reasonable inventory turnover level. The Operator must not overstock the Pro Shop with merchandise but must also provide a fully stocked merchandise section. The Operator shall provide a wide variety of golf merchandise for purchase or rent that is sufficient to provide commonly needed and quality merchandise.
- (B) The restaurant may also provide Pro Shop merchandise if the merchandise can be continuously monitored by staff.

Section 14. FUEL PUMP STATION

- (A) The City owns an on-site gasoline pump for the convenience of fueling BVGC maintenance equipment. The Operator may utilize this gas pump system or propose an alternative. If the Operator utilizes the existing gas pump, it is entirely the responsibility of the Operator to maintain the gas pump equipment to the safest level required by law or higher. The Operator will maintain all permits required, except the BAAMQD permit which the City will maintain with cooperation from the Operator. The Operator will arrange for all fuel deliveries and entirely manage the operation and safety responsibilities of the gas pump equipment.
- (B) The Operator will log every gallon of fuel at a minimum and track its distribution per equipment tag for accountability. These logs will be provided monthly to the City on amount of fuel in the tank, amount of fuel distributed to each piece of equipment requiring fuel. The Operator will also provide an annual year- to- year report for comparison.

Section 15. CAPITAL PROJECTS

- (A) The City and the Operator will share in the responsibility for providing capital improvements; provided, however that the cost of such capital improvements shall be borne by the City except for \$50,000 Operator is contributing up front for restaurant and entry grounds improvements. The City and the Operator will provide regular reviews of the property to identify Capital Improvement needs. The Operator may provide for all capital improvements only with prior written permission from the City. The City reserves the right to deny, for any reason, any capital improvement that is not a safety concern or without repair would eliminate or severely limit the use and operation of the BVGC at the sole discretion of the City. The City may perform Capital Projects at its own discretion.
- (B) All Capital Projects approved by the City and undertaken by the City or Operator must eliminate or significantly reduce the disturbance to the enjoyment of the sport of golf and use of the facilities. Significant Capital Projects must estimate a project schedule, full costs and revenue impacts to the golf operation, if any.

Section 16. FACILITY CONDITION AND MINOR IMPROVEMENTS

- (A) Within its basic operational budget, the Operator shall be responsible for providing daily janitorial maintenance of all building interiors and exteriors in at least their condition at the time of the Effective Date. If, in the event, that the Operator desires to improve the interior or exterior, the Operator must receive approval, in writing from the City before undertaking improvements at City expense unless previously approved as part of the budget. Upon City approval, the Operator may make minor alterations to improve and or change the aesthetics of the building interior or exterior such as signage, change of material of any part of the building or exterior or attachment of any new object or feature, including drapery, display cases, art, or anything that would be considered a change to the aesthetics of the building in any way.

Section 17. SIGNAGE

- (A) The Operator shall produce and display in the Pro Shop with the following information: Greens fees, golf cart rental fees, pull cart rental fees, range ball fees, rain check policy, tee time policy and refund policy. The City of Santa Rosa shall have the final approval of all signage, especially

anything that includes the City of Santa Rosa logo, including text. Any signage displayed anywhere on site must comply with the City of Santa Rosa's Policies regarding non-discrimination.

- (B) The Operator will propose a name(s) for the restaurant, for City consideration and approval. The Operator will arrange for restaurant signage upon approval from the City regarding the design and location and materials.

Section 18. GOLF CARTS

- (A) The City shall assume responsibility for the current golf operator's golf cart lease until October 2022. The City requires continuity of golf carts on site. Prior to the expiration of the golf cart and maintenance lease in October 2022, the Operator and the City may mutually agree to renew the existing golf cart lease agreement or seek a new golf cart and maintenance agreement (lease or purchase) that is in the best interest of the City. The Operator's responsibility is to ensure golf carts are available each day for use by golf patrons. The Operator must always ensure continuity of golf carts when open to the public.
- (B) The Operator shall provide for the daily cleaning and charging of the golf carts and coordinate with the golf cart contractor for any needed repairs. It is the Operator's responsibility whether leased or not to ensure that the carts are clean, sanitary, charged, perform well in all directions, and are undamaged (seats, body, dents etc.).

Section 19. PROHIBITED ACTIVITIES

- (A) Operator shall not do, nor cause, nor permit to be done, any of the following, which shall be deemed an Event of Default by Operator under Section 3:
 - (i) Borrow or lend money, or enter into any other agreement, in the name of the City.
 - (ii) Enter into any agreement, relating directly or indirectly to the Golf Course, which cannot be terminated without penalty upon not more than a thirty (30) day prior notice (oral or written) without written approval from the City.
 - (iii) Assign, transfer, pledge, compromise or release any of the claims of or debts of City, except upon payment in full.
 - (iv) Arbitrate or consent to the arbitration or settlement of any claim of or against City or any other dispute or controversy involving City.
 - (v) Lease, sell, transfer, assign, convey, pledge, encumber, mortgage, hypothecate or otherwise dispose of the BVGC, related facilities, the Equipment or supplies provided by City, or enter into any contract for such purpose, provided, however, that Operator shall have the right to (i) replace at Operator's cost any of the Equipment that is worn, destroyed, or otherwise inoperable, and (ii) enter into service and maintenance contracts for the Equipment, subject to the City's prior approval which shall not be unreasonably withheld.
 - (vi) Violate any of the Legal Requirements or engage in or permit, suffer or allow the occurrence of, any storage, holding, release, emission, discharge, generation, abatement,

disposition, handling or transportation of any Hazardous Substance. Notwithstanding the foregoing, Operator need not secure prior written consent of City before utilizing, in connection with the reasonable and necessary operation and maintenance of the Golf Course, fertilizers, pesticides, fuels and motor oil, provided such substances are utilized in full and complete compliance with all applicable Legal Requirements, and any procedures now in effect or hereafter made effective by City.

- (vii) Make any modification, alteration or improvement to the Golf Course or related facilities other than as expressly authorized hereunder, or as indicated in the applicable Business Plan or approved in writing by the City.
- (viii) Except for fertilizers, pesticides, fuel and motor oil or other substances or materials reasonably necessary for operation and maintenance of the Golf Course, (all of which substances and materials shall be used, installed, kept and maintained in compliance with all applicable Legal Requirements), place or cause to be placed in, on, under or around the Golf Course or any related facilities any Hazardous Substance. In addition, Operator shall comply with any hazardous materials compliance program or policies of the City and the County of Sonoma now or hereafter in effect. In the event Operator discovers or obtains actual knowledge of the existence of any Hazardous Substance in, on, under or around the Golf Course or related facilities other than as permitted to be so located in compliance with this Agreement, Operator shall immediately notify City. Operator shall not be responsible for any Hazardous Substance (1) present on the Golf Course prior to the date hereof, unless deposited thereon by Operator or Operator's agents, contractors, or employees; (2) placed on the Golf Course in accordance with the terms of this Agreement; (3) which become present on the Golf Course after the date hereof as the result of some event or condition over which Operator had no control, provided, however, that Operator shall promptly notify City of any notice received by Operator from any governmental authority of any actual or threatened violation of any applicable laws, regulations or ordinances governing the use, storage or disposal of any Hazardous Substance, and shall cooperate reasonably with City in responding to such notice and correcting or contesting any alleged violation.
- (ix) Provide permissions and approval of access and improvement to the Golf Course facility to City's Operators and other City authorized access and improvements without City approval.
- (x) Operator shall not display, nor shall Operator suffer or permit the display of any advertising or any other postings at the BVGC that are unrelated to golfing, restaurant or public event activities, without the prior written consent of City, in City's sole discretion. All exterior signage must comply with City of Santa Rosa signage standards.
- (xi) Operator must determine, establish, and implement the policies, standards, and schedules for the operation and maintenance of the Golf Course and all matters affecting customer relations, in accordance with this Agreement including the attached exhibits.

Section 20. COMPENSATION, REVENUE AND FEES

- (A) **Base Management Fee.** Operator shall earn a Base Management Fee of \$8,000 per month payable on the 1st day of each month in advance, for an annual Base Management Fee of \$96,000.

(B) Incentive Management Fee. In its management role, OPERATOR shall be eligible to earn incentives (the “Incentive Management Fee”), in addition to the Base Management Fee. The Incentive Management Fee shall be based on increases/improvements in annual Net Operating Income of the Golf Course, as outlined herein. “Net Operating Income” shall be calculated as all revenues of the Golf Course minus (1) the cost of all goods sold at the Golf Course, (2) Direct Costs, and (3) the Base Management Fee. The Incentive Management Fee for the first Operating Year shall equal 20% of the amount of Net Operating Income that exceeds \$500,000. For purposes of this Agreement, “Operating Year” is the period from the Effective Date to the following June 30 and each following twelve (12) calendar month period for the term of the Agreement commencing on July 1 and ending on June 30. The Incentive Management Fee for the second Operating Year (July 1, 2023 – June 30, 2024) shall be 20% of the amount of Net Operating Income that exceeds \$625,000. Following the first and second Operating Years, the Incentive Management Fee will be 20% of the amount of Net Operating Income that exceeds the higher of: (1) the actual Net Operating Income for the previous Operating Year, or (2) \$950,000.

Reference Section 3 (E) v for further information regarding incentive fees in the event of termination of this Agreement.

(C) Alcoholic Beverage Profits. Operator shall retain all Net Profits from the sale of alcoholic beverages at the BVGC; provided, however, that the Base Management Fee shall be reduced in arrears by the amount equal to the Net Profits retained by Operator. As used herein, the term “Net Profits” shall mean the gross receipts attributable to the sale of alcoholic beverages at the Food Service Facilities less (i) Employee Compensation for Food Service Facilities employees, (ii) payments under equipment leases for the Food Service Facilities, (iii) costs incurred to purchase alcoholic beverages for service or sale, and (iv) any applicable Food Service Facilities-related state and federal taxes, but specifically excluding Operator’s income taxes in respect of Net Profits retained by Operator pursuant hereto. Operator shall provide City with an accounting of Net Profits each month, at the time of submission of Operator’s Base Management Fee invoice.

(D) The Fee payments prescribed herein shall constitute all compensation to Operator for providing the services hereunder, including all costs associated with non-golf course personnel, and insurances maintained by Operator not specific to the golf course facility, excluding reasonable reimbursable travel costs of non-golf course personnel for Operator’s senior management visiting the golf course facility. In no event shall City be obligated to pay late fees or interest, whether or not such requirements are contained in Operator’s invoice.

(E) Notwithstanding any other provision in this Agreement to the contrary, the total maximum annual compensation to be paid for the satisfactory accomplishment and completion of all services to be performed hereunder shall in no event exceed the sum of ninety-six thousand dollars and no cents (\$96,000.00) and an incentive fee as described in Section 20 B of this Agreement above. The City’s Chief Financial Officer is authorized to pay all proper claims from BVGC Operating Fund 1661.

(F) The Operator shall create, maintain, and operate an independent bank account to manage all revenue and expense transactions in compliance with this Agreement. The City shall maintain or hold no authority over said account with the Operator being the sole account holder. By the fifteenth of each month, Operator is to provide the City a remittance containing the account's statement and a summary of transactions for the prior month. At that time, any surplus to the account will be remitted to the City, any deficit shall be invoiced at net 30 terms. The City will

hold rights to audit the transactions quarterly. Surplus will be determined by the City in coordination with the Operator within 45 days of fully executed date of this Agreement.

- (G) Pursuant to Section 21, within 15 calendar days of the end of each month end period, Operator will report to the City the earnings before interest, taxes, depreciation and amortization (“EBITDA”) for the prior month end period. City shall have the option to elect to have Operator distribute, transfer or otherwise fund the EBITDA for such month end period and if so elected, Operator will arrange for the distribution, transfer or funding of such amount no later than 45 calendar days after the month end period.
- (H) The Parties acknowledge that it is the intent to maintain a balance of operating cash that approximates 5% of the annual budgeted revenue of BVGC at all times such cash balance representing the “Working Capital Reserve” for the Golf Course. At the inception of this Agreement, the amount established for the Working Capital Reserve is \$175,000. The Working Capital Reserve shall be updated no less than annually based on the approved budget and any reforecast approved by the City.
- (I) With each Monthly Operating Report required under Section 21, Operator shall provide a cash projection for the remaining months of the budget period to include the actual results year-to-date and the forecasted results for the remaining budget period based on the budget. At such time, Operator shall advise the City if the Working Capital Reserve is no longer at the threshold amount and will propose steps to rectify the shortfall, if any are deemed necessary, or shall proceed with the funding request outlined herein.
- (J) If the funds in the Golf Course Operating account are insufficient to cover actual BVGC Direct Costs, then the Operator shall submit a written funding request to the City including the following information: (1) amount of request funding deposit; (2) a projected cash flow statement covering the period of time in which such funding request is being made for, based on the budgeted revenue and costs for such period of time; (3) a detailed schedule of unbudgeted revenue or expense adjustments anticipated with such information incorporated into item (2), and (4) a current accounts payable aging report. The City reserves the right to require additional information from the Operator during a funding request.
- (K) Operator will remit to the City all the BVGC Capital Improvement (CIP) Fees collected as established by City Council until such time as the City Council eliminates the Fees. CIP Fees will be provided to the city by the Operator monthly, unless otherwise approved, in writing by the city. CIP Fees are not considered Operating Revenue and may not be utilized without City Council approval or as approved in the budget.
- (L) Operator acknowledges and will remit to the City Operating Revenue sufficient to reimburse the city for the monthly costs of all services and utilities described in Section 12, A – E of this Agreement upon presentation of an invoice unless upon City approval, the Operator directly pays these utilities. The city will provide record of the billing to the city of the services and utilities as received.

Section 21. RECORDS & REPORTING

- (A) **Accounting System; Books.** Operator will collect, analyze, and provide all data regarding the Services provided to the City on a Fiscal Year basis that captures and maintains complete information concerning all BVGC operations, maintenance and management, as follows:

- (i) **Accounting System.** For all financial transactions at or relating to the BVGC, Operator shall maintain and use an accounting system acceptable to City. Operator utilizes the QuickBooks Enterprise accounting system and City agrees that such system is acceptable to the City;
- (ii) **Books of Account.** Throughout the Term and any extension thereof, Operator shall maintain, in accordance with generally accepted accounting principles (GAAP), consistently applied, full and separate books and records for the Golf Course, with entries supported by documentation sufficient to allow City to ascertain the accuracy of such books and records. Operator shall maintain and safeguard such books and records in Operator's office at the Golf Course, or at such other location as may be agreed upon in writing. Operator shall provide legible, complete copies of such books and records to City at such times and at such other locations as City may request. Operator shall ensure the necessary control over accounting and financial transactions as is necessary to protect City's assets from theft, error or fraudulent activity by Operator's agents, employees, or customers.
- (iii) Operator may choose to implement a new automated golf and point of sale software system or purchase the equipment from the current operator. Either of which shall be approved by City in writing, with the ability to generate necessary daily, monthly, and annual reports as described in this Section 21iv below, as well as a wide variety of golf statistics. The purchase of any such system and equipment shall be the financial responsibility of the City.
- (iv) The Operator shall procure with approval from the City all Golf and Restaurant Management software and hardware and must accurately report the following monthly; Accounting Management, CRM, Electronic Tee sheets, Event Management, Gift Card Management, if any, Inventory Management, Lessons Scheduling, Membership Management, Payment Processing, Payroll Management, and Point of Sale (POS) transactions. The format of these is subject to approval by the City and shall show, annually, by fiscal year (July 1 – June 30th) year-by year quick comparison of Profit and Loss (P & L) and all information listed in this section at a minimum. Any golf course software, hardware expense shall be for the account of the City.

(B) Financial Reports. Operator agrees to submit reports as follows:

- (i) **Monthly Operating Report.** Operator agrees to prepare and submit to City, on or before the fifteenth (15th) day of each calendar month during the Term and any Extensions thereof, and the twentieth (20th) day of the calendar month immediately following any month in which this Agreement is terminated, a Monthly Operating Report, which shall be in such form and contain such information as City may require, and shall include: a report of all transactions occurring during the preceding month; all aging accounts receivables; all deposits held as short term liabilities; all gift certificates sold but not redeemed, and a statement of income for the Golf Course for the preceding month; each prepared on an accrual basis; and, if requested by the City, an analysis of any variances from the Business Plan then in effect. A report in a form approved by City, tracking greens fees and rounds played by category of player, rate, discounts, and promotions shall be provided to the City in conjunction with the Monthly Operating Report.

- (ii) **Annual Operating Report.** Operator shall prepare and submit to the City, no later than ninety (90) days after the end of each Term year and each extension year, an Annual Operating Report for the period of one Fiscal Year from July 1 through June 30, which Annual Operating Report shall be in such form and contain such information as City may require. The Annual Operating Report shall be certified by the principal of Operator as a true and accurate statement of all Gross Revenue and all transactions occurring during the Term year and each extension year. The purpose of the Annual Operating Report is to allow City to reconcile Gross Revenue reported and determine whether correct revenues were paid to City by Operator. Any costs associated with the Annual Operating Report shall be paid by Operator.
- (iii) **Annual Financial Statements.** When requested in writing by the City no later than December 1st of any Term year or extension thereof, Operator shall submit audited Annual Financial Statements for the operation of the Golf Course, including an independent auditor's report and corresponding audit management letter, to City no later than March 1st following the written request. The Annual Financial Statements shall be for the period of January through December of the prior calendar year. The Annual Financial Statements shall include P & L statements and balance sheet prepared in accordance with GAAP by an independent certified public accountant. Operator may request, and at its sole discretion, City may approve, the submittal of a federal tax return in lieu of the audited Annual Financial Statements. City shall treat Annual Financial Statements and federal tax returns as Operator's proprietary information. Any audit costs shall be for the account of the City.
- (iv) **Additional Reports and Data.** Additional ad-hoc or other reports and data as reasonably requested by City related to the Services provided.

(C) Retention, Inspection and Audit of Records

- (i) **Documentation; Retention of Materials.** Operator shall maintain adequate documentation to substantiate all charges as required under this Agreement.
 - (a) Operator shall keep and maintain full and complete documentation and accounting records concerning all extra or special services performed by it that are compensable by other than an hourly or flat rate and shall make such documents and records available to authorized representatives of City for inspection at any reasonable time but no later than 30 days following request by the City.
 - (b) Operator shall maintain the records and any other records related to the performance of this Agreement and shall allow City access to such records during the performance of this Agreement and for a period of four (4) years after completion of all services hereunder.
- (ii) **Review, Inspection and Audit.**
 - (a) All books, records and supporting documentation maintained by Operator pursuant to this Agreement and relating to Operator's management of the Golf Course shall be available and accessible for review and inspection by City at City's request at reasonable times during normal business hours, and, in addition,

in connection with independent financial audits performed by City, as well as audits by any governmental authority. City, or persons appointed by City may, during ordinary business hours, examine all books, records and supporting documentation maintained by Operator pursuant to this Agreement, and all of Operator's other documents, records and files relating to the Golf Course. Should City or City's employees or representatives discover any errors in record-keeping, Operator shall correct such discrepancies promptly upon discovery and notification thereof and make all appropriate and necessary adjustments. Operator shall inform City in writing of the action taken to correct any such audit discrepancies.

- (b) Operator agrees to prepare and allow inspection by City of the plans, books, records and other materials specified throughout this Agreement, including any current or subsequent Business Plan, Operator's books of accounts, all Monthly and Annual Operating Reports, and all supporting documentation therefor, including bank statements and deposit slips, cash receipts and disbursement records, detailed trial balances, paid invoices, supporting documentation for payroll, payroll taxes and employee benefits, and all daily, weekly, monthly or other reports maintained by Operator in connection with Operator's ongoing operation and management of the Golf Course, as well as all contracts that relate to Operator's management, operation, supervision and maintenance of the Golf Course

Section 22. PLANNING; COORDINATION WITH CITY

- (A) **Required Plans.** Operator agrees to prepare, implement and adhere to the following plans, which are subject to approval by City.
 - (i) **Transition Plan**
 - (a) The Operator's transition plan will be relied upon as a guide for transition from the current operator whose term expires on June 30, 2022.
 - (b) The Transition plan includes a schedule for implementation of services which outlines the key implementation steps from Council approval of the Operator's Agreement, through and including opening full operations to the public as required in this Agreement. The expectation is that the Operator will shadow the current operator immediately following a fully executed Agreement.
 - (c) The Golf Course may close to the public for approximately three to five days while the Operator prepares to open services to the public with the goal of as few days or hours as possible for transition. See Exhibit E for the Transition Plan.
 - (ii) **Business Plan**
 - (a) Operator shall be responsible for operating and managing the BVGC in accordance with an Annual Strategic Business Plan (Business Plan) reasonably appropriate for such operations, as approved by City, which approval shall not be

unreasonably withheld. The draft Business Plan for the first year of the Term is set forth as Exhibit C to this Agreement.

- (b) Operator shall prepare an update to Exhibit C, the Year One Draft Business Plan subject to the City's approval within 45 days after the fully executed Agreement. The Business Plan must include but is not limited to the proposed business overview, analysis of competitive golf courses, customer analysis, operations and management team, financial analysis and forecast, marketing, sales, promotion, advertising, and golf development programs. The Plan will also provide for the strategic details for conducting business in the first year of operations.
- (c) Operator shall submit a proposed update to the Annual Strategic Business Plan, no later than March 1st of the first year of operation and each subsequent year of the Term and any extensions thereof, for review and approval by the City. The City shall respond to Operator within thirty days of receipt of the proposed updates.
- (d) Failure by the City to respond in a timely manner shall in no event constitute a waiver of the City's right to approve the same. In the event that the City fails to respond to the proposed updates to the Business Plan prior to the commencement of the next year of the Term, or any extension thereof, Operator may proceed pursuant to the Business Plan as proposed, provided however, that City shall in any event continue to have the right to approve the Business Plan. City has the right to hire at its expense outside Operators for the purpose of conducting performance reviews of the Golf Course operation including, but not limited to, revenue generation, customer service, and maintenance.
- (e) The Business Plan is distinguished from the Operational Plan, in that the Business Plan would focus on the business strategy, data necessary to show appropriateness of the BVGC operations in achieving the City's goals for a successful enterprise.

(iii) **Operating Plan**

- (a) Operator shall be responsible for managing the Golf Course in accordance with an Annual Operating Plan reasonably appropriate for such operations, as approved by City, which approval shall not be unreasonably withheld. The draft Operating Plan for the first year of the Term is set forth as Exhibit D to this Agreement.
- (b) Operator shall prepare an update to Exhibit D, the Year One Draft Operating Plan subject to the City's approval within 45 days after the fully executed Agreement. The Operating Plan must include but is not all items listed in this Section 22 of this Agreement.
- (c) Operator shall submit a proposed update to the Annual Operating Plan, no later than March 1st of the first year of operation and each subsequent year of the Term

and any extensions thereof, for review and approval by the City. The City shall respond to Operator within thirty (30) days of receipt of the proposed updates.

- (d) The Operator will include brief descriptions of the following tasks associated with high-quality management of the BVGC:
 - (1) Maintenance programs, as applicable, including tees, fairways, greens, bunkers, rough, restaurant concessions, pro shop area, driving range and other grounds.
 - (2) Customer Service Standards.
 - (3) Operating systems that are utilized to promote efficiencies, such as but not limited to, online tee time booking and transaction data.
 - (4) Staffing levels, pro shop operations, restaurant operations and relevant performance standards.
 - (5) Marketing and promotional plans for a wide variety of golfers and will incorporate diversity, equity and inclusion within the marketing and promotional plans.
 - (6) Provision of golf lessons and golf carts.
 - (7) Programming ideas and innovative operating concepts for both golf and the restaurant.
- (iv) The plan for operations must include, management, and maintenance of the entire golf course, driving range, pro shop, maintenance buildings, all other golf course buildings, restaurant building, restaurant furnishings, golf course maintenance equipment, restaurant, maintenance equipment, parking lots, and material yard.

(B) General Coordination with City.

- (i) Operator and City shall meet to establish the Business Plan, operating and capital budgets, estimates, schedules, Agreement details relating to maintenance and operation, fee schedules and other plans as City may require from time to time direct.
- (ii) The Operator will ensure regular, monthly meetings between the Operator's Liaison and the City's Liaison and any Operator staff or City staff requested for attendance. A meeting schedule will be established between the Liaisons immediately following the Effective Date of this Agreement.
- (iii) Regular meetings must include Operator updates for sales, marketing, golf course rounds, maintenance, equipment condition and operations of all aspects of managing the BVGC. The City will provide executive updates and preferences for operation and customer services as needed. The City and the Operator will proactively communicate as often as needed outside of regular meetings to ensure the highest quality customer service.

Section 23. INDEMNITY

- (A) Operator shall, to the fullest extent permitted by law, indemnify, protect, defend and hold harmless City, and its employees, officials and agents ("Indemnified Parties") from all claims, demands, costs or liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, interest, defense costs, and expert witness fees), that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Operator, its officers, employees, or agents, in said performance of professional services under this Agreement, excepting only liability arising from the sole negligence, active negligence or intentional misconduct of City.
- (B) The existence or acceptance by City of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of City's rights under this Section 23, nor shall the limits of such insurance limit the liability of Operator hereunder. This Section 23 shall not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of Section 24 below. The provisions of this Section 23 shall survive any expiration or termination of this Agreement.

Section 24. INSURANCE

- (A) Operator shall maintain in full force and effect all of the insurance coverage described in, and in accordance with, Attachment One, "Insurance Requirements." Maintenance of the insurance coverage set forth in Attachment One is a material element of this Agreement and a material part of the consideration provided by Operator in exchange for City's agreement to make the payments prescribed hereunder. Failure by Operator to (i) maintain or renew coverage, (ii) provide City notice of any changes, modifications, or reductions in coverage, or (iii) provide evidence of renewal, may be treated by City as a material breach of this Agreement by Operator, whereupon City shall be entitled to all rights and remedies at law or in equity, including but not limited to immediate termination of this Agreement. Notwithstanding the foregoing, any failure by Operator to maintain required insurance coverage shall not excuse or alleviate Operator from any of its other duties or obligations under this Agreement. In the event Operator, with approval of City pursuant to Section 25 B below, retains or utilizes any subcontractors or sub-Operators in the provision of any services to City under this Agreement, Operator shall assure that any such subcontractor has first obtained, and shall maintain, all of the insurance coverages set forth in the Insurance Requirements in Attachment One. Notwithstanding the foregoing, all costs of golf course specific insurance shall be for the account of the City/golf course facility.
- (B) Operator agrees that any available insurance proceeds broader than or in excess of the coverages set forth in the Insurance Requirements in Attachment One shall be available to the additional insureds identified therein.
- (C) Operator agrees that the insurance coverages and limits provided under this Agreement are the greater of: (i) the coverages and limits specified in Attachment One, or (ii) the broader coverages and maximum limits of coverage of any insurance policy or proceeds available to the name insureds.

Section 25. STATUS OF OPERATOR

(A) **Survival.** The provisions of this Section shall survive any expiration or termination of this Agreement. Nothing in this Agreement shall be construed to create an exclusive relationship between City and Operator. Operator may represent, perform services for, or be employed by such additional persons or companies as Operator sees fit.

(B) **Independent Contractor.**

- (i) It is understood and agreed that Operator (including Operator's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither Operator nor Operator's assigned personnel shall be entitled to any benefits payable to employees of City. City is not required to make any deductions or withholdings from the compensation payable to Operator under the provisions of this Agreement, and Operator shall be issued a Form 1099 for its services hereunder. As an independent contractor, Operator hereby agrees to indemnify and hold City harmless from any and all claims that may be made against City based upon any contention by any of Operator's employees or by any third party, including but not limited to any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Agreement or by reason of the nature and/or performance of any services under this Agreement.
- (ii) It is further understood and agreed by the parties hereto that Operator, in the performance of Operator's obligations hereunder, is subject to the control and direction of City as to the designation of tasks to be performed and the results to be accomplished under this Agreement, but not as to the means, methods, or sequence used by Operator for accomplishing such results. To the extent that Operator obtains permission to, and does, use City facilities, space, equipment or support services in the performance of this Agreement, this use shall be at the Operator's sole discretion based on the Operator's determination that such use will promote Operator's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Agreement, the City does not require that Operator use City facilities, equipment or support services or work in City locations in the performance of this Agreement.

(C) **Assignment and Subcontracting.**

- (i) Operator shall not assign any rights or duties under this Agreement to a third party without the express prior written consent of City, in City's sole and absolute discretion. Operator agrees that the City shall have the right to approve any and all subcontractors and sub-Operators to be used by Operator in the performance of this Agreement before Operator contracts with or otherwise engages any such subcontractors or sub-Operators. Operator may not, voluntarily or involuntarily, sell, convey, assign, transfer, hypothecate, pledge or otherwise dispose of (or agree to do any of the foregoing) all or any part of its interest, if any, in this Agreement, or any contractual rights or obligations related hereto (including any rights to receive payments from City) without the prior written consent of City, which consent may be granted or withheld in City's sole discretion. Any assignment by Operator without City's consent shall be considered an Event of Default and the assignment shall be of no force or effect. If Operator is a partnership, limited liability company or corporation, any cumulative transfer of more than fifty percent (50%) of the beneficial ownership interest shall require the City's consent. No transfer shall affect or alter the permitted uses of the Golf Course described in this Agreement.

- (ii) If, in the performance of this Agreement, any third persons are employed by Operator, such persons shall be entirely and exclusively under the direction, supervision, and control of Operator. Except as may be specifically provided elsewhere in this Agreement, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by Operator. It is further understood and agreed that Operator shall issue W-2 or 1099 Forms for income and employment tax purposes, for all of Operator's assigned personnel and subcontractors.

Section 26. SUCCESSORS AND ASSIGNS

- (A) City and Operator each binds itself, its partners, successors, legal representatives and assigns to the other party to this Agreement and to the partners, successors, legal representatives and assigns of such other party in respect of all promises and agreements contained herein.

Section 27. CONFLICT OF INTEREST

- (A) **Generally.** Operator covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, that would conflict in any manner with the interests of City or that would in any way hinder Operator's performance of services under this Agreement. Operator further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent, or subcontractor, without the written consent of City. Operator agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City at all times during the performance of this Agreement.

- (B) **Conflict of Interest Code and Statements.** The City's Conflict of Interest Code requires that individuals who qualify as "consultants" under the Political Reform Act, California Government Code sections 87200 *et seq.*, comply with the conflict-of-interest provisions of the Political Reform Act and the City's Conflict of Interest Code, which generally prohibit individuals from making or participating in the making of decisions that will have a material financial effect on their economic interests. The term "consultant" generally includes individuals who make governmental decisions or who serve in a staff capacity.

- (i) **Conflict of Interest Statements.** The individual(s) who will provide services or perform work pursuant to this Agreement are "consultants" within the meaning of the Political Reform Act and the City's Conflict of Interest Code:

yes no (check one)

- (ii) If "yes" is checked by the City, Operator shall cause the following to occur within 30 days after execution of this Agreement:
 - (a) Identify the individuals who will provide services or perform work under this Agreement as "Operators"; and
 - (b) Cause these individuals to file with the City Clerk the assuming office statements of economic interests required by the City's Conflict of Interest Code.

- (c) Thereafter, throughout the term of the Agreement, Operator shall cause these individuals to file with the City Clerk annual statements of economic interests, and "leaving office" statements of economic interests, as required by the City's Conflict of Interest Code.
- (d) The above statements of economic interests are public records subject to public disclosure under the California Public Records Act. The City may withhold all or a portion of any payment due under this Agreement until all required statements are filed.

Section 28. CONFIDENTIAL INFORMATION AND DISCLOSURE

- (A) During performance of this Agreement, Operator may gain access to and use City information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "City Information") that are valuable, special and unique assets of the City. Operator agrees to protect all City Information and treat it as strictly confidential, and further agrees that Operator shall not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party without the prior written consent of City. In addition, Operator shall comply with all City policies governing the use of the City network and technology systems. A violation by Operator of this Section 28 shall be a material violation of this Agreement and shall justify legal and/or equitable relief.

Section 29. OWNERSHIP OF INFORMATION; INTELLECTUAL PROPERTY

- (A) City shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by Operator pursuant to this Agreement. In this Agreement, the term "information" shall be construed to mean and include: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostatting, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. Operator shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by City.
- (B) Operator shall fully defend, indemnify and hold harmless City, its officers and employees, and each and every one of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by Operator pursuant to this Agreement infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. City shall make reasonable efforts to notify Operator not later than ten (10) days after City is served with any such claim, action, lawsuit or other proceeding, provided that City's failure to provide such notice within such time period shall not relieve Operator of its obligations hereunder, which shall survive any termination or expiration of this Agreement.
- (C) All proprietary and other information received from Operator by City, whether received in connection with Operator's proposal, will be disclosed upon receipt of a request for disclosure,

pursuant to the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "trade secret" when it is provided to City, City shall give notice to Operator of any request for the disclosure of such information. Operator shall then have five (5) days from the date it receives such notice to enter into an agreement with the City, satisfactory to the City Attorney, providing for the defense of, and complete indemnification and reimbursement for all costs (including plaintiff's attorneys' fees) incurred by City in any legal action to compel the disclosure of such information under the California Public Records Act. Operator shall have sole responsibility for defense of the actual "trade secret" designation of such information.

- (D) The parties understand and agree that any failure by Operator to respond to the notice provided by City and/or to enter into an agreement with City, in accordance with the provisions of subsection c, above, shall constitute a complete waiver by Operator of any rights regarding the information designated "trade secret" by Operator, and such information shall be disclosed by City pursuant to applicable procedures required by the Public Records Act.

Section 30. WARRANTIES AND REPRESENTATIONS

- (A) Operator hereby represents and warrants that in entering into this Agreement, Operator has not relied on any statements from City or any representative thereof and has conducted such due diligence and investigations as Operator deems appropriate before entering into this Agreement.

Section 31. LEGAL REQUIREMENTS

- (A) **Governing Law; Venue.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court in Sonoma County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such court, and consent to service of process issued by such court.
- (B) **Compliance with Laws.**
- (i) Operator agrees to perform, and require performance of all services described herein in compliance with all applicable federal, state and local laws, rules, regulations, and ordinances, including but not limited to, (i) Legal requirements; (ii) Environmental Laws; (iii) the Americans with Disabilities Act of 1990 (42 U.S.C. 12101, et seq.) ("ADA"), and any regulations and guidelines issued pursuant to the ADA; and (iv) Labor Code sections 1720, et seq., which require prevailing wages (in accordance with DIR determinations at www.dir.ca.gov) be paid to any employee performing work covered by Labor Code sections 1720 et seq.
 - (ii) Operator shall pay to the City when due all business taxes payable by Operator under the provisions of Chapter 6-04 of the Santa Rosa City Code. The City may deduct any delinquent business taxes, and any penalties and interest added to the delinquent taxes, from its payments to Operator.
- (C) **Licenses and Permits.**

- (i) Operator agrees to apply for, obtain and maintain in full force and effect at Operator's cost, all permits, licenses and authorizations required, whether by City or by any other governmental agency, that are necessary or appropriate for the management, operation, and maintenance of BVGC. All such permits and licenses (with the exception of business licenses or other licenses applicable solely to Operator) shall be the property of City.
- (ii) The Operator shall obtain all necessary licenses and permits at Operator's cost for the operation of the Pro Shop, Restaurant, and banquets rooms. An electronic copy of all permits and licenses shall be provided to the City within three business days of receipt.
- (iii) Operator will immediately apply for a license from the Division of Alcohol and Beverage Control (ABC License) to sell alcohol sufficient to supply a full bar. The City will assist with the application for the ABC License, and has on-file with ABC a surrendered Liquor License that may be renewed but the Operator is responsible for managing the initial payment and annual renewal fees. Assuming the Type 47 License can be transferred, and the current holder completes their forms by July 7, 2021, the Operator will submit the appropriate forms to ABC by no later than July 15, 2022. If for whatever reason the license cannot be transferred the Operator will submit an application for a new Type 47 License no later than July 30, 2022. Operators must be eligible to obtain a liquor license to operate a full bar with a wide variety of liquor, beer, and wine.
- (iv) City will manage the Bay Area Air Quality Control Management District permit for use of the fuel station in the maintenance yard. The Operator will provide maintain all other required permits and licenses to maintain and manage supplies necessary for all golf course maintenance and janitorial operations.

(D) Taxes

- (i) **Notice Regarding Property Taxes.** City hereby notifies Operator, pursuant to California Revenue and Taxation Code § I 07 .6, that this Agreement may create a possessory interest which may be subject to property taxation. Operator shall timely pay all property taxes levied on said possessory interest.
- (ii) **Sales Taxes.** Operator shall timely pay all sales taxes attributable to the operation of the Golf Course.
- (iii) **Employment Taxes and Other Benefits.** Operator shall timely pay all taxes and impositions and all other benefits required by law and relating to Operator's employees.

Section 32. MISCELLANEOUS

- (A) Entire Agreement.** This Agreement contains the entire agreement between the parties. Any and all verbal or written agreements made prior to the date of this Agreement are superseded by this Agreement and shall have no further effect.
- (B) Amendment.** No modification or change to the terms of this Agreement will be binding on a party unless in writing and signed by an authorized representative of that party.

- (C) **Notice.** Except as otherwise provided in this Agreement, any notice, submittal or communication required or permitted to be served on a party, shall be in writing and may be served by personal delivery to the person or the office of the person identified below. Service may also be made by mail, by placing first-class postage, and addressed as indicated below, and depositing in the United States mail to:

To City:

Jen Santos, Parks Deputy Director
55 Stony Point Road
Santa Rosa, CA 95401
707-543-3781
jsantos@srcity.org

To Operator:

Steve Harker
1052 Overlook Road
Berkeley, CA 94708
(510) 919-3017
sharker@touchstonegolf.com

- (D) **Discrimination Prohibited.** With respect to the provision of services under this Agreement, Operator agrees not to discriminate against any person because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status of that person.
- (E) **Waiver of Rights.** Neither City acceptance of, or payment for, any service or performed by Operator, nor any waiver by either party of any default, breach or condition precedent, shall be construed as a waiver of any provision of this Agreement, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.
- (F) **Incorporation of Attachments and Exhibits.** The attachments and exhibits to this Agreement are incorporated and made part of this Agreement, subject to terms and provisions herein contained. Exhibits attached hereto are for the purpose of defining the manner and scope of services to be provided by Operator and is not intended to, and shall not be construed so as to, modify or expand the terms, conditions or provisions contained in this Agreement. In the event of any conflict between this Agreement and any terms or conditions of any document prepared or provided by Operator and made a part of this Agreement, including without limitation any document relating to the scope of services or payment therefor, the terms of this Agreement shall control and prevail.
- (G) **Authority; Signatures Required For Corporations.**

- (i) Operator hereby represents and warrants to City that it is (a) a duly organized and validly existing Limited Liability Company, formed and in good standing under the laws of the State of Delaware, (b) has the power and authority and the legal right to conduct the business in which it is currently engaged, and (c) has all requisite power and authority and the legal right to consummate the transactions contemplated in this Agreement. Operator hereby further represents and warrants that this Agreement has been duly authorized, and when executed by the signatory or signatories listed below, shall constitute a valid agreement binding on Operator in accordance with the terms hereof.
- (ii) If this Agreement is entered into by a corporation, it shall be signed by two corporate officers, one from each of the following two groups: a) the chairman of the board, president or any vice-president; b) the secretary, any assistant secretary, chief financial officer, or any assistant treasurer. The title of the corporate officer shall be listed under the signature.

(H) Counterparts And Electronic Signatures

- (i) This Agreement and future documents relating thereto may be executed in two or more counterparts, each of which will be deemed an original and all of which together constitute one Agreement. Counterparts and/or signatures delivered by facsimile, pdf or City-approved electronic means have the same force and effect as the use of a manual signature. Both City and Operator wish to permit this Agreement and future documents relating thereto to be electronically signed in accordance with applicable federal and California law. Either Party to this Agreement may revoke its permission to use electronic signatures at any time for future documents by providing notice pursuant to the Agreement. The Parties agree that electronic signatures, by their respective signatories are intended to authenticate such signatures and to give rise to a valid, enforceable, and fully effective Agreement. The City reserves the right to reject any signature that cannot be positively verified by the City as an authentic electronic signature.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

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Executed as of the Effective Date.

OPERATOR:

TOUCHSTONE GOLF, LLC,
a Delaware Limited Liability Company

Signatures of Authorized Persons:

By: Stephen Harker
Stephen Harker (Jun 30, 2022 16:51 PDT)

Print Name: Steve Harker

Title: _____ CFO

By: 

Print Name: Mark Luthman

Title: _____ President

City of Santa Rosa Business Tax Cert. No.
06525590

Attachments:

Attachment One - Insurance Requirements
Exhibit A – BVGC Facility Map

CITY:

CITY OF SANTA ROSA
a Municipal Corporation

By: 

Print Name: Jason Nutt

Title: _____ Assistant City Manager

APPROVED AS TO FORM:



Jessica Mullan (Jun 30, 2022 16:54 PDT)
Office of the City Attorney

- Exhibit B – Staffing Plan
- Exhibit C – Business Plan
- Exhibit D – Operations Plan
- Exhibit E – Transition Plan
- Exhibit F – Scope of Services
- Exhibit G – Sirius Golf Study
- Exhibit H – BVGC Irrigation Evaluation
- Exhibit I – List of City owned FF&E
- Exhibit J – List of City owned maintenance equipment

**ATTACHMENT ONE
INSURANCE REQUIREMENTS FOR
GOLF COURSE AND RESTAURANT**

A. Insurance Policies: Consultant shall, at all times during the terms of this Agreement, maintain and keep in full force and effect, the following policies of insurance with minimum coverage as indicated below and issued by insurers with AM Best ratings of no less than A-:VI or otherwise acceptable to the City.

Insurance	Minimum Coverage Limits	Additional Coverage Requirements
1. Commercial general liability	\$ 3 million per occurrence \$ 5 million aggregate	Coverage must be at least as broad as ISO CG 00 01 and must include completed operations coverage. If insurance applies separately to a project/location, aggregate may be equal to per occurrence amount. Coverage may be met by a combination of primary and umbrella or excess insurance but umbrella and excess shall provide coverage at least as broad as specified for underlying coverage. Coverage shall not exclude subsidence.
2. Business auto coverage	\$ 1 million	ISO Form Number CA 00 01 covering any auto (Code 1), or if Consultant has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$ 1 million per accident for bodily injury and property damage.
3. Crime Insurance	\$50,000	Insurance against employee theft or dishonesty. May be satisfied by "3D" Bond or endorsement to General Liability Policy.
4. Professional liability (E&O)	\$ 1 million per claim \$ 1 million aggregate	Consultant shall provide on a policy form appropriate to profession. If on a claims made basis, Insurance must show coverage date prior to start of work and it must be maintained for three years after completion of work.
5. Workers' compensation and employer's liability	\$ 1 million	As required by the State of California, with Statutory Limits and Employer's Liability Insurance with limit of no less than \$ 1 million per accident for bodily injury or disease. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Consultant, its employees, agents and subcontractors.
6. Property Insurance	\$ Full Replacement Cost of Contractor	Against all risks of loss to any Contractor improvements of betterments – with no co-

Improvements insurance penalty provisions. City shall be named Loss Payee.

Replacement Costs for Property stored on Premises Contractor must maintain property insurance for inventory and other personal property maintained on premises.

B. Endorsements:

1. All policies shall provide or be endorsed to provide that coverage shall not be canceled, except after prior written notice has been provided to the City in accordance with the policy provisions.
2. Liability, policies including crime, umbrella and excess policies shall provide or be endorsed to provide the following:
 - a. For any claims related to this project, Consultant's insurance coverage shall be primary and any insurance or self-insurance maintained by City shall be excess of the Consultant's insurance and shall not contribute with it; and,
 - b. **The City of Santa Rosa, its officers, agents, employees and volunteers are to be covered as additional insureds on the CGL policy** with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to Consultant's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used.

C. Verification of Coverage and Certificates of Insurance: Consultant shall furnish City with original certificates and endorsements effecting coverage required above. Certificates and endorsements shall make reference to policy numbers. All certificates and endorsements are to be received and approved by the City before work commences and must be in effect for the duration of the Agreement. The City reserves the right to require complete copies of all required policies and endorsements.

D. Other Insurance Provisions:

1. No policy required by this Agreement shall prohibit Consultant from waiving any right of recovery prior to loss. Consultant hereby waives such right with regard to the indemnitees.
2. All insurance coverage amounts provided by Consultant and available or applicable to this Agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement limits the application of such insurance coverage. Defense costs must be paid in addition to coverage amounts.
3. Policies containing any self-insured retention (SIR) provision shall provide or be endorsed to provide that the SIR may be satisfied by either Consultant or City.

Self-insured retentions above \$10,000 must be approved by City. At City's option, Consultant may be required to provide financial guarantees.

4. Sole Proprietors must provide a representation of their Workers' Compensation Insurance exempt status.
5. City reserves the right to modify these insurance requirements while this Agreement is in effect, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Bennet Valley Golf Course Contractor Area of Responsibility

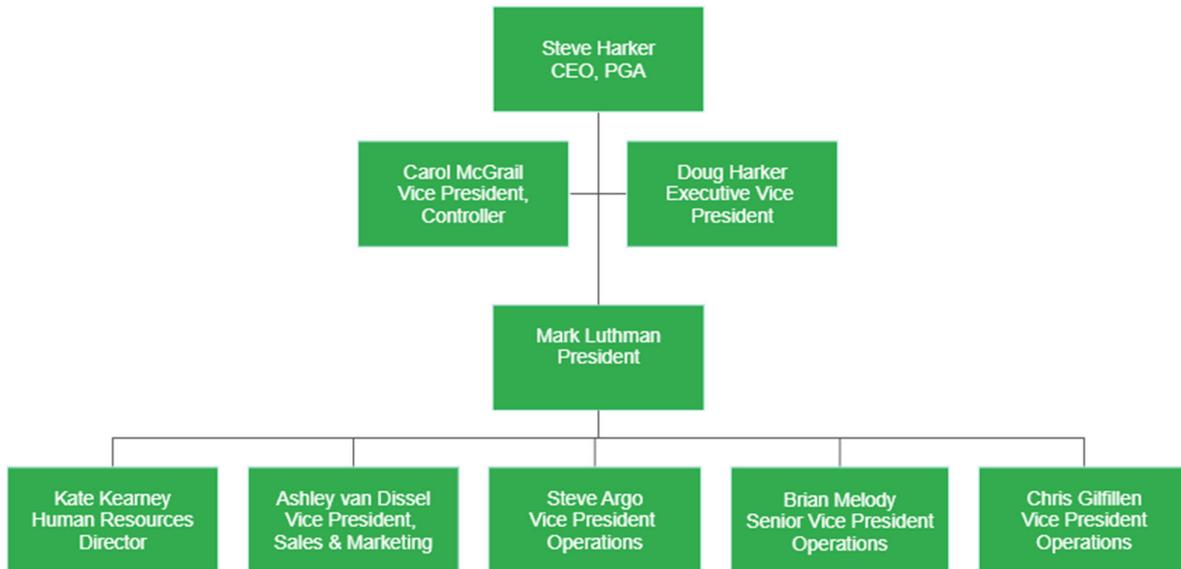
Exhibit A



Key Staffing Plan

Exhibit B

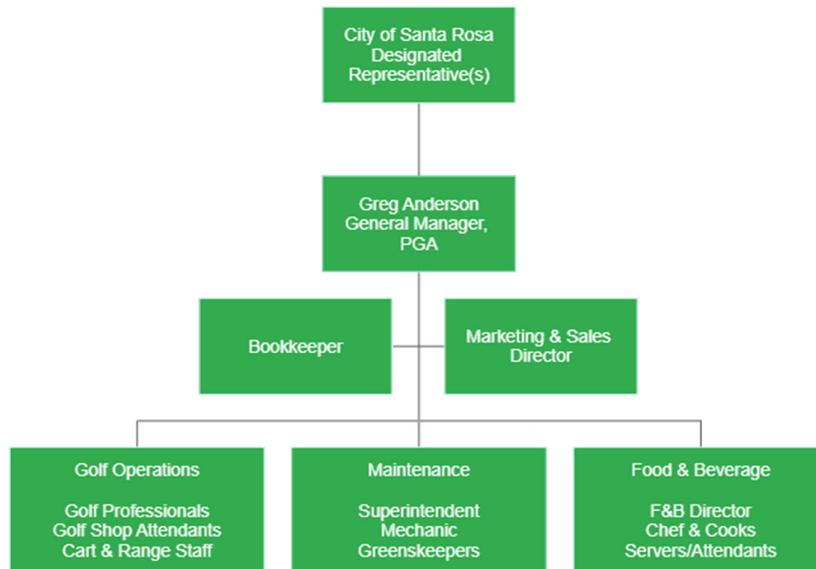
The following is an organization chart for the Touchstone leadership team that will be responsible for the oversight of Bennett Valley Golf Course. [Resumes for each individual are attached at the end of this response.](#)



Provide the total number of personnel to be assigned to perform the Scope of Services and describe the Consultant's capacity to provide additional personnel as needed. Provide an organizational chart, including City staff, that the Consultant is proposing to fulfill the Scope of Services.

The following organization chart provides an overview of the management and organizational structure planned for the golf course facility itself. The total number of personnel is set forth in the Cost Proposal detailed staffing schedule.

Touchstone operates 9 other golf courses in the San Francisco Bay area and can tap these locations for staffing support as necessary for the operation of Bennett Valley. It is important to note that Touchstone does not have a competing Santa Rosa general golf market location under management which allows Touchstone to fully focus on Bennett Valley without the conflicting interests other management firms may have.



Identify key personnel who will be primarily responsible for working at the site and working with the City. Indicate the job title, role, and responsibility of each individual. Specifically, identify the one key contact person responsible for all aspects of the golf course and restaurant management.

As noted above, Touchstone proposes established Santa Rosa Resident Greg Anderson as the General Manager of the Bennett Valley Golf Course. Greg’s resume is provided in the attachments to this proposal. In addition to his PGA Class A status, Mr. Anderson is a highly experienced golf course operator with over 25 years of professional experience. His intimate knowledge of the local golf market will be a significant plus to the operation of Bennett Valley and will facilitate a smooth transition. In addition to Mr. Anderson, Touchstone intends to retain longtime Superintendent Don Ballard and his staff. After playing the golf course recently, Touchstone executives deem the putting surfaces among the best they have seen at a public golf course venue. We also anticipate retaining the golf course staff that is committed to Touchstone’s strategy and operating philosophy and the City’s vision for the golf course and related amenities.

Identify any key personnel that are to be sub-contracted, if any, and their qualifications. Describe the primary responsibilities for each sub-consultants staff and the number of personnel. Indicate the job title, role, and responsibility of each individual.

Touchstone will not be sub-contracting key personnel roles at Bennett Valley. However, we will tap internal Touchstone key staff members to assist with critical deliverables such as menu design, including Chef Dirks of the Presidio Golf Course in San Francisco; Chef Dirks’ bio is provided in the Resume section.

Provide the full name of each individual having any ownership interest in the Consultant’s business entity, including parent-company(s), if any.

The following is the ownership of Touchstone Golf, LLC:

<u>Name & Title</u>	<u>Ownership %</u>	<u>Name & Title</u>	<u>Ownership %</u>
Steve Harker, CEO	45%	Mark Luthman, President	25%
Doug Harker, Executive Vice President	21%	Bob Bramlette, Secretary	9%

STEVE HARKER

CHIEF EXECUTIVE OFFICER
PGA PROFESSIONAL

Phone : (510) 919-3017

Email : sharker@touchstonegolf.com



TOUCHSTONE
GOLF

EXPERIENCE

Steve Harker has spent his entire professional career in the golf industry, successfully completing a wide range of tasks and assignments. In 1980, Mr. Harker began his golf career with American Golf Corporation ("AGC"). At AGC, he served in a variety of senior management functions, including Regional Manager, Regional Director, National Sales Director, Vice President of Marketing & Sales and Vice President of the Northwest Region, a multi-course enterprise in six markets that generated \$35M of revenue and nearly \$12M of EBITDA annually. From 1991 to 1998 Mr. Harker lived and worked in the Los Angeles Area assisting a variety of AGC's courses with marketing and operating support. As VP of Marketing & Sales at AGC, he led revenue and service initiatives that resulted in AGC's achieving its peak revenue performance in 1997.

Mr. Harker developed unique approaches to resolving problems amongst the vast number of AGC facilities, including task teams that cured 20 poorly performing daily fee and private clubs, the outcome of which was to transport the solutions to 40 additional properties leading to further success. These assignments included a review of the food and beverage operation and creation of strategies and tactics to improve sales and the experience. Mr. Harker created AGC's first national event sales and management organization based on a needs-based selling approach, leading to profit center growth from \$15 million to \$70 million over a seven-year period. Mr. Harker's community-focused approach and experience is substantial including his initiation of the Women in Golf Day, which has become a national event.

Mr. Harker formed Touchstone Golf, one of the leading golf course management and consulting companies in the United States, in 2005. Mr. Harker is a Class A Member of the Professional Golfers' Association of America, a past member of the First Tee of Oakland, a past member of the Employment Task Force of the PGA and a Past Member of the Board of Governors of the National Golf Foundation. Mr. Harker has also been elected to the Albany High School Athletic Hall of Fame twice, once for his role on the 1973 Championship Golf Team and recently for restarting the golf program. He also recently served as the Assistant Coach for the girl's team.



WORK EXPERIENCE

TOUCHSTONE GOLF

Chief Executive Officer 2005-Present

AMERICAN GOLF CORPORATION

Vice President of Operations, 1998-2005
Northwest Area

Vice President of Marketing & Sales 1993-1998

National Sales Director 1990-1993

Regional Manager, San Diego Area 1987-1990

Regional Manager, Gulf Coast Area 1985-1987

General Manager, 1983-1985
Franklin Canyon Golf Course

General Manager, 1981-1983
Tilden Park Golf Course

General Manager, 1980-1981
Rancho Pensquitos Golf Course

Range/Carts, Golf Shop, 1968-1980
Tilden Park Golf Course

EDUCATION

- Arizona State University, 1979
 - Business Administration, Marketing

OTHER EXPERIENCE

- Class A Professional, PGA of America
- Board of Governors, National Golf Foundation

MARK LUTHMAN

PRESIDENT

Phone : (925) 260-2465

Email : mluthman@touchstonegolf.com



EXPERIENCE

Mark Luthman has spent his entire career in the golf industry joining Touchstone at the beginning of 2009. After graduating from Gonzaga University in 1993, Mr. Luthman began his career in golf course maintenance, moving quickly into the role of Superintendent within two years. During this time, he was based in Southern California. In 2000, Mr. Luthman advanced to General Manager at American Golf's Mountain Shadows Golf Course, a 36-hole complex in Northern California. Mr. Luthman continued to rise quickly through the management ranks at American Golf, becoming a Regional Manager and Regional Director in Texas and California.

In 2005, Mr. Luthman joined KemperSports as its Western Regional Director of Operations, where he oversaw eleven (11) high-profile properties with annual revenue surpassing \$38M. While at KemperSports, Mr. Luthman led the planning, pre-opening and operations of Monarch Dunes, Ridge Creek and Chambers Bay. At Chambers Bay, he played a critical role in KemperSports' and Pierce County, Washington's successful efforts to bring a major golf championship to the region. In February 2008, seven months after opening, this public property was named by the USGA as the host of the 2010 U.S. Amateur and 2015 U.S. Open. In addition, the property is effectively serviced the \$23M construction bond payment and broke even for the first 20 months of operations.



WORK EXPERIENCE

TOUCHSTONE GOLF 2009-Present
COO & President

KEMPER SPORTS 2006-2009
Regional Director

AMERICAN GOLF CORPORATION 1995-2006
Regional Director

Regional Director

General Manager

Superintendent

EDUCATION

- Gonzaga University, 1993
 - Bachelor of Arts, History

OTHER EXPERIENCE

- Class A Superintendent, 1995-2000
 - GCSAA

STEVE ARGO

VICE PRESIDENT OF OPERATIONS
NORTHERN CALIFORNIA REGION

Phone : (415) 722-3580

Email : sargo@touchstonegolf.com



EXPERIENCE

Steve Argo is Vice President of Operations for Touchstone Golf, a golf course management company based in Austin, TX. Steve was born and raised in Boulder, CO where he attended the University of Colorado. He learned to play golf when he was 11 years old and today he enjoys competing at an amateur level.

After college, Steve began his career in Southern California in Human Resources as Personnel Director/Staff Administrator for The May Company in the Los Angeles area. That eventually led to a General Manager role with Gap Inc. under the Banana Republic brand, where he worked for over 9 years in the Santa Barbara, Phoenix and San Jose markets.

After retail, Steve joined the Food & Beverage industry where he worked for Oakville Grocery, the Napa Valley based gourmet specialty food retailer, overseeing the Los Gatos location. In 2003, Steve followed his passion and joined the golf industry with American Golf Corporation as a General Manager. During his tenure with AGC, Steve oversaw Franklin Canyon Golf Course, Seascape Golf Club and San Geronimo Golf Club.

In 2006, Steve left AGC to take the General Manager position at Harding Park with KemperSports. In addition to his day to day leadership of Harding and work with the City of San Francisco, he hosted the 2009 Presidents Cup. In 2009, Steve was promoted to Regional Director with KemperSports and led their efforts at 12 courses throughout California and the Northwest. The diverse group of properties of which he was responsible for included Chambers Bay in Washington where he led the course's efforts to host the 2010 US Amateur and 2015 US Open. In 2012, Steve was promoted to Vice President of Operations and he led the company's Player Development initiative.

Steve now lives in Monte Sereno, CA with his wife and daughter and he is responsible for Touchstone Golf's golf course contracts in the Bay Area. Steve is currently responsible for the direct oversight and day-to-day operations of 10 clients' portfolios.



WORK EXPERIENCE

TOUCHSTONE GOLF

Vice President of Operations 2020-Present

KEMPER SPORTS

Vice President of Operations 2007-2020

AMERICAN GOLF CORPORATION

General Manager 2003-2007

OAKVILLE GROCERY

General Manager 2000-2003

EDUCATION

- University of Colorado Boulder
 - Liberal Arts, 1989

OTHER EXPERIENCE

- NCGA / Poppy Holding, 2015-2019
 - Board Member

ASHLEY VAN DISSEL

VICE PRESIDENT OF SALES &
MARKETING

Phone : (714) 400-4688

Email : avandissel@touchstonegolf.com



EXPERIENCE

Ms. van Dissel is responsible for leading Touchstone's sales and marketing efforts including Catering and Tournament Sales throughout the organization. She has served as a Regional Director of Sales for Touchstone and as a catering and tournament salesperson at a number of golf facilities for one of the largest management firms in the industry. Ms. Van Dissel was recognized as co-worker of the year for Touchstone Golf in 2019.

Ms. van Dissel brings extensive knowledge of the sales and revenue generation process along. Her approach is based on a revenue generation model that drives cultural cohesion and operational focus on financial growth through lead generation concepts and game plan execution. Ms. van Dissel has substantial experience within all media channels including print, radio, and social media.

Ms. van Dissel holds a degree in Business Finance with minor in Marketing from California State University, Long Beach and an MBA from Denver University with a Marketing emphasis. Ms. Van Dissel has a love for helping others and her community. She has participated in numerous volunteer opportunities, some of which include a Volunteer for Mercy Ministries International teaching calculus, English and athletics based in Thailand & Cambodia and a Volunteer/Coach for Hoopstars Basketball, an underprivileged and disabled basketball league.



WORK EXPERIENCE

TOUCHSTONE GOLF

Vice President of Sales & Marketing 2020-Present

Regional Director of Sales, Colorado Region 2018-2020

AMERICAN GOLF CORPORATION

Regional Director of Sales, Southern CA 2016-2017

Director of Sales, Seacliff Country Club 2015-2017

Director of Sales, Brookside Golf Course & The Rosebowl Stadium 2011-2015

EDUCATION

- University of Denver, 2020
 - MBA - Marketing
- CSU, Long Beach, 2011
 - Business - Finance

OTHER EXPERIENCE

- Completion of John Wooden Ethical Leadership Program
- Coach & Marketing Support, Hoopstars

DOUG HARKER

EXECUTIVE VICE PRESIDENT

Phone : (713) 705-7617

Email : dharker@touchstonegolf.com



TOUCHSTONE
GOLF

EXPERIENCE

Doug Harker is a founder of Touchstone Golf and has been involved in the golf industry his entire career in a wide range of capacities. In addition to this golf experience, Mr. Harker has had a successful career in the financial services industry including the role of CEO of two community banks in Texas. Mr. Harker's direct golf industry experience includes having served as Vice President of Sales for Redstone Golf Management, a multi-course operator that at the time included the venue that hosted the PGA Tour's Shell Houston Open, and as General Manager of Wildcat Golf Club in Houston, Texas, a 36-hole facility.

Mr. Harker was instrumental in establishing the Southern Texas Golf Association (STGA) for public golf courses, serving as its first President, at a time when the Texas Golf Association (TGA) consisted of only private club members. After guiding the success of the STGA, the TGA merged the STGA into its organization and opened its membership to public golf courses. Mr. Harker founded and operated the Texas State Public Links Championship which was later absorbed into the TGA Championship schedule. Mr. Harker served on the Boards of the Houston Golf Association and STGA and is a former Committeeman with the United States Golf Association.



WORK EXPERIENCE

TOUCHSTONE GOLF

Executive Vice President 2005-Present

REDSTONE GOLF

Vice President 2001-2003

BANK UNITED

Managing Director 1994-2001

PACIFIC SW BANK

Chief Credit Officer 1993-1994

BANK ONE

Senior Vice President 1981-1993

EDUCATION

- Arizona State University, 1981
 - MBA
- Arizona State University, 1980
 - Bachelors of Science - Business

OTHER EXPERIENCE

- President, Southern TX Golf Association
- Mid-Amateur, Public Golf Committee, United States Golf Association
- Vice President, Board Member, Houston

CAROL MCGRAIL

VICE PRESIDENT, CONTROLLER

Phone : (512) 755-6273

Email : cmcgrail@touchstonegolf.com

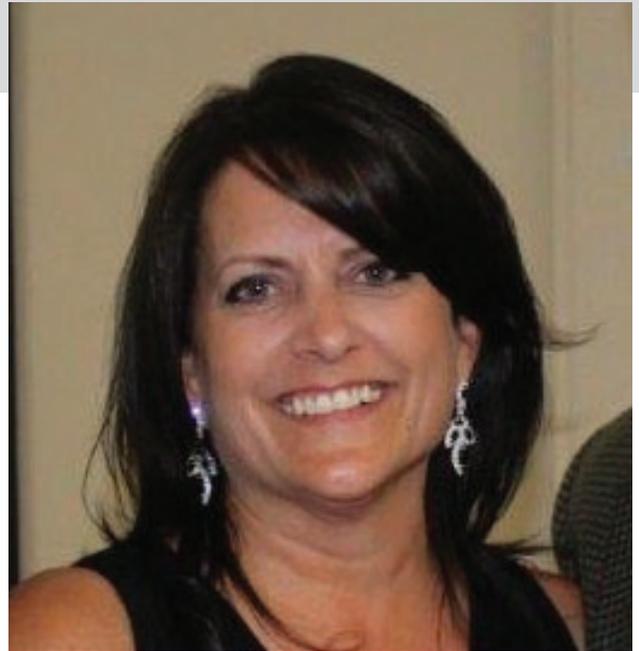


TOUCHSTONE
GOLF

EXPERIENCE

Carol McGrail began her accounting career in 1985. She has 12+ years of accounting and financial management in the golf course industry with Club Corporation of America ("CCA") and Touchstone Golf. Her tenure with CCA included regional oversight of a group of high-end private clubs.

Ms. McGrail has significant experience in all aspects of golf course and club accounting and financial controls, as well progressive experience in the analysis of balance sheets and P&Ls. During her career, Ms. McGrail has developed policies and procedures and trained staff in the use of accounting and POS systems, interfaced with external auditors, managed payroll, accounts payable, cash flow and internal control systems, and communicated with a wide range of golf course owners, including municipalities and private owners. In addition to her accounting and business degrees, Ms. McGrail has taken numerous continuing education courses in the accounting and financial fields.



WORK EXPERIENCE

TOUCHSTONE GOLF

Vice President, Controller	2012-Present
Assistant Controller	2009-2012
Accountant	2009-2009

MCGLINCHEY STAFFORD LAW FIRM

Director of Administration, New Orleans, LA	1996-2004
Director of Administration, Baton Rouge, LA	1994-1996

CLUB CORPORATION OF AMERICA

Regional Controller	1991-1994
Accountant	1989-1991

TALLGRASS COUNTRY CLUB & INN

Controller	1985-1989
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LINDER & ASSOCIATES

Assistant Controller	1984-1985
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EDUCATION

- Emporia State University, 1984
 - Business, Accounting

KATE KEARNEY

DIRECTOR OF HUMAN RESOURCES



Phone : (512) 556-4025

Email : kkearney@touchstonegolf.com

EXPERIENCE

Kate Kearney has over 18 years of experience in a senior leadership role in Human Resources, including 8 years as a Senior Human Resources Director for the United States Army. Kate's extensive background includes recruiting, employee relations, labor law and compliance, teambuilding and leadership development. In the Touchstone organization,

Kate is responsible for maximizing the human potential of Touchstone's employee base, while maintaining an open and strong line of human resources communication throughout the organization. Kate received her bachelor's degree from the United States Military Academy at West Point and her Masters from the University of Georgia.



WORK EXPERIENCE

TOUCHSTONE GOLF

Director of Human Resources 2022-Present

TRAVIS COUNTRY SHERIFF'S OFFICE

Director of Human Resources 2013-2021

GOLDS GYM

Regional Director of Human Resources 2012-2013

US ARMY

Senior Director of Human Resources 1988-2012

EDUCATION

- University of Georgia, 1997
 - Masters of Education
- Bachelor of Science, 1988
 - Business - Finance

GREG ANDERSON

5190 Newanga Ave • Santa Rosa, California • 95405
greganderson@pga.com • 707-696-1621

EXECUTIVE SUMMARY

PGA professional with over 25 years of experience in all phases of golf operational and customer relations management, specializing in award-winning customer service, revenue building, creative marketing, asset management, and team leadership. Exceptionally skilled in VIP guest services with strong commitment to highest level of professionalism and customer satisfaction. Summary of career positions includes the following:

General Manager

Valley of the Moon Club (Oakmont GC)
Santa Rosa, California

Princeville Resort Makai Course
Princeville, Hawaii

Sunset Hills Country Club
Thousand Oaks, California

Director of Golf

Valley of the Moon Club (Oakmont GC)
Santa Rosa, California

Braemar Country Club
Tarzana, California

Kendall-Jackson Wine Estates
Santa Rosa, California

Head Professional

Oakmont Golf Club
Santa Rosa, California

The Sea Ranch Golf Links
Sea Ranch, California

Foxtail Golf Club
Rohnert Park, California

PROFESSIONAL STATUS & EDUCATION

Class A-1 PGA Member

Bachelor of Business Administration
University of San Diego

Level 1 Sommelier

CAREER HIGHLIGHTS

- Managed spectacular 27-hole five-star **Princeville Resort** facility on north shore of Kauai; established procedure/service standards for Golf Shop, Outside Services, Food and Beverage, and Maintenance departments
- Directed golf operation at Braemar Country Club, servicing over **750 active golf members**
- Managed **\$4,600,000 operational budget**, with **profits over \$600,000** at Sunset Hills Country Club
- Recognized at five-star Princeville Resort as **#2 in the World in Pro Shop Guest Service** by *Condé Nast Traveler*
- Prepared Oakmont Golf Club asset for eventual **\$4.8 million** sale
- Created and launched golf promotional concepts such as Nine, Wine and Dine, **Charity Golf 101**, Golf Club Demo Days, The Grand Slam Series, Winemaker Dinners, and Parent/Child Tournaments to increase facility exposure and sales
- Monitored **\$700,000 in annual merchandise sales** with a pro shop inventory of **\$200,000**
- Developed **GolfVino Tours**, a unique golf and wine experience for executive clientele nationally recognized in *Forbes*, *PGA*, and *Golfweek* magazines
- Set up and operated Greg Anderson Golf Academy, instructing over **1000 students per year**
- Chaired **celebrity golf event** for Willie Mays and his Say Hey Foundation
- **Designed and planned golf courses**, vineyard developments, equestrian centers, and residential fractional ownership phases of two \$150 million resort properties in California

Business Plan

Business Overview

Global Objective: Restore The Bennett Valley Golf Brand

The Bennett Valley Golf brand has suffered over recent years as deteriorating course conditions, lack of community engagement, a closed restaurant and a void in programming has marginalized the brand and weakened the golf course's competitive position in a crowded public golf marketplace. Under Touchstone management, the Bennett Valley Golf brand will be developed and restored to embrace:

- 1) **Value.** Consistent, high quality golf course, restaurant and facility conditions that deliver exceptional value at affordable prices. Based on our assessment there appears to be an opportunity to introduce a non-resident rate to capture incremental revenue while keeping resident rates competitive.
- 2) **Community.** A widely-known reputation as "the center of the community" and the "place to play" spread among a broad array of programming and activities for all.
- 3) **Service.** "Above and beyond" service creating a loyal base of golfers, guests and advocates.

Analysis of Competitive Golf Courses

We performed the following competitive market assessment for courses in the area.

Competitive Set	Bennett Valley	Valley of the Moon (Oakmont)	Sugar Loaf (Oakmont)	Windsor	Foxtail- North	Foxtail- South	Fairgrounds
City	Santa Rosa	Santa Rosa	Santa Rosa	Windsor	Rohnert Park	Rohnert Park	Santa Rosa
Distance from Your Course	0	8.6 Miles	8.6 Miles	12 miles	8.9 Miles	8.9 Miles	2.8 Miles
Type of Course	Municipal-Public	Daily Fee ("DF")	Executive Course	Municipal-Public	Municipal-Public	Municipal-Public	Exec/Practice
Annual Rounds							
Number of Holes	18	18	18 (par 63)	18	18	18	9
Course Yardage	6527	6379	4293	6650	6851	6492	1500
18 Hole Weekend	\$45 (+\$2 CapEx Fee)	\$59	\$44	\$66			\$23
18 Hole Weekend with Cart	\$61 (+\$2 CapEx Fee)	\$73	\$58	\$84 / \$74 Resident	\$85 / \$65 Resident	\$62 / \$50 Resident	N/A
18 hole Weekday	\$31 (+\$2 CapEx Fee)	\$39	\$29	\$49 / \$39 Resident			\$21
18 hole Weekday with Cart	\$45 (+\$2 CapEx Fee)	\$53	\$43	\$67 / \$57 Resident	\$65 / \$51 Resident	\$54 / \$44 Resident	\$21
Senior Weekday	\$26 (+\$2 CapEx Fee)	\$29	N/A	\$39	\$51	\$44	\$16
18 Hole Cart Fee (per rider)	\$16	\$14	\$14	\$18/\$14/\$10	Rates include carts.	Rates include carts	\$4 (Push cart)
Annual Fee Membership	Yes	Yes	Yes	Yes	Yes	Yes	
Players Club - Discounted Fees	Discontinued				Yes	Yes	
Primary Strengths	High quality clubhouse with restaurant, banquet, patio	Popular wedding venue with ceremony site and panoramic views	Executive length is only 4,293 yards long	Has played host to six Nike Tour Events.	Good layout and conditions	Low Fees - A lot of discounting	Short course for beginners and seniors
	Quality greens	Improving course conditions	Great for seniors and beginners	Very good course conditions	Low priced wedding packages	Easy greens to putt	Inexpensive
	Inexpensive	Restaurant	Inexpensive	Restaurant			
Primary Weaknesses	Course does not drain well in rainy season. Dry spots in summer.	Located in the retirement community of Oakmont	Most golfers are looking for a regulation length	Slow pace of play	First tee is a long drive from the clubhouse	Poor course conditions	Poor course conditions
	Restaurant and event space are closed	Distant location	Uninteresting layout	Marginal service	Limited F&B	Terrible drainage during the rainy season	Uninteresting layout
	Slow pace of play	Limited flight range balls	Inconvenient location		No event space		

Customer Analysis

See Key Business Driver "Define & Target Customer Segments"

Key Business Drivers

Improve Golf Course
Playing Conditions

Define and Target Specific
Customer Segments

Create Destination
Dining & Events

Install Customer
Service Program

Deploy Comprehensive Sales
& Marketing Culture

Enhance Practice Facility
& Golf Instruction

Key Business Driver: Improve Golf Course Playing Conditions

Strategy: Working within the budget and equipment available, make an immediate and lasting impact on playing conditions of the golf course. Deploy agronomic practices and procedures that will create noticeably improved golf course conditions.

Tactics:

- 1) Comprehensive assessment of the golf course, establishing a list of priorities and routines.
- 2) Analysis of all equipment condition, upgrading maintenance of all items to enhance their ability to produce a quality golf course product (e.g., greens mower reel sharpening)
- 3) Establishment of a year-round maintenance calendar targeting frequencies and standards for all maintenance activities.
- 4) Significant investment in staff training and task descriptions such that attention to detail is a top priority in day to day execution of maintenance efforts.
- 5) Address "Quick Wins" including but not limited to adding sand to the bunkers, leveling tees, and improved placement of holes on greens.

Example:

Implementation of a Maintenance Checklist with follow-up evaluation is an important tool to be sure that maintenance routines are consistently applied to the golf course. An excerpt of such a checklist used by Touchstone is provided below. This would be customized with feedback from the Superintendent.



Ratings:
G = Good
S=Satisf.
U=Unsatisf.

Golf Course Maintenance Evaluation Checklist

Practice	Timing	Rating
Mowing Heights and Frequencies	Mow greens 7x per week @ .135" to .156"	
	Mow greens surrounds 1x per week @ 1.25" - 1.5"	
	Mow tees, collars and approaches 2-3x per week @ .500"	
	Mow fairways 2-3x per week @ .500"	
	Mow roughs 1x per week @ 1.25" - 1.5"	
Aerification	Hole rotation: Cups are changed every day.	
	Greens (May, and September); Tees (Spring and Summer) Fairways/roughs (Spring and Summer)	
Fertilization Applications	Greens: Granular or Foliar Bi-weekly	
	Fairways and Tees: Granular 6-8 weeks depending on weather conditions. Roughs: Granular 6-10 weeks depending on weather conditions.	

Measurement:

- 1) Feedback from golfers, guests and the community (e.g., through survey system, social media reviews)
- 2) Increased rounds, revenue and golf course utilization
- 3) Before and after presentation to the City of Santa Rosa after 1 full year cycle of operations

Key Business Driver: Define and Target Specific Customer Segments

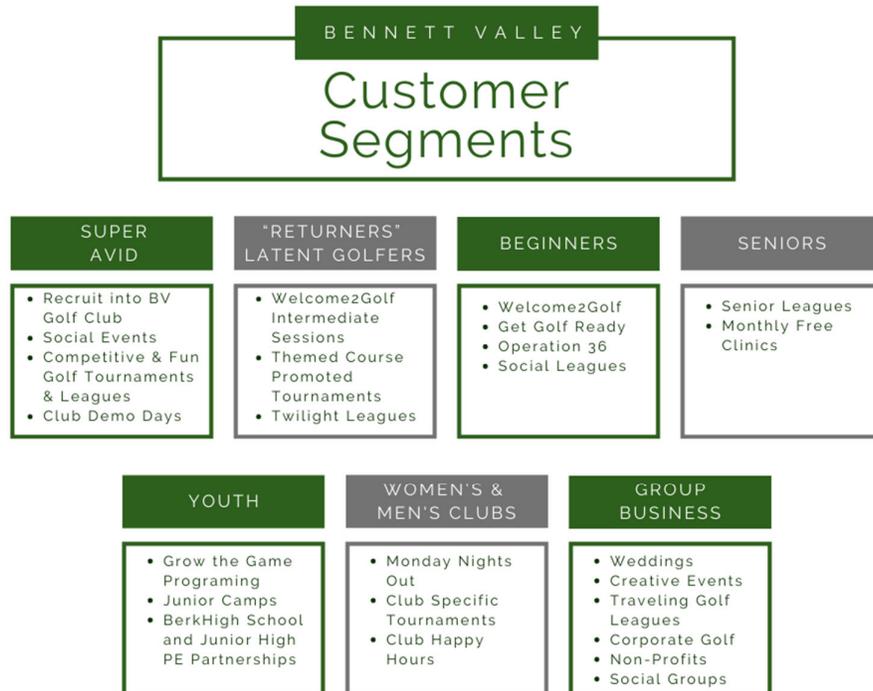
Strategy: Identify all existing and potential customer segments of the golf course and restaurant in order to align service offerings and programming for maximum result. Careful observation is required to capitalize on the pandemic demand impact including the latent/returning golfer and new/beginning golfer segments.

Tactics:

- 1) Segment our customers and potential customers to better define who they are, their wants and needs, then speak to those needs through programming.
- 2) Set-up point of sale system to uniquely identify all customers in order to capture ongoing utilization of golf, non-golf, food and beverage and other services – this information will serve to tailor communication, offers and benefits at the customer level.
- 3) Deploy surveys to improve segmentation process by identifying like groups of customers seeking various programs and services. Employ customer engagement program to connect with individual customers and deliver on customer needs and desires.

Example:

The following chart outlines a sample segmentation with programming examples to engage these segments, however it is not intended to identify all segments. Full segmentation will necessitate being on property, collecting survey data, examining point of sale transactional data, and analyzing tee sheet activity.



Measurement:

- 1) Growth in specific programs and events
- 2) Participation trends for all programs and events

3) Increased rounds, revenue and utilization of all facilities

At Touchstone we have seen a 20+% increase in rounds over prior year. As a company we seek to get ahead of the marketplace and the rapidly changing operating landscape driven in part by the pandemic. We surveyed over 7,000 customers to understand their wants and needs and found that the golfing customer was seeking:

- Opportunities to connect with their friends and family
- A golf experience where they can feel comfortable and competent
- A sense of belonging to a community

These findings drive us to speak directly to each of our customer segments by addressing their respective wants and needs in a manner that will inspire them to take action and increase their golf course patronage.

Key Business Driver: Create Destination Dining & Events

Strategy: Leverage the existing physical space and attributes of the clubhouse to create a sustainable restaurant operation that serves golfers and non-golfers alike. Become the “go to” location for events including weddings, celebrations of life, meetings and similar events.

Tactics:

- (1) Define the new Restaurant Brand. A new vision is required to create the excitement, trial, loyalty and advocacy. The restaurant should be the center of the community which brings people together.
- (2) Hire capable food and beverage leadership and staff that can execute a quality menu offering with a profitable bottom-line.
- (3) Address basic deferred maintenance of public spaces in the clubhouse to make the venue attractive and inviting.
- (4) Heavily market dining at events at the venue through social media, local advertising and a strong word of mouth atmosphere by executing flawlessly on the initial wave of diners and events held at the facility.
- (5) Create organic events and programs including wine tastings, outdoor music, movie nights and similar programming.

Example:

Touchstone operates multiple highly successful 7-figure revenue destination dining and event centers at its golf courses, including our new Bunkers Tap Room in Golden that compliments The Vista banquet center, Michael’s at Shoreline Golf Course in Mountain View, and our facilities at nearby Presidio in San Francisco.

Sample Touchstone Venues
 Bunkers Taproom - Golden, CO
 Michael's at Shoreline - Mountain View, CA
 Presidio Café - San Francisco, CA

Measurement:

- (1) Track volume of events held and level of participation of the community.
- (2) Survey diners regularly on their experience and closely monitor social media reviews such as provided through Yelp.
- (3) Secret shop restaurant operations for service gaps and opportunities to improve training and staff development.

Key Business Driver: Install Customer Service Program

Strategy: Change the operating bias of the golf course to prioritize customer service and value guest feedback by deploying multiple methods to gather comments, ratings and evaluations. Demonstrate a commitment to valuing this information by responding to guests in a wide range of mediums including social media, changes to operating processes and programs, and direct engagement.

Tactics:

- 1) Implement core elements of Touchstone customer service program including FIRST and Take 5 to Shine.
- 2) Assign management to review all social media commentary and engage in responses and follow up.
- 3) Implement Players 1st system to send all golfers a quick and easy survey after each round of golf.

Example:

The Players 1st Survey System is the leading survey platform in the golf course industry. A variety of components are available, but the primary evaluation is a survey sent immediately upon completion of a round of golf. This mobile friendly survey allows for near real time feedback for management’s attention.

Presidio Golf Course

Thank you for taking the time to tell us about your experience at Presidio Golf Course . Your input will help us make your next experience even better.

Thank you for your survey responses.

Click "Begin" to start the survey.

Players 1st

Presidio Golf Course

Please indicate the extent to which you agree or disagree with the following statements regarding the course

Totally disagree										Totally agree		Don't know
1	2	3	4	5	6	7	8	9	10	?		
Tee boxes were in excellent condition										9	10	?
Fairways were in excellent condition										9	10	?
The greens were smooth and the ball rolled as it should										10	?	
The course, as a whole, was well maintained										10	?	

NEXT

Measurement:

- 1) Evaluate survey results - review and act upon feedback
- 2) Measure trends in social media ratings
- 3) Measure volume of surveys by type and source

Key Business Driver: Deploy Comprehensive Sales & Marketing Culture

Strategy: Introduce Touchstone sales and marketing cultural practices to create an environment where every co-worker is aware of the importance of driving sales to maximize golf course facility utilization.

Tactics:

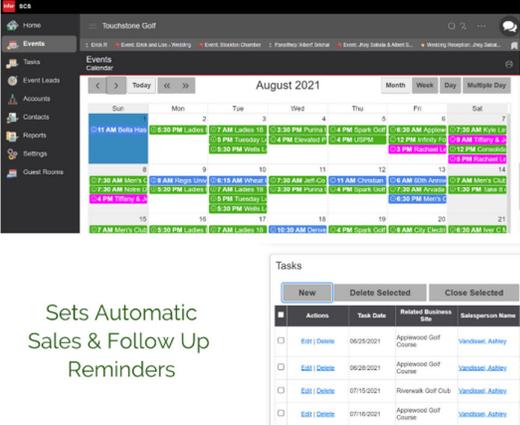
- 1) Set up Reserve Customer Relationship Management (CRM) system to track all event prospective and actual sales.
- 2) Configure POS system to maximize the collection of non-private customer data, interests and unique characteristics.

- 3) Conduct weekly department head and monthly all co-worker meetings to review property calendar, new programs, importance of full team engagement on marketing and sales.

Example:

The Reserve CRM system is an industry leading platform that allows for golf course management to manage contact information for all prospective and actual events. The system facilitates client contact, event planning and pricing, as well as contract fulfillment.

Infor - Sales CRM System



Easy to Navigate
Calendar that Prevents
Double Bookings

Sets Automatic
Sales & Follow Up
Reminders

Measurement:

- 1) Overall sales volume for events
- 2) Participation rates in all programming
- 3) Level of community engagement and feedback

Key Business Driver: Enhance Practice Facility & Golf Instruction

Strategy: Improve practice amenities including hitting surfaces, ball quality and other amenities, introducing technology as the budget allows, to create a more welcoming and inclusive golf learning and practice environment. We believe the practice facilities can double their revenue level from roughly \$300K today.

Tactics:

- 1) Develop programming to support golf practice facility utilization and teaching programs.
- 2) Introduce “FLEX” membership to allow for participation in group lesson programs.
- 3) Upgrade all aspects of the practice facility including ball quality and hitting surfaces.

Example:

Touchstone’s recent practice facility improvements and programming focus at DeBell Golf Course in Burbank, California has led to dramatic increases in sales and participations at the golf course’s practice facilities with revenues tracking 30% higher than prior year.



Measurement:

- 1) Participation in practice facility programming
- 2) Revenue trends for practice facility
- 3) Survey and social media results

Operations Plan

- **Brief description of maintenance programs, as applicable, including tees, fairways, greens, bunkers, rough, restaurant concessions, pro shop area, driving range and other grounds.**

To achieve the proper service levels and guest experience at the Bennett Valley Golf Course, a thoughtful, well-executed plan relating to golf course maintenance and facility is required. Touchstone begins with the vision for the golf course and then works with the City and local golfers to define the necessary steps to turn the vision into reality. Thereafter, Touchstone utilizes a system to define ongoing tasks necessary and the corresponding labor so that the golf course vision and quality is delivered on a consistent basis. Supplementing this approach is the regular management of a priority list of projects, created and maintained by the Superintendent and General Manager, and Touchstone executives, but again with regular input from the City of Santa Rosa and golfers and diners. These methods and practices are designed to provide a consistent and lasting quality customer experience at each golf facility.

Maintenance Quality Standards

The maintenance practices included below are intended to be a general summary for the agronomic, horticultural, and recurring service practices of Touchstone's golf course maintenance operations at Bennett Valley Golf Course. The quality standards set forth below are intended to establish the frequency and method of routine maintenance and cultural practices, along with prescribing the level of amenity packages needed at a high quality public facility.



In order to meet the expectations for course conditions it will take the full commitment and dedication from the superintendent and maintenance staff. Challenges involving tree and stump removal, irrigation and drainage that affect turf-grass quality will take vigilant monitoring and immediate response to ensure that course conditions are not negatively affected. Touchstone would implement the following procedures:

- The Superintendent will post a quarterly calendar displaying all activities that relate to turf management, cultural practices and improvement. These would include aeration, fertilization, herbicide applications, turf replacement and capital improvement projects. This plan will be reviewed directly by Mark Luthman. Once approved, the Superintendent will execute the plan and make changes as weather dictates.
- A monthly improvement plan will be developed by the Superintendent and reviewed by Mark Luthman (President), Steve Argo (Vice President of Operations) and the General Manager to assess if the golf course is meeting the plan or falling short of established goals. The Superintendent will be accountable for the timely execution of this plan and any corrective actions.

Bennett Valley Golf Course Priorities

Maintenance priorities observed by Touchstone after a recent round of golf by our executives are as follows with the NGF Study an excellent starting reference point for addressing maintenance issues:

- 1. Continue to Execute on Condition of Putting Surfaces.** The putting green surfaces are among the best we have seen at a public golf venue. It is important this key strategic advantage be prioritized. In addition, training will be provided to staff on the placement of the holes to ensure they are fair to the golfers.

2. **Address Select Tees with Crowning.** There are a number of tees that should be leveled. This work can likely be done in-house in the normal course of business.
3. **Drainage.** As a relatively flat golf course, drainage should be addressed in a number of areas, starting with the 1st and 9th fairways. Drains will need to be placed to move the water off the fairways and roughs. Given how flat certain areas are, low water catch basins may need to be created to the side of some of the rough areas. In the future there is an opportunity to tie a portion of the drainage to an irrigation lake.
4. **Add Bunker Sand.** Most of the bunkers have a relatively thin sand base and require another 2-3 inches of sand. Prior to adding the sand, drains will be checked and cleared.
5. **Water Sources.** The overall goal should be to eliminate pulling water from the creek and work towards utilizing the wells (including a planned new well) to fill a new irrigation lake and irrigate the golf course from that lake. Assuming there is enough groundwater to support the golf course it is hard to understand why the current setup exists.
6. **Waste Reduction & General Cleanup.** Dead trees, stumps, branches, wood plies and other green waste need to be removed using “green waste bins”. It will not be allowed to just sit there or “pile up”. Once inspected by City Staff, obsolete equipment should be sent to the appropriate recycling outlet. A Waste Reduction Plan, that covers all areas of the operation will be developed to comply with the stewardship and sustainability goals of the City.

Minimum Maintenance Standards

Minimum Maintenance Standards create consistency and enhance the golfing experience. The goal is to provide the guest with a great day of golf from the first tee to the eighteenth green. By meeting or exceeding the guest expectations with a consistently well maintained golf course and good turf coverage we will have provided the high quality value that the guests deserve. Minimum standards will be implemented at Bennett Valley with the input of the City using Touchstone’s standard template as a starting point.

- **Brief description of Customer Service Standards.**

Central to Touchstone’s operating philosophy across all departments we operate, and one of the most important components to providing guests with a memorable experience is ensuring that exceptional service is delivered consistently and effectively. Our approach is to listen to the customer, deliver service that exceeds our value proposition, and to follow-up with the customer frequently to ensure consistency. Job descriptions and service standards will be established and communicated to every Co-worker. Co-worker and department head meetings will be used to reinforce and further develop the standards and provide training so that staff are involved in the creation and delivery of excellent service. Our strategy begins with a simple statement that must be embraced by every staff member from the range attendant to the head golf professional:

***Understand and exceed our customer’s expectations
by providing the best possible golf & dining experience***

From an employee’s first day on the job, we begin training with our fundamental service philosophy and standards. Regardless of an employee’s position or past experience, each member of our team is indoctrinated with our relentless pursuit of providing exceptional service to our guests. We continue to invest in training our employees through meetings, formal workshops, and web-based training programs. We are proud to publicly recognize and celebrate the success of those who exceed the expectations of our guests with our Co-worker of the Quarter awards.

We also utilize two programs designed to create and sustain excellent customer service. The **FIRST** Program is designed to bring the employees together under an umbrella operating philosophy. The acronym stands for:

Friendly **I**ntegrity **R**espect **S**tretch – Learn **T**eamwork

General Managers can reward staff with \$5 gift certificates to recognize an employee that has demonstrated one or more of these attributes that can be used in the golf shop or restaurant. A sample of the certificate is shown below.



The second program is **“Take 5 to Shine”** – this program encourages employees to demonstrate service at the “wow” level every week. The program is further identified in the following pamphlet shared with employees.

- At least one 5-minute effort every week
- Do something extraordinary for a guest
- Goal is to elicit a “WOW” from the guest
- Examples:
 - Offering to take a photo of a group struggling with a Selfie
 - Helping a guest overloaded with food & drinks to their table
 - Surprising guests with samples from the kitchen
 - Offering to rake a bunker for a guest who just hit a shot
 - Helping a guest load or unload their golf clubs



We monitor our service delivery using two important tools:

Service Shops. In order to gain perspective from the eyes of the guest, we rely on frequent 3rd party “service shops.” Typically, these shops are conducted by an independent third-party and provide valuable insight into the effectiveness of employee service training programs. Specifically, the service shop would be conducted in both the golf shop and dining outlets and measures the following:

Greeting the guest/answering the phone in courteous, friendly and professional manner; collection of accurate information from the guest; effective communication of policies to the guest (cancellations, returns, etc.); timeliness of service delivery; physical condition of property, ambiance, cleanliness; product quality; cash handling.

Secret Shoppers. We also utilize secret shoppers as a valuable tool to assess the skills of the sales team members and learn from the experience we provide to our prospects. Training opportunities are often uncovered through the results of these sales shops. Specifically, the sales shop measures the following:

Promptness in returning telephone calls; proficiency in delivering value proposition; whether the correct probing questions are being asked to identify key buying criteria (customer needs); effectiveness in communicating the product features and benefits; ability to progress prospect along in sales cycle and closing tactics; effectiveness in up-selling or providing appropriate alternatives; follow-up with the customer and cultivating referrals.

Survey System

Touchstone utilizes an industry leading survey tool from Players 1st. The essence of the system is to email golfers after their round to get their feedback on their experience, including any desired follow up. The survey is smart phone friendly, simple to fill out and generates a “Net Promoter Score” along with useful feedback on the operations of the golf course. Additional details on this system are provided in the Business Plan portion of this response.

- **Brief description on operating systems that are utilized to promote efficiencies, such as but not limited to, online tee time booking and transaction data.**

- 1) Point of Sale/Online Booking/Marketing Engine Systems. Touchstone has experience with a wide variety of point of sale and related online booking and marketing system engines including the existing system utilized at the golf course.
- 2) Tee Time Distribution Systems and Partners. Touchstone is a cautious user of tee time barter systems. We carefully utilize select 3rd party tee time distribution channels such as GolfNow. To create a positive result from a 3rd party marketing channel, the golf course must offer the best price on its own online reservation system, build local club membership/loyalty programs and develop off-peak group tournaments and special events. If required, a barter tee time must be positioned at an off-peak time and be similar in price to promotional rate. Golfers who book a tee time on the 3rd party website will be provided an offer to join a course-based club or loyalty program during the check-in process.
- 3) Key Performance Indicator Systems. Touchstone utilizes a variety of proprietary analytical systems including our 3X monthly performance Scorecard and key performance indicator reports, and monthly Performance Analysis Report (“PAR”) that is paired with monthly financial statements.

- **Brief description of staffing levels, pro shop operations, restaurant operations and relevant performance standards.**

The following chart provides an overview of the staffing needs at Bennett Valley – the pro forma financial information in the separate Cost Proposal has detailed information by position to support this schedule.

Position	Summary of Qualifications	Key Responsibilities	Hours per week – Mar-Oct	Hours per week - Nov-Feb
General and Administrative Staff				
General Manager	10 plus years' experience in a similar capacity in the golf or hospitality industry. Excellent business acumen, communication and leadership.	Oversight of all staff of the golf course. Day to day management of the financial performance and operating strategies at the facility.	50-55	50-55
Head Golf Professional	5 plus years' experience in a similar capacity in the golf industry. Excellent knowledge of the game and instruction. PGA or LPGA credentials.	Oversight of the golf operations including daily golf, tournaments, driving range, carts and pro shop merchandising	50-55	50-55
Director of Sales	Previous hospitality sales experience, preferably with golf tournament and banquets. Website management. Outgoing, sales-driven individual.	Tournament and Banquet or Membership sales. Day to day implementation of Touchstone's sales & marketing plan.	40-45	40-45
Golf Operations Staff				
Golf Shop Staff	Friendly, efficient, detail oriented, sales ability	Guest check-in, merchandise sales, member/loyalty sales	20-40	20-40
Golf Prof. Staff	PGA or LPGA Member or Apprentice	Implementation of Player Development Program	20-40	20-40
Cart/Range Staff	Efficient, detail oriented, safe	Cart staging, cleaning, detailing, range picking, mechanic	20-40	15-40
Player Assistants	To be staffed with Touchstone Golf Foundation volunteers			
Golf Course Maintenance Staff				
Superintendent	GCSAA Class A, 5 years minimum experience in management	Lead maintenance operations	50-55	50-55
Foreman or Assistant	3 years previous golf course experience	Lead staff and certain key aspects of maintenance plan	40-50	40-50
Mechanic	Previous golf course mechanic experience	Equipment repair and preventative maintenance	40	40
Irrigation Tech	3 years previous golf course experience	Oversees the maintenance and repair of the irrigation system	40	40
Greens-keeper	3 years previous golf course experience	Top operator of equipment.	40	40
Maint. Staff	Efficient, detail oriented, safe	Standard maintenance staff	30-40	20-40
Food & Beverage Staff				
F&B Director	5 years minimum experience in food and beverage.	Lead Food & Beverage operations	50-55	50-55
Chef/Cooks	Previous experience in restaurant operation	All food preparation under Chef's guidance and instruction	20-40	15-40
Servers	Experience serving guests. High touch service personnel	Customer interfacing for orders and delivery of meals	20-40	15-40
Bartenders	Experience with serving alcohol. High touch service personnel.	Often combined with server duties.	20-40	15-40

- **Brief description of marketing and promotional plans for youth and adults, including those traditionally disadvantaged economically or socially.**

Touchstone, working with input from the City of Santa Rosa, will develop and execute a dynamic marketing plan to effectively position, market, and promote the Bennett Valley Golf Course. As a starting point we will address the following key strategic components:

- Establish the Marketing Approach – “Brand Building”
- Understanding and Developing Target Guest Segments
- Leveraging Social Media

Establish the Marketing Approach – “Brand Building”

To begin creating and optimizing a brand, our first priority will be to improve the quality of the golf course, introduce food and beverage options and enhance the service experience – these elements will improve the guest’s value perception of the property. By laying this important groundwork, we can then focus on creating awareness and interest, providing the right experience, and then building loyalty with guests that creates advocates. Advocates are the critical long term link for the success of any golf course. The following diagram demonstrates the framework of the process to build the brand.



Understand and Develop Target Guest Segments

Upon commencement of our management engagement, we work to identify existing and potential guest segments. These segments typically include regular golfers (local club members), infrequent golfers, potential golfers, youth including youth in need, and diners of which there are also several sub-segments. Within each segment there are opportunities to grow the segment by understanding their needs and how the golf course can address those needs.

Once these segments have been identified and analyzed, we develop marketing programs, including loyalty/affinity options, to deepen the relationship and utilization of the golf course and its amenities. Our analysis involves developing a competitive market analysis so that marketing efforts, as well as pricing decisions, are tailored to position the golf course to succeed within the market.

Email Databases

Touchstone advocates course-based, proprietary email marketing and has significantly improved its email database at its public venues through a variety of email collection techniques while complying with opt-out rules. A venue of this size under Touchstone management should have an email database of 25,000 plus active emails. It is important that the email database have segmentation characteristics so specific promotions can be efficiently communicated to groups with related interests.

The Demand Factor from the Pandemic

Not to be ignored is the recent surge in golf demand resulting from the pandemic, as people seek safe, outdoor recreation alternatives. Many of these individuals are brand new to the game of golf or have decided to make golf a more regular part of their recreation activities. In either case, sustaining the ongoing participation of these individuals and the revenue associated therewith is a critical part of any current marketing effort.

Touchstone has created a monthly report, prepared by our properties three times each month, to report on “Customer Engagement” activities taking place at the golf course. This information is compiled for the

property, as well as all other Touchstone properties, and circulated across the company's platform. This distribution fosters communication of best practices and opportunities to maximize the connection with our customers. Touchstone also runs promotional contests among its properties for goals such as number of 15 minute pro lessons in a month, email database growth and property tours.

Customer Engagement Tracking		Course Name:		Blue Rock		Month:		Mar					
		Direct Engagement							Social				
Definitions		15 Minute Pro Sessions	Tips & Tricks Videos	GM/Sup/Chef Tours	Membership/Handicap Responses	League Invites	Invite to Tournament /Social Events	Range Events /Happy Hours	Creative Other Ideas	Definitions	Facebook Posts	Instagram Posts	Email Blasts
Days 1-10	# Reached (# of Phone Calls or Emails Sent)	-	-	-	-	6,814	-	6,878	-	# of Posts or Emails	4	1	2
	# Responded (Answered Phone, Email or Signed Up)	-	-	-	-	4	96	4	-	People Reached or Email Views	374	10	13,692
	Notes / Success Stories	We have a Taylor Made demo day coming up next month, our first email has received 4 signups already. The Operation-36 program is kicking off for the season with a strong 14 students, which doesn't include the 6 students registered for the advanced academy. Our creative event for March is the Leprechaun Open and we solid out quickly with 96 people!											

Leveraging Social Media

The past decade has seen the proliferation of technology for communicating with golfers and promoting tee time availability. The same can be said for the restaurant industry. Technology must be managed and used in a disciplined manner to assure maximizing the average green fee rate. We will enhance social media methods, search engine optimization, and further expand the use of technology to grow facility income and increase guest satisfaction. Touchstone has performed our standard assessment of the existing the golf course's existing social media presence. A summary of that assessment with recommendations is found below:

Digital Marketing Assessment



WEBSITE

The current website needs a considerable amount of improvement to effectively speak to customers. From experience we know that the most effective and engaging websites start with a clear navigation, apply SEO best practices, provide all relevant information and links, and most of all are current. Right now the website has out of date information and it is difficult to find the material needed to answer a user's question. Updated content is imperative. Not only can content improve your search engine rankings, bring quality visitors to your website and increase user experience, it can also help convert users into customers or advocates.

In order to enhance the website and drive more engagement we would also recommend more photos and motion graphics, which do much more than paint a pretty picture. Effectively used, images can help drive more visitors to your website, promote social sharing and ultimately help drive business goals and sales. Pictures and videos also help tell a story, and when it comes to selling memberships, story telling is everything - think about the nature of human connections for a minute. We build friendships by relating with other people, and we relate visually and emotionally.



SOCIAL MEDIA

Social media is a must for all businesses in today's digitally driven world. Social Media is about getting the right message, to the right audience – and it's not all about younger generations. Perhaps a surprising statistic, 70% of Baby Boomers are on Facebook daily; so, Facebook posts and/or ads should cater to this generation. On the other hand, Millennials love Instagram, they want to see the experience and feel a genuine connection.

When it comes to social media, we find this an area of great opportunity for Bennett Valley. First, consistency. The more consistent pictures, videos, ads and stories are posted the more exposure and relevance the accounts will have. We recommend a minimum of two posts per account, per week, which also stimulates a positive growth in SEO.

Second, we can use ads to directly target our various customer segments from toddler moms to newly retired seniors. By directly targeting our customer segments we can tailor our messages for greater engagement and traction in the market.

A local competitor, Foxtail Golf Club, has been extremely active on social media has seen amazing traction on these platforms. This course went from the verge of being shutdown, to thriving, and part of their successful strategy was using social media to promote, engage and access their customers.



GOOGLE

Bennett Valley Golf Course facilities have received good Google reviews overall. It does not appear that the course responds to their reviews on either platform. Responding to reviews is crucial in today's digital and consumer driven world. Just a simple 'like' or 'thank you', is all you need to boost Google Rankings. If negative, it's best to reach out to the customer directly and take the conversation offline. Responding to reviews will further improve search engine optimization (SEO) rankings, boost Customer engagement and encourage prospective customers. Another note is that we have very few reviews compared to local competitors. We have various tools and tactics to increase the number and rating of reviews.

One other note on reviews is that most Google pictures come from reviews. It is imperative that the businesses continually upload their own photos to drown potential unfavorable customer photos.

- **Brief description for providing golf lessons and golf carts.**

We propose to create a Golf Learning Center that will restore the junior golf club/camps, including youths in need and increase golf lessons for beginners and more advanced players. The below information focuses on our experience and a variety of programs we use at our golf courses. The program for Bennett Valley will be customized to best serve the community.

Junior Golf

Touchstone will target the area’s junior golf market and encourage participation in programs and activities geared for young golfers. Our objective will be to broaden the golf facility’s reach into the market and bring more young people into the game. We will also recommend a Junior Club Membership with features such as low or no-cost instruction and access to the practice facility and golf course for nominal fees.



An after-school program for youth in need or at risk is also worth consideration, to include a series of instructional and learn-to-play programs modeled after the non-profit Ace Foundation’s *Ace Kids Golf* program (www.acekidsgolf.com). We will enlist volunteers from our Touchstone Golf Foundation to help run and raise funds for this program.

Touchstone leverages defined and productive introductory and intermediate level golf programs sponsored by national organizations such as the programs below. We will evaluate the best fits for the Bennett Valley Golf Course and build the introduction to golf program for youth around this framework.







Not all juniors will seek to develop their games to a competitive level. However, it is important that course have programs and capabilities to facilitate a junior golfer’s development. Touchstone will maintain instructional talent able to fulfill a golfer’s level of potential.

Adult Programs

Touchstone deploys a number of introductory golf programs for adults in addition to creating in-house programs tailored to making adult golfers comfortable learning the game. Among the programs we deploy are the following:







Touchstone was selected to pilot the new National Golf Foundation “Welcome2Golf” program that was designed to get new players to the game comfortable with all facets of playing golf, not just playing ability. We successfully rolled this out at our Applewood facility recently with great success. More details of the program deployed are found below.

Our golf instruction programs always include player development programs designed for adult golfers seeking to advance their game coupled with advanced individual lesson capabilities. An example of a player development program is found below and such a program will be tailored to the needs of the Bennett Valley Golf Course. A sample is shown below.

WELCOME2GOLF
BEGINNER MEMBERSHIP
 at Applewood Golf Course!
New to the game? Score the following deals until July 31, 2019!

FREE CLINICS

Every Saturday (1 HR)
 June 9 at 11:30 AM July 6 at 11:30 AM
 June 15 at 1:30 PM July 13 at 1:30 PM
 June 22 at 11:30 AM July 20 at 11:30 AM
 June 29 at 1:30 PM July 27 at 1:30 PM

LESSON PACK

3 Lessons for \$99
 Every Tues and Thurs, 7-8:15 AM
 \$99 for a 3-lesson punch card.
 Includes 3 free buckets!

COURSE GUIDE

Wednesday nights
 Make a tee time after 7PM and be ready for help on the course. From pace of play to rules of the game, we've got ya!

CLINIC/LESSON SIGN-UP: applewoodgc.com/lessons or 303-279-3003 ext. 25

GREEN FEES

After 7PM Nightly*
 \$4 for 4-HOLE WALK (back)
 \$8 for 4-HOLE RIDE (back)
 \$7 for 7-HOLE WALK (front)
 \$14 for 7-HOLE RIDE (front)
 *4 vs. 7 holes depends on availability.

\$2 BUCKETS

any time. any day.*
 Come on into the golf shop and get a SMALL BUCKET any time for only \$2 (plus tax!)
 *Must be registered as Beginner Member in our database to qualify.

DEALS ON GEAR

club rentals & merch
RENTALS: Rent up to 3 clubs for free for the driving range. Rent a set for \$20 when you play.
MERCHANDISE: 10% OFF golf shop items and special orders. (For orders, ask for Rob or Cheney.)

MAKE YOUR TEE TIME: Call 303.279.3003 or stop by the golf shop!

VIRTUAL LESSONS & MORE
 Visit WELCOME2GOLF.COM for tips and videos on playing the game and swinging the club.
 Questions? Reach out to Brit: bstueven@applewoodgc.com // 303.279.3003 ext. 21

Detach & return below info to golf shop. No upfront fees! [@applewoodgc](https://twitter.com/applewoodgc) [@applewoodgc](https://facebook.com/applewoodgc)

Name: _____ Date: _____

Address: _____ City: _____ Zip: _____

Email: _____ Yes, I'd like to receive email offers for golf!

Phone: _____ Mobile: _____ Yes, add me to the text club!

*1-4 MSGS/MONTH. REPLY STOP TO CANCEL. HELP FOR HELP. MSG&DATA.RATES MAY APPLY. TERMS: SLKT/0/955

LEARNING CENTER AT RIVERWALK GOLF CLUB FLEX PROGRAM
San Diego's Best Value for Professional Golf Instruction

- Flexible monthly golf lessons
- Fun, social class with max of 6 attendees
- Golfers of all skill levels welcome
- GREEN membership included with Standard or Ultra/Friend plan + 1 large range bucket daily to encourage practice on your own time
 \$5 one time charge for range key
- Boot Camp class - Play 9 holes with an instructor *extra \$15 charge*
- Easy online scheduling through ScheduLicity: <https://www.schedulicity.com/scheduling/RGCSCAC>

CLASS TOPICS INCLUDE:
 Putting, Chip/Pitch
 100 yards & in, Half Swing,
 Full Swing Video Analysis,
 Fairway Woods/Hybrids,
 Body Rotation,
 3 hole play & MORE!

3 great membership options:

FLEX Tune Up \$49 per month <small>Access to 2 Semi-private Sessions Per Month + Riverwalk GREEN Membership</small>	FLEX Standard Plan \$79 per month <small>Access to 4 Semi-private Sessions Per Month + Riverwalk GREEN Membership</small>	FLEX Ultra/Friend Plan \$139 per month <small>Ultra Access to Unlimited Semi-private classes. Friend Plan Sign up with a friend, save \$19 per month (\$59.50 per person). 1 Riverwalk GREEN Membership.</small>
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- Easy Sign Up!**
- Step 1: visit riverwalkgc.com, find the Learning Center tab on the instruction website page
 - Step 2: Click "Schedule now"
 - Step 3: Create username and password (needed for scheduling future classes)
 - Step 4: Sign up for a "Flex Enrollment" class (does NOT count towards monthly classes)
 - Step 5: Attend your 1st class! After your first class, a Learning Center Teaching Professional will help assist with which membership and classes are best suited for your game.

One time initiation/application fee \$50
 All Flex members receive private lessons for just \$40
 Schedule Lesson with Learning Center Instructor of your choice.
 For questions or more info contact Kim Harrington, Director of Player Development kharrington@riverwalkgc.com

Providing golf carts is a standard operational component of our management including regular maintenance of the fleet to eliminate any downtime.

- Brief description of programming ideas and innovative operating concepts for both golf and the restaurant.

Golf Tournament and Non-Golf Event Marketing

Increasing golf tournaments and non-golf events will be a cornerstone in improving the long-term profitability of the Bennett Valley Golf Course operation. It is important that such events are actively solicited, renewed, and priced properly. Equally important is the need to schedule such events to complement the revenue stream rather than erode critical individual round revenue. For example, weekend tournaments are best held in the late morning to fill times that are of less demand and protect high demand times that can be filled by residents, course members and visitors. Since most charity events seek the lowest possible cost in order to raise the most money, generally such events can be channeled to off-peak times (e.g., Weekday afternoons). Competitive events are also very desirable given the quality of the golf course including NCGA, USGA and State qualifiers along with local men's, women's, senior's and junior golf events.

The food and beverage element for events is key to the long-term success of the Bennett Valley Golf Course operation. It is Touchstone's understanding that the restaurant venue has been closed for over 2 years. Banquet capabilities are essential to support food and beverage services for golf tournaments, but the upside is in building capabilities that serve a broad and varied type of events that extend well beyond golf-related activities. The following matrix provides an example of the scope of events to be pursued at Bennett Valley:

GOLF

Competitive Events
Canine Golf Day
Women in Golf Day
Patriots Day Fundraiser
Leagues
Glow Ball Night Event
Superintendents Revenge
St. Patty's Day
First Responders Day
Super Big Game

PRIVATE EVENTS

Weddings & Receptions
Tournament Groups
Celebrations of Life
Quinceaneras
Bar/Bat Mitzvahs
Birthdays
Baby & Bridal Showers
Business Meetings
Fundraiser
You Name It!

COMMUNITY

Concerts on the Green
Sunday Brunch
Easter Brunch & Egg Hunt
Breakfast with Santa
Mother's Day Brunch
Local Club Meetings
Wine Tasting
Community Day
Movie Nights
Special Dinners
(Valentine's Day)

A sample of two possible event communications along with a sample calendar are shown below.

Bennett Valley Golf Course
UPCOMING EVENTS
Check Out Our Upcoming Events this Spring!

April 10 **The Green Jacket Golf Tournament**
Reserve your spot for our 2-player Best Ball. Each team will choose a player participating in the Masters. Your selected player's Sunday score will be added to your team score.

April 17 **Easter Brunch**
Enjoy Easter Sunday Brunch at Bennett Valley. Complete with an egg hunt and photos with the Easter Bunny!

May 8 **Mother's Day Brunch**
Celebrate the Mom in your life with brunch at Bennett Valley. Enjoy our Mimosa Bar and golf specials!

May 17 **Twilight League Starts**
The days are finally long enough, let's play twilight golf. This league will run all summer long, Tuesday evenings. Sign up for one night or play weekly!

For more information:
707-528-3673 or www.bennettvalleygolf.com

CONCERTS On the GREEN 2022
SECOND THURSDAYS OF THE MONTH @ 5:30PM-7:30PM

JUN 9 Country **AUG 11** Rock n Roll
JUL 7 Blues **SEP 8** Classic Pop

at Bennett Valley Golf Course
BYOC - Bring Your Own Chair
Food & Drinks
Available for Purchase

PLAY GOLF. DRINK WINE.
9 & WINE
\$40 Per Player

Includes:
9 Hole Shotgun
3 Wine Tastings
Heavy Appetizers
On Course Contests & Prizes

Featuring Local Winery **St. Francis Winery & Vineyards**

Friday, May 13th | 5:30pm Start
Sign Up Today! Space is Limited.
www.bennettvalleygolf.com/events
(707)528-3673 | 3330 Yulupa Ave, Santa Rosa, CA 95405

Community Events

The Touchstone senior leadership team are highly experienced in customer and public outreach efforts. Specifically for the Bennett Valley Golf Course, Steve Argo, VP of Operations for this region will be involved in setting the expectations and execution for community outreach for the property, working closely with the General Manager of the property and Touchstone’s head of Marketing, Ashley van Dissel.

The following are examples of how Touchstone Golf leverages a community golf course asset to provide activities for a wide range of non-golf activities.



- Outline a plan for operations, management, and maintenance of the entire golf course, driving range, pro shop, maintenance buildings, all other golf course buildings, restaurant building, restaurant furnishings, golf course maintenance equipment, restaurant maintenance equipment parking lots, and material yard.

Touchstone deploys four critical functions in maintaining our facilities and equipment. The graphic below summarizes these components and full details of each is available upon request.



We note that certain improvements are needed to the restaurant. In addition to the exterior landscape issues Touchstone will pay for, there are a number of interior items that need to be addressed including but not limited to the replacement of the floor in the walk-in cooler, drainage in the dishwasher area and eventually the replacement of the carpet.

- The operating plan will be considered draft and may be further refined upon notification to the Consultant that their proposal will be recommended for Council approval. Any modification of the operating plan may not reduce the expectations of the Scope of Services and the RFP and may not increase direct or indirect costs to the city unless requested by the City. Therefore, the operating plan is considered draft but must be comprehensive and inclusive.

Touchstone acknowledges and agrees with the City’s statement above.

Transition Plan

Touchstone Golf will meet the City’s transition schedule outlined below.

- Kick off meeting 1-3 days following Council approval
- Implement transition plan 2 weeks following Council approval
- First day of golf operation Minimum of three days following June 30, 2022
- First day of restaurant operation Minimum of 15 days following June 30, 2022

Our standard Transition Checklist contains over 100 action items, assigns tasks to individuals and sets deadlines for completion. Touchstone’s approach is to take the time to meet with City of Santa Rosa representatives, select customer groups, associations, leagues and other stakeholders that support the golf course well in advance of going live as the new management company; this process creates goodwill, shows the management company cares about the property and its clientele and sets the stage for effective communication at the start of the relationship.

Touchstone is adept at transitioning employees in a thoughtful fashion providing a comprehensive orientation meeting in advance of or shortly after assumption of management. As employees of Touchstone Golf, fulltime staff members would be eligible for benefits including medical, dental, vision, vacation and 401(k) programs. Each course we transition is assigned a transition management team that provides training, installation of policies and procedures and serving as the ‘go-to’ resource for the property and its guests.

A summary of our process is provided on the following page.



The Presidio Golf Course - 2016 California Course of the Year

Key Activities	Milestones	Prior to Transition	First 90 Days	2 nd & 3 rd Quarters	4 th Quarter	Goals & Anticipated Results
Communication	Bi-weekly meeting or conference call with City of Santa Rosa designees.	✓	✓	✓	✓	Address issues and opportunities to ensure the success of the transition.
	Multiple meetings with local golfers and clubs to understand and integrate their priorities into the operating plan.	✓	✓	✓	✓	
Interviews	Meet with other golf course and community stakeholders.	✓				Learn from stakeholders their issues and expectations.
Introduce current staff to Touchstone	Work with current operator to arrange Touchstone introduction and communicate process to apply.	✓				Identification of staff that will transition over to achieve new vision under Touchstone.
Transition Checklist	Present Touchstone's detailed transition checklist to City of Santa Rosa.	✓				Ensure all transition issues are handled.
Guest Survey	Conduct comprehensive guest survey as a part of the business planning process by date to be determined.	✓				Ensure we understand our guests and their issues and needs.
Business Plan	The plan will include a financial budget for each department, marketing plan, operational (service) plan, Projects/CapEx and calendar of events. The milestone for this will be a presentation of the plan to the City of Santa Rosa Staff for feedback by a date to be determined.		✓			The result will be a plan that will set the direction and activities necessary to achieve success.
Customize Training Program	In addition to service and operations training program customize all standards/checklists for staff. Finalize new co-worker orientation.		✓			Well trained/recognized staff and feedback from our guests.
Pace of Play	Customize Pace of Play program to ensure rounds do not exceed 4 ½ hours.		✓			4 ½ hour maximum pace.
Recruit Staff	Utilize web-based tools & network.	✓	✓	✓	✓	Quality staffing from Day 1.
Open House	For club members and local residents before transition date.	✓				Start to build relationships.
Department Head Meetings	Weekly meetings to discuss issues, opportunities, and upcoming events.		✓	✓	✓	Teamwork, well run property and events.
Ongoing training. Orientation	Schedule and train all staff members in accordance with Touchstone standards		✓	✓	✓	Well trained staff.
Advanced Training	Staff to be developed for exceptional service and improvement in sales.		✓	✓	✓	Excellent service, ongoing for new hires.
Course co-worker meeting	Quarterly "All Staff Meeting". Address safety, HR, and marketing initiatives.	✓	✓	✓	✓	Gain feedback from staff and address issues.
Cash Audit	Review quarterly "secret shoppers report". Conduct a minimum of one tee sheet and cash audit a month.		✓	✓	✓	Ensure co-workers are recording all the revenue and providing the right service.

Scope of Services

Touchstone Golf is in concurrence with the Scope of Services document provided by the City with the following observations noted.

15. Utilities, Refuse Service, and Repair	All requirements in this section conform with Touchstone Golf's standard of operations and we commit to fulfill them without exception. We would like to request that the deduction from Touchstone's incentive as it relates to electricity be based on utilization of electricity vs. the invoice which might be impacted by higher rates that Touchstone cannot control; further, we ask that allowances be made for what is anticipated to be a much more highly utilized food and beverage/banquet operation.
16. Golf and Restaurant Capital Improvements	Touchstone can assist the City in prioritizing and evaluating capital improvement projects that will have the most impact on the venue at the lowest possible investment.
29. Existing Operator Owned or Leased Equipment and Materials	Touchstone can work with the City to acquire assets that make sense at a fair value and can otherwise provide it's national pricing with major golf vendors to replace and/or upgrade these items as necessary.
30. Accountability and Incentives	Touchstone has provided a reference in the Cost Proposal to incentive options.

Touchstone’s expectations for the City of Santa Rosa are:

- Regular communication and engagement with Touchstone as opportunities and obstacles are identified.
- Engagement with Touchstone on the deployment of capital as Touchstone can guide the City on minimizing costs and getting the most return for each potential investment.
- Ability to engage with all potential strategic partners within the City to make the golf course as much of a community asset as possible (e.g., Parks & Recreation, Tourism, Disadvantaged Population).

Review and Evaluation of Bennett Valley Golf Course



For
Recreation & Parks Department



Presented to:

John Stinson

Recreation & Parks Department

City of Santa Rosa

Presented by



Jacksonville, Florida * Dallas, Texas * Pinehurst, North Carolina

March, 2013

Bennett Valley Golf Course Operation Review

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Executive Summary

Bennett Valley Golf Course has been serving Santa Rosa and the Sonoma Valley very well since its opening in 1970. Historically, BVGC has been one of the busiest municipal golf courses in California and is known to be an excellent value. It has traditionally been a very profitable operation to the City.

In the past few years, however, the cash flow has been negative, although the operation remains very profitable. The biggest contributing factors in the negative cash flow is the over \$400,000 in bond payments, resulting from the construction of the clubhouses and declining revenues. Last year saw the end to a decline in performance, both in terms of revenue and rounds. However, both revenue and rounds are still well behind those seen as recently as FY09-10.

Still, BVGC had close to 70,000 rounds in CY2012. This is outstanding for an 18-hole facility and makes BVGC one of the highest volume facilities in California. To achieve such a high volume requires a combination of an outstanding facility, affordable pricing and a skilled management team. All three were apparent during our review.

While the ratio of positives to negatives was overwhelming in the favor of positives, the focus of this report is on those aspects of the operation where we felt improvement is needed in order to maximize performance and improve the golfing experience to the public.

It is not our intent for this report to reflect negatively on the operator, as we found the operation, in general, well managed. However, in every operation there is room for improvement. In addition, given the amount of decline in revenue, especially with a negative cash flow, there is some urgency to put into place strategies that will once again restore a positive cash flow. Indeed, it is our conclusion that performance can be significantly improved and a positive cash flow achieved.

The need for improvements falls into five general areas:

1. **Capital Improvements** – both those needed to *sustain* current performance and those that can dramatically *improve* performance
2. **Financial Controls** – While there is no direct evidence of wrong doing, the financial controls are weak and there are many question marks.
3. **Operational Changes** – primarily to the teetime reservation process and to improve the pace of play
4. **Fee Restructuring** – this should be regarded as “tweaking” rather than a major overhaul
5. **Improved Marketing**

In this summary, we will highlight our major findings and recommendations. However, the reader is encouraged to read the full report to see the complete list of recommendations and the logic behind them.

Competitive Review

- There were no major revelations in our study of the demographics of the area, so we will jump ahead to the competition. The focus of our review were nine other facilities that we felt were most comparable to BVGC in terms of location, nature of the facility (most of them are municipally owned), facility and market. These

were Oakmont West, Foxtail North and South, Windsor, Rooster Run, Adobe Creek, Napa Golf Course, Blue Rock Springs and Mare Island. Below are the most relevant findings:

- **# Tee Boxes:** BVGC is the only facility in the group to have just three tee boxes. The rest have four or five. *BVGC is at a competitive disadvantage.*
- **Back Yardage:** BVGC is at the average for the comparables, but the yardage, 6,545, is considered "short" by modern standards. This will affect play not only from low handicap golfers, who generally prefer to play from at least 6,700 yards, but can affect play from golfers unfamiliar with the course as they see yardage as indication of quality.
- **"Senior" Tees:** Seniors tend to prefer playing from 5,400 to 5,700 yards. However, most will not play from the forward tees as they still regard them as "ladies" tees. As a result, a course that does not have a tee other than a forward tee, in this yardage band is at a disadvantage. Not only is it appealing for seniors, but likely causes a slower pace of play, as the seniors will be playing from a longer distance and thus take more time to play. *BVGC does not have senior tees and is at a distinct disadvantage.* Seven of the competitors have senior tees and three others have their middle tee in this range. *Only BVGC and Napa lack a non-forward tee in this range.*
- **Forward Tee:** The forward tee is the tee most used by women. Women, on average, hit the ball about 70% as far as men. Thus, the equivalent of a 6,200 yard course (the preferred distance for most male golfers) would be 4,340 yards. Unfortunately, few architects take this into consideration when they build a course. The consequences are many, including:
 - **Women** shoot higher scores, so they get discouraged and are less likely to return to the course
 - **Pace of play** is adversely affected because the women have to take more strokes due to the added distance.

Five of the courses come in at under 5,000 yards, with one, Oakmont West, under 4,000 (3,719). The average was 4,996. *BVGC is by far the longest at 5,774 yards, over 400 yards more than the 2nd longest (Napa). At 5,774 yards, BVGC is the equivalent for women of an 8,248-yard course for men! This is not only a major competitive disadvantage for women but can contribute substantially to a much slower pace of play for everyone.*

- **Green Fees**
 - **Weekday Prime:** BVGC is the cheapest at \$24, with only one other facility (Foxtail South) charging under \$30.00. The average was \$32.90. *There would appear to be some room for BVGC to increase price.*
 - **Fridays:** Half the courses charge more on Fridays than the other weekdays.
 - **Weekend Prime:** BVGC is the second lowest at \$38.00, following Blue Rock (\$29), which is the only other course under \$40.00. The average rate was \$46.20. *Again, this suggests that there is room for a modest increase.*
 - **Senior Discounts:** BVGC's discount rate (by percentage) is in line with the competition. Only three of the facilities offer a senior discount on weekends. *We agree with the current BVGC policy of not offering a senior rate on weekends.*
 - **Weekend Twilight:** At \$21.00, BVGC is well under the average rate of \$29.20. Further, the twilight discount of 44.7% off the peak rate at BVGC

was also well above the average of 37.8%, *indicating there is some room for an increase.* (Weekday twilight rates at BVGC are in line with the competition).

- **Nine-Hole Play:** BVGC was one of only three facilities to offer a nine-hole rate. *We feel this is a significant competitive advantage.*
- **Golf Now Discount:** All but one facility, Windsor, utilizes Golf Now as a means to bring in customers. Most of the facilities (but not all) offered a discount through Golf Now, with the average weekday discount (in our spot check) of 32.7% and 18.2% on weekends. BVGC is limited by Council rule to only offering 10%. *We would like to see BVGC have the ability to offer larger discounts, but advocate extreme caution as to when these discounts are offered.* If discounts become prevalent, golfers are not going to ever want to pay rack rate because they feel they are getting ripped off. Discounts, including coupons, etc., should be used very judiciously – especially at BVGC, which is already the value leader in the area and has by far the most rounds. *OFFERING DISCOUNTS SHOULD NEVER BE A PRIMARY FOCUS OF THE MARKETING CAMPAIGN, nor should BVGC engage in extensive discounting.* The ONLY time we would offer discounts is for times when we *know* we would otherwise not get play. (For example, last minute cancellations or teetimes right before twilight or supertwilight begin).
- **Twilight onset:** BVGC is the *only* facility to have the onset time for twilight fixed for the year. *We concur with the competition. Twilight time should be adjusted by season.* (BVGC does change the onset of supertwilight rate).
- **Annual Passes:** We found the 5-day pass rate at BVGC to be in line with the competition both in terms of price and “break-even” point (the number of rounds it takes to equal the fee). However, BVGC’s 7-day pass appears low, with a break-even of 27.9 round (for singles) compared to the average of 40.3. For couples, the breakeven at BVGC was 32.2 rounds compared to the average of 56.9.
- **Rounds:** BVGC was by far and away the leader in rounds played per 18 holes, with 70,266. The next highest had 50,500 and the average was 45,067. The average increase in rounds from 2011 to 2012 was 5.9%, with Foxtail having the biggest jump at 11.7%, followed by BVGC at 8.2%.
- **League Play:** League play is one of the major reasons BVGC is so far ahead of the competition in number of rounds. BVGC does significantly more league play than any of the other courses in our sample.

Facility

While we found the course to be in excellent shape at the time of inspection, and found the maintenance crew to be superb, there are definite needs for capital improvements.

These improvements can be categorized into two groups: those that are needed to *sustain* performance (infrastructure) and those that are designed to *improve* performance.

Improvements to Sustain Performance

The two most obvious problems are drainage issues, especially on holes 2, 9 and 15; and the irrigation system. In addition, the age of the greens is a concern as is the water storage area.

Drainage: The drainage problem is being addressed through a program of cross-hatch sand channels being installed in the fairways. This was done with great success on the #1 fairway at a cost of \$110,000. We understand that the City is planning on doing similar projects with the other problem fairways.

Irrigation: The irrigation system has a number of issues, starting with its age. Most irrigation systems last about 20-25 years. BVGC is still operating with the original system. Because of its age, there are a number of issues causing concern, including:

- **Repair cost:** The frequent repairs needed not only cost money in terms of parts, but also in terms of labor. Perhaps an even greater concern is the possibility of extended down periods during the heat of the summer that can cause damage to the greens or other areas of the course.
- **Inefficiency:** This system operates using 19 different control boxes spread around the course. Unlike modern systems where the entire system can be programmed and controlled from a central location, this system requires the superintendent, *on a daily basis*, to go around the course to set each controller.
- **Gaps:** The current system has heads that are 90' apart, compared to modern systems with 65' spacing. The larger spread means there is not true head-head coverage, resulting in gaps and "rings". These will cause extensive brown areas in the fairways during the summer, making the course less playable and appealing.

A complete replacement of the irrigation system is needed.

Greens: The greens were all rebuilt during the early 1990s under a program where two were rebuilt a year. However, according to the USGA, the normal life-cycle of greens is between 20-25 years. This means that the greens are coming up on their anticipated life-expectancy, at which point they are likely to decline in quality. This, in turn, will hurt the course's appeal and can have a significant impact on performance.

Water Storage: The irrigation system pumps out of a small pond on the course. When the system was built, the pond was designed to have a 2-3 day supply of water, which is normal. However, over time silting has become a significant issue. Not only is silt getting into the system where it can damage the irrigation heads and the greens, but it is shrinking the water storage area. The superintendent estimates the storage to now be a little over a day. This can create major problems during an extended draught period.

When we put all of these needs together, it is apparent that BVGC is due for a major overhaul. The irrigation system alone usually requires the closing of the course (or at least nine-holes at a time). Such a major interruption needs to be planned for carefully, as does the cost, which is likely to be in excess of \$1.2 million for the irrigation system alone.

However, because it is likely the course will need to be closed for the irrigation installation, this is the ideal time to do *all* the renovation work at once, including rebuilding the greens, fixing the drainage and expanding the water storage area. In addition, other improvements such as feature enhancement, adding length, etc. can be accomplished.

Sirius recommends a detailed study, including a master plan by an ASGCA certified golf course architect and a review by an irrigation specialist, be conducted as soon as possible. We feel the improvements should be made as soon as possible and certainly within the next five years.

Improvements to Improve Performance

The improvements mentioned above are needed to maintain the current level of performance. Without them, the course conditions are likely to deteriorate and with this decline will come a drop in performance. But while they are needed to *sustain* performance, it is likely that if done right, they may actually *enhance* performance.

However, there is one improvement we *strongly recommend be implemented at once* and that is *the construction of a new set of forward tees*. Fortunately, building tees is not nearly as expensive as the improvements above. In fact, much of the work likely can be done in-house.

As we noted in the competitive review, BVGC is way too long for most women players. Not only does this make the course much less appealing to women, (which is a very fast growing segment of the golf market), but it also has a significant impact on the pace of play. This is because if one group is taking more shots because the hole is too long, all the groups behind are slowed down as well. Further, while the current forward tees are at a good length for seniors, it is likely that many seniors will not use them as they consider them to be "ladies" tees. Thus, the course becomes too long for seniors as well, again hurting both market share and slowing the pace.

No other recommendation in this report will have as positive an impact as building new forward tees. We would like to see the tees built so that it becomes a Par 72 for women, with a length of 4,200 to 4,500 yards.

We would also like to see the addition of "family" or "junior" tees to the course. These usually are not actual constructed tees, but areas on the fairway or near the rough where juniors can tee off at a length that is more appropriate for their age. The USGA has done a great job in providing recommendations for these yardages.

Driving Range: BVGC's does a great job with its practice range. We love the set-up with the self-service machine and parking nearby.

Consider moving the grass tees back to increase the length (currently, players cannot use drivers from the grass area because the range is too short). We would also like to see the grass tee widened to improve maintenance and conditioning.

Another suggestion is to enhance the target greens, making them more defined, and adding "rings" around them, creating a target effect. In so doing, you create the opportunity of assigning points, with more points for the further greens and for hitting the inner bands or the green itself. This allows for games to be created that can make practice more fun for juniors and younger golfers (as well as adults).

Financial Performance

Accounting Practices and Financial Controls

We found a number of issues with regards to financial controls and accounting practices. These can be divided into two groups: 1) practices that could lead to problems and 2) "red flags" where numbers do not add up or otherwise indicate a potential problem exists.

Poor Accounting Practices

- **Rounds:** The rounds being reported by the operator are from the Green Fee totals in the POS. However, these totals include pass sales, which are not rounds at all, and 2nd nine rounds, where a player initially played nine holes and then decided to play an additional nine.
- **VOIDS:** We do not like how voids are currently being handled on the POS. Instead of “voiding” a sale, which makes it very clear there was an error, clerks are instructed to create a “return” for the errant transaction. This makes it impossible to distinguish between a return because a customer is returning an item or changed their mind and a void, which is usually where a clerk has made a mistake. *We strongly recommend discontinuing this practice.*
- **Personal Accountability:** BVGC does not assign individual cash drawers, nor do clerks sign into a point-of-sale (POS) register as an individual. Instead, everyone checks in as either Clerk 1 or Clerk 2, depending on the register. This makes it extremely difficult to determine who is responsible when an error is made, and increases the opportunity for a clerk to “misappropriate” funds. *We recommend that clerks sign into the system as individuals by name, each with a PIN code. We also recommend they each have a cash drawer that they are responsible for reconciling at the end of their shift.*
- **Accountability II:** BVGC does not require a clerk to record reasons behind “returns” (either a real return or a void) or “allowances” (an “allowance” for this POS system is a price adjustment on an item given by the clerk at the register) where they give discounts. *We recommend requiring a written explanation. This can be done by printing a receipt and using codes and abbreviations for expediency.*
- **Annual Pass Billing:** We have several concerns with the current handling of pass sales. First, customers are allowed to pay for their passes by splitting it into three payments (1/2 down, 1/4th March 15 and 1/4th June 30th). *There is no interest or extra charge for this convenience.* Second, the way it is handled in the POS is problematic. When a pass-holder makes a payment, the clerk rings it up as a new sale, and then discounts it, using an “allowance” to the price of the payment. Further, *there is no record in the POS of how much a passholder owes. These records are maintained manually. Moreover, no bills or statements are sent out, the clerks simply wait until the passholder comes in to play. The solution is to use a member billing. The initial transaction should be recorded at full price, with the PAYMENT split between cash (or credit card) and ACCOUNTS RECEIVABLE, with the amount added to the member’s account.* This will also allow for automatic billing and tracking through the POS. *We strongly recommend changing this practice and using an accounts receivable/member billing accounting. (This may require adding an additional software module to the current POS program).*
- **Juniors:** This is similar to the issue above. BVGC participates in the NCGA program; “Tom’s Kids” where by juniors get to play for \$3. The difference in the regular rate and the amount the junior pays is paid back to the facility through the Tom’s Kids program. The problem is how it is being handled on the POS. The round is rung up as a regular junior round, and then discounted using an Allowance. *A manual record is maintained on the amount owed BVGC by the program. When the payment is made, it is entered into the POS as a junior*

round, with an allowance made to reflect the actual payment! Thus, we may end up with a \$250 junior round of golf that day. *As with the annual passes, the solution is to use member billing/accounts receivable. The initial transaction should be recorded in full, with the payment split between cash and accounts receivable (to the account of NCGA).*

Red Flag Issues

The following are items where errors have been found. However, it is not clear that they are intentional or accidental. But they do indicate issues that need to be addressed, including further investigation and possible corrective actions.

- **# Returns/Allowances:** The number of returns and allowances seems excessive, with allowances for items we would not anticipate.
- **Juniors:** The positive "allowances", indicating payments from Tom's Kids Program do not equal the negative allowances.
- **Annual Passes:** We were told that all except one pass holder paid in full last year. Yet we cannot get the numbers to agree. In all the pass categories, dividing the total revenue received over a 12-month period beginning in December (when the passes are first sold for the following year) by the cost of the pass (supposedly no discounts were given) should yield a whole number – the number of passholders. This was not the case for *any* of the categories, nor did the result agree with the number of passholders provided to us by management.
- **"No SKU Sub-department":** This is a weird situation that may simply be the result of a software issue. However, we were not able to establish this as the case. The issue is that the first reports we were given contained a sub-department of merchandise sales as "no sku". We were told these were items that had been discontinued. However, they did NOT appear in future reports. Nor could we establish whether these items (which were sold) counted in the totals provided to the City for rent calculations. We would encourage investigation to verify that they were counted.
- **Rainchecks:** Rainchecks are given to players when they are unable to complete their round, usually as a result of inclement weather. We are told they are "occasionally" issued to unhappy customers, usually due to a slow pace of play. The issue is that there were a considerable number of rainchecks issued in months *where there was no rain*. This indicates that either there is a problem with rainchecks being issued inappropriately, or the problems with the pace are so severe that an average of just under one golfer per day needs a raincheck to be placated.
- **Lessons:** The management contract calls for the City to receive up to 15% of the revenue from lessons. We could not find any exclusion for lessons given by staff other than the GM. However, the pros are getting 100% of this revenue and the City is getting nothing. (We are not stating that the City *should* collect revenue, only that it appears to be a noncompliance issue).
- **Income Statement:** The Green Fee revenues provided by Sirius that come from the POS do not agree with the revenue shown on the Income Statement. The difference is significant. For example, in FY 11-12, the income statement showed \$164,380 *less* than the reports we were given. While there may have been accounting adjustments made, we were not given an adequate explanation

as to their nature or why they would be 12% of the total. (Similar discrepancies were found in previous years).

We would encourage the City to conduct a more comprehensive audit to determine the nature and extent of the problems.

Rounds

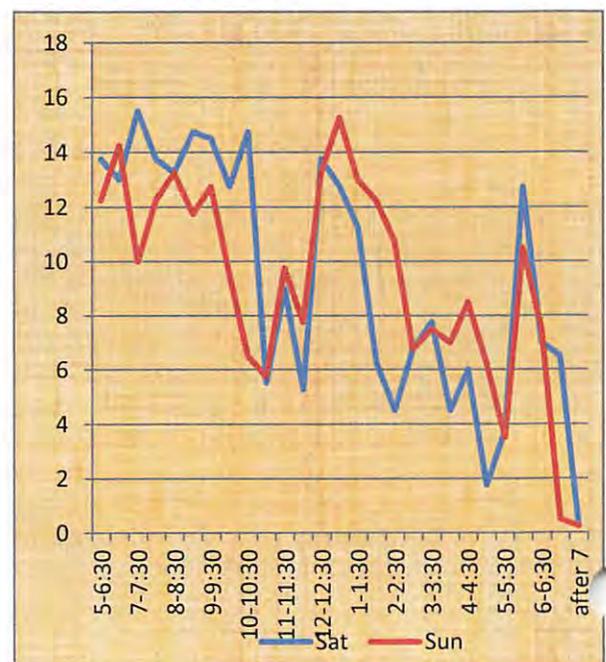
Key observations from the analysis of rounds performance include:

- **Fluctuation:** Rounds at BVGC go in the same direction as national, state and local trends, but tend to do so in an exaggerated way (a greater swing). This often indicates a customer base that is more price-driven and sensitive to the economy.
- **By Rate Band:**
 - Weekday prime has the largest share of rounds (42.1%) and revenue (34.9%)

Total Rounds 2010-2012

	Qty	%play	Net	% Rev	Avg Yield
Weekday	83,631	42.13%	\$1,071,916.94	34.89%	\$12.82
WD Twilight	54,941	27.67%	\$645,145.85	21.00%	\$11.74
WD Supertwilight	7,128	3.59%	\$66,230.24	2.16%	\$9.29
Weekend	33,447	16.85%	\$952,256.82	31.00%	\$28.47
WE Twilight	17,068	8.60%	\$312,365.80	10.17%	\$18.30
WE Supertwilight	2,313	1.17%	\$24,164.22	0.79%	\$10.45

- Weekend Prime has a much lower percentage of the play (16.85%), but accounts for almost as much revenue as the weekday prime (31%). This clearly demonstrates the importance of the weekend prime rounds (before noon).
- **By Time:** We plotted the weekend teetimes (from the teesheet reports) for the month of July 2012. We found that there was a significant drop off in rounds on both Saturday and Sunday that occurs around 10:30 and goes until twilight starts at noon.
- **Weekends:** We also noted that Saturdays were busier during prime time, but Sundays were busier after noon.
- **Trends:** We note a strong trend over the past few years of decreasing prime time weekend play and increasing weekend twilight play. While this may indicate increasing price sensitivity in the market, it can also be because twilight time is no longer moved back in the summer.
- **Rounds by Type:**



- **Nine-hole rounds:** Account for 20% of the play and 13.9% of the green fee revenue. But the percentage of play appears to be declining.
- **Seniors.** Seniors account for a large amount of the play at BVGC, at 32%. Moreover, their percentage of play is increasing.
- **Non Resident Play:** We looked at non-resident play closely due to the recent elimination of higher rates for non-residents. Non-resident rounds increased by 7,170 from CY2010 to CY2012, more than the total increase of rounds over the same period (6,979), which is an increase of 50.9%. Green Fee revenue from non-residents also increased sharply, going up 32.8%. While this would seem to confirm that dropping the nonresident rate was a good idea, it is not the whole story. The flip side is that resident play *decreased* by 11.3% over the same period. Moreover, the green fees from residents decreased by \$99,787; almost equaling the \$101,218 gain in green fee revenue from the nonresidents. In fact, while rounds have increased overall by 6,920 rounds since 2009, *green fee revenue has decreased* by \$4,515. We note that the increase in rounds heavily favors the operator, whose revenue comes from everything *but* green fees, but is not necessarily good for the City.
- **Pass holder play:** Pass holder play is up 39.7% from 2010 (3,700 rounds). However, there is some concern as the number of rounds per passholder is very high, 85.9 for the limited (5-day) and 100.28 for the unlimited. These rates are nearly double the national average, and much higher than expectation. While this is certainly possible, it also raises the question as to whether some rounds are being rung in as passholder (no green fee) instead of as a paid round.
- **Tournament:** Tournament rounds are not tracked. *We recommend that they be tracked as they are important for marketing and planning.*

Revenue

While rounds have seen a dramatic increase in the last two years, revenue has seen a much more modest increase. Revenue has gone from \$1,806,848 in 2010 to \$1,907,948 in 2012, an increase of 5.6%; compared to 10.9% increase in rounds. Revenue per round has fallen from \$28.63 to \$27.15 (-5.2%).

Trends

The table below shows the trends for the various revenue subgroups.

	2010		2011		2012	
	Revenue	Rev/Rnd	Revenue	Rev/Rnd	Revenue	Rev/Rnd
Rounds	63,337		64,925		70,266	
Annual Passes	\$237,629	\$3.75	\$158,044	\$2.43	\$154,827	\$2.20
Green Fees						
WD Prime	\$359,962	\$5.68	\$361,711	\$5.57	\$350,244	\$4.98
WD Twil	\$212,239	\$3.35	\$204,222	\$3.15	\$228,684	\$3.25
WD ST	\$23,268	\$0.37	\$20,786	\$0.32	\$22,176	\$0.32
WE Prime	\$349,359	\$5.52	\$304,231	\$4.69	\$298,667	\$4.25
WE Twil	\$89,314	\$1.41	\$95,125	\$1.47	\$127,927	\$1.82
WE ST	\$7,788	\$0.12	\$6,658	\$0.10	\$9,718	\$0.14

	2010		2011		2012	
	Revenue	Rev/Rnd	Revenue	Rev/Rnd	Revenue	Rev/Rnd
Total GF	\$1,041,931	\$16.45	\$992,733	\$15.29	\$1,037,416	\$14.76
Driving Range	\$213,810	\$3.38	\$221,044	\$3.40	\$223,857	\$3.19
Carts	\$268,774	\$4.24	\$279,337	\$4.30	\$317,359	\$4.52
Merchandise	\$157,120	\$2.48	\$156,777	\$2.41	\$161,042	\$2.29
Total Revenue	\$1,806,847	\$28.53	\$1,813,813	\$27.94	\$1,907,948	\$27.15

- **Pass Holders:** While rounds from passholders are up, revenue from passholders has steadily decreased. This can be considered a "red flag" given that the rounds from passholders have increased significantly over the same time period. Further investigation is merited. (It is our suspicion, given the poor accounting methods employed in tracking pass holders, that the clerks may be assuming previous passholders are current, and allowing them to pay for free, when in fact, that person(s) did not pay for a pass).
- **Green Fees:** While rounds are up 10.9%, green fee revenue has decreased (0.4%). Because the vendor gets rewarded for all other revenue, the revenue stream for the vendor has gone up \$188,418, while the primary source of the City's revenue (green fees plus annual passes) has actually fallen by \$87,316. (The City does get about 10% of the other revenue, but even with this amount, the total revenue for the City has gone down over the past two years).
- **Cart Revenue:** Cart revenue has gone up, both in terms of total revenue and revenue per round, indicating a greater utilization. This may be due to an increase in the fleet size.

Income Statement

The table below shows the income statement and cash flow for the golf operation over the past five fiscal years. It is important to realize that these figures are for the *fiscal* year while our previous discussion uses the calendar year. As the fiscal year splits the golf season in two, we prefer using the calendar year analysis as a more accurate reflection of trends.

	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
Revenue					
Property Rent	\$30,000	\$0	\$31,616	\$38,687	\$39,415
Restaurant Rent	\$68,402	\$127,046	\$127,329	\$115,738	\$82,009
Interest		\$56,894	\$29,419	\$16,616	\$5,848
Unrealized Gain (loss) on investments		\$10,315	(\$5,934)	(\$6,169)	(\$2,371)
Green Fees	\$1,438,000	\$1,375,486	\$1,245,924	\$1,128,364	\$1,251,028
Pro Shop and range fees	\$95,000	\$120,799	\$104,863	\$98,163	\$108,375
Sale of property and equipment		\$1,791	\$2,094		
Cash over/under		(\$1,044)	(\$170)	(\$15,061)	\$24
TOTAL	\$1,631,402	\$1,691,287	\$1,535,141	\$1,376,338	\$1,484,328
Operating Expenses					
Management Contract	\$840,087	\$955,651	\$877,165	\$821,977	\$903,789

Bennett Valley Golf Course Operations Review

Executive Summary

	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
City admin fees	\$116,869	\$193,226	\$153,095	\$153,095	\$153,095
Operating Expenses (utilities, etc.)	\$174,088	\$125,814	\$124,086	\$194,003	\$112,191
Total Expenditure	\$1,131,044	\$1,274,691	\$1,154,346	\$1,169,075	\$1,169,075
Net Operating Income (Loss)	\$500,358	\$416,596	\$380,795	\$207,263	\$315,253
Other Expenses					
Capital Items	\$54,515	\$50,028	\$48,043	\$27,093	\$180,652
PDF Loan Repayment					\$51,005
Total Other Expenses	\$54,515	\$50,028	\$48,043	\$27,093	\$231,657
Net Gain	\$445,843	\$366,568	\$332,752	\$180,170	\$83,596
Debt Service					
Taxable Bond Debt Service	\$163,606	\$122,489	\$135,435	\$133,378	\$133,857
Tax Exempt Bond Debt Service	\$211,933	\$244,979	\$271,582	\$266,388	\$262,363
Total Bond Payment	\$375,539	\$367,468	\$407,017	\$399,766	\$396,220
Total Expenditures	\$1,561,098	\$1,692,187	\$1,609,406	\$1,595,934	\$1,796,952
Cash Flow	\$70,304	(\$900)	(\$74,265)	(\$219,596)	(\$312,624)

Declining golf revenues have certainly contributed to the decrease in profitability of the golf operation and the resulting decrease in the reserve fund. But there have been other factors as well, including large capital outlays for equipment of \$180,662 in FY11-12, and a \$36,000/year increase in City administrative fees assessed the golf course.

- **Golf Revenue:** Revenue from the golf course, including green fees and proshop, declined by \$306,473 (20%) from FY07-08 to FY 10-11, before rebounding last fiscal year by \$132,864 (10.8%).
- **Reserve:** The City likes to maintain a reserve of six months operating funds plus \$200,000 – a model created when rounds play exceeded 83,000 rounds. The reserve has fallen well below this amount the past two fiscal years.

Customer Feedback

BVGC administered an in-house survey of its customers in 2011. There were a total of 350 responses.

Results were mostly positive, with the average response for most questions being between “good” and “great” However the questions were very general in nature and no demographic data was collected.

In the comments section, customer service received the most comments, with 25, all but two being positive. Pace of Play received the most complaints, with all 24 comments

being negative. Merchandise sales received six negative comments to one positive, with the selection of women's goods being the prevalent complaint.

We would encourage more surveys, and highly recommend using the survey provided by the National Golf Foundation, which is a web-based survey. In addition to providing greater detail on the feedback, it also allows comparison to national and regional averages as well as comparisons to the main competition of BCGC.

Golf Operations

Overall, the golf operations at BVGC are very well managed with few issues. Below are the comments and recommendations on the few areas where we see improvement is needed.

Management Contract

It has been our experience in dealing with municipal golf operations across the country that anytime you have an inequitable split of revenue with the operator, the course will be managed in a way that strongly favors the operator at the potential cost to the municipality. Such is the case at BVGC. The management contract gives a very strong incentive for the operator to increase rounds by manipulating the green fees. This is because he gets ALL of his revenue from sources other than green fees and annual passes. The City also shares in the other revenue, but to a much smaller amount using a sliding scale. Based on recent performance, the City's share of the revenue other than green fees and annual passes is about 10%.

Not only do we feel this contract can lead to situations that are unfair to the City (e.g. Rounds going up dramatically while the City's revenue is actually going down); but also in unfair to the vendor in some areas. For example, the split is the same for the driving range revenue, where the vendors' costs are minor as merchandise sales, where the vendor has a 70% cost-of-sales plus the 10% to the City. This provides very little incentive to the vendor to sell merchandise.

We strongly recommend restructuring the contract so that ALL revenue is treated equally. In this way, the interests of the City and the vendor are aligned. What is good for the vendor is good for the City and vice-versa. In this way, the City should have more confidence in letting the vendor set the green fees and give him more room to do so as any discounting affects him as much as the City. We would put all the net revenue into a pot to be split with between the operator and the City. "Net Revenue", in this case, is defined as the Gross Revenue less the Cost of Sales (primarily inventory purchases). The percentage should be set so that it would generate essentially the same amount of revenue to the vendor as the current contract based on performance over the past three years. The current management contract payments could conceivably also be eliminated by creating a break point in the split, where the vendor gets the vast majority (say 95%) of the revenue split until the revenue reaches a break-even point, and then the split adjusts so that the City gets more.

Tee Time Reservations

Based on the reports provided by BVGC, only 4% of the current teetime reservations are booked online, while the vast majority are booked over the phone. This takes a tremendous amount of staff time. If we assume that booking a teetime takes only 90

seconds on average (which may be a very low estimate), it would take about 2,369 hours of staff time to book the number of reservations over the past 12 months. This is more than a full-time staff person.

While the City does not pay for the staff in the proshop, it does affect customer service.

The amount of time that staff are talking on the phone is time the same staff member is not paying attention to the customers at the counter or in the proshop. Moreover, it can be terribly annoying to customer to hear an incessant phone ring. With 90,000 calls/year for teetimes reservations only, the phone is going to ring a lot.

Further, we understand that the phones on weekends are not even answered until after 7 am, due to the traffic in the proshop. Needless to say, this is horrible customer service to those trying to call (and there is no voice mail), but also may be annoying to the customers at the counter.

BVGC is well below the national average for online bookings, which is over 10% and accelerating much higher (many facilities ONLY take reservations online and many others in metro areas see the majority of the reservations coming online).

		8/1/12- 1/23/13	7/1/07- 7/31/12
Web	Booked	1,760	13,739
	Cancelled	372	5,091
	No Show	1,201	764
	Played	187	7,884
Total Non-web	Booked	40,743	525,867
	Cancelled	9,245	114,080
	No Show	2,927	33,057
	Played	28,571	378,730
Total	Booked	42,503	539,606
	Cancelled	9,617	119,171
	No Show	4,128	33,821
	Played	28,758	386,614

On the other hand, according to the report shown above, only 10.8% of the rounds booked on-line were actually played compared to 70.1% booked by staff. This statistic is hard to believe and contrary to our experience with other clubs. Because of the benefits to online booking to staff and customers, we would encourage further investigation into why we are seeing this high a no-show rate and implement corrective measures. We would also vigorously promote using the online system. This can be done in a number of ways, including:

- **Promotion:** With signage in the proshop and in all advertising, promote using the online system. Staff should also remind customers when they call in to book a time that they can a reservation online.
- **Reservation Period:** You can allow people booking online to book teetimes further out than those calling in do.
- **Discounts:** You can give a small rate break (such as \$1-\$2) for booking online. This would be a short-term strategy until more people are utilizing the system.

Pace of Play

Pace of play is the single biggest complaint from customers. While pace is often the biggest complaint, especially at high volume courses, there does appear to be reason for

concern at BVGC. First we need to understand *why* there is an issue. Below are several of the reasons pace can get slow at BVGC:

- **Volume:** Obviously, with more players you have an increased likelihood of getting slower players and more errant shots. In one sense, this makes a slow pace a "good" problem to have.
- **Layout:** Both 1 and 10 at BVGC are "reachable" par 5's, meaning that many players can reach the green in two shots instead of three. This slows the pace considerably right off the bat as the golfers must wait for *two* groups ahead to clear the green before taking their second shot.
- **Skill Level:** Because BVGC is a very playable course, it attracts a higher percentage of beginners, and because it is only 6,500 yards long, it has a smaller percentage of low-handicap golfers. Beginners are going to take more strokes and thus take longer to play.
- **Forward Tees:** We feel one of the main reasons for the slow play is the length from the forward tee, as noted previously. Not only does this make the course considerably slower for women and seniors, but as a result slows the play for everyone.
- **Teetime Interval:** BVGC uses a 7/8 minute interval for teetimes, which is common in high-volume courses. However, such a tight interval means there is no room for error and there will always be players waiting behind you as you are likely to be waiting on the groups ahead. This not only slows the play, but creates an uncomfortable feeling (and can lead to conflicts between golfers).
- **Fivesomes:** BVGC does allow fivesomes, although they must be cleared by the head pro.
- **Walking vs. Riding:** BVGC, as noted above, has a much higher percentage of walkers than riders. It obviously takes longer to walk 200 yards to your ball than to take a cart. (The only time carts are slower is when they are confined to the cart path).
- **Lack of Monitoring:** Marshals are used to encourage faster play. BVGC only uses marshals Friday-Monday. The other days, the counter staff will ride around the course. However, interviews indicate that this is not done consistently as the counter staff can get busy.
- **Turn Interval:** Perhaps one of the more disturbing issues at BVGC is the amount of time it is currently taking to make the turn (go from nine green to 10th tee). This is due to the Legends closing the golfer window and forcing the golfers to come inside for service, where there is usually only one counter person. That person is also handing other customers. As a result, service can be very slow.

Recommendations

Below are some corrective measures BVGC can take to reduce significantly the pace of play.

- **New Forward Tees,** creating four sets of tees. The new tees should be between 4,200 to 4,500 yards in length.
- **Teetime Interval:** BVGC has gone to a 9 minute interval with the BVGC Club to great success. We would recommend increasing the teetime interval starting at 8 am. Earlier groups tend to play faster, so the shorter interval is not needed.
- **Change #1:** Another consultant recommended making the current 16th hole the first hole and rerouting accordingly. (This is easily done as it appears that this

may have been the original configuration). This would make the first hole a par 4. While this would necessitate using a starter, it would definitely help the pace.

- **Increase the use of Marshals:** We *strongly* recommend utilizing marshals seven days a week.
- **Decrease the number of Fivesomes:** The staff feel the current fivesomes are not adversely affecting pace, but customers still have that perception. We would encourage requiring fivesomes to use carts during peak play. We also would make it clear to them they must keep pace or will be split into two groups.
- **Turn Time:** Work with Legends to decrease turn time. We would encourage reopening the golfer window. We would also strongly recommend setting up an outdoor grill, which not only will improve the teetime, but would increase golfer satisfaction and sales.

Marshals

Based on interviews, there is not only concern about the lack of marshals, but the effectiveness of the marshals that are being used. Marshals can be a tremendous asset to the facility, if they take the right customer service first approach. However, they can also be a detriment if they have an abusive or displeasing personality.

We recommend:

- Marshals be utilized seven days a week.
- A stronger screening program needs to be put in place to ensure that the marshals have a friendly personality and appropriate attitude and are not just looking for "free" golf.
- A better training program needs to be implemented that covers customer service and how to effectively encourage faster play without creating ill will.
- Marshals need to understand that customer service is just as important as pace of play.
- Have regular staff meetings with marshals to discuss issues and ways of improving performance. (At least once a month).
- Marshals need to be regularly supervised, including mentoring and not just time scheduling.

Cart Operations

Cart utilization is low. Part of the issue may be the fact that BVGC only has a fleet of 56 carts, compared to the typical 72-75 carts at most 18-hole facilities. While we are assured that running out of carts rarely happens currently, it also means that cart usage cannot be further encouraged. It also makes it more difficult (and less attractive) to pursue larger tournaments due to the cost of bringing in more carts. Moreover, as noted above, greater cart usage would improve the pace of play.

We recommend going to a fleet of at least 72 carts. We would adjust the compensation agreement so that the split of revenue is net of the cost of the carts.

Programming

Juniors

We strongly endorse the participation in the Tom's Kids program. However, there are two issues with most junior programming seen around the country:

1. They tend to target the children of golfers
2. Programs that go after non-golfing children (such as Head Start) have a very low golf retention rate, meaning when the kids leave the program they are not likely to continue to play golf.

We feel the basic problem is that these programs neglect *the parents*. As we know, parental involvement is the key to children's success in most areas, and golf is not an exception.

Another issue for many youths is the cost to take up the game.

We recommend:

- Be an active participant in the Clubs for Kids Program
- Provide free clubs for participants in clinics and lessons
- Provide very low cost rentals
- Have a selection of new clubs for juniors – both girls and boys.
- To make learning golf more “fun”, consider adding “rings” around each target green. This can be done either with dye or mowing patterns. This will allow for creating games similar to darts on the practice range. You get more points the closer to the green (by ring) you get, and more points for the greens further away, etc.
- Create additional *year-round* programs, with clinics and camps during other school breaks.
- Create junior leagues in the summer
- Work closely with area schools to develop more and better golf programming in the schools
- Add “Family Fees” where one junior can play free with a full-fee paying adult. (Times will be restricted to slower play periods).

Women

There are several recommendations we have to increase play among women, including:

- **New Forward Tees:** See above
- **Greater Merchandise Selection:** Women do tend to shop more than men. They notice when the selection is limited and see that as a “you're not welcome” sign.
- **Clinics:** Create more clinics for women, especially those aimed at “executive women” or women in the workforce, particularly those in management positions.

Fees

Overall, the rates at BVGC are appropriate. However, we do have some comments and recommendations:

- **Setting Rates:** It is almost absurd to think of *any* business in a competitive field setting their rates up to 18 months ahead of time without providing a way of modifying them based on market conditions. Yet, this is the case at BVGC. We *strongly* recommend giving the Park Director (or better the operator if the contract is modified as recommended) much greater flexibility in setting and adjusting rates.

- **Discounting:** Discounting should be done on a *very* selective basis. Over use (see Foxtail South) reflects badly on the organization and makes golfers paying full price feel cheated.
 - Use discounts only to target specific times where play is needed (such as right before twilight time, or when there is a cancellation)
 - Allow the Park Director/operator the flexibility to offer greater than 10% discounts in these situations.
- **Non-Resident Rates:** As noted above, we do not see that the elimination of non-resident rates has helped the *city* (it definitely has helped the operator). Further, our competitive review shows there is a lot of room in rates between BVGC and the competition. We would favor reestablishing a non-resident rate that is 10% higher than the resident rate.
- **Weekend Twilight:** The current weekend twilight rate is very low compared to the competition and it is creating a significant slowdown in play from 10:30 until noon. We recommend *establishing a fourth rate band on weekend:* Have a fourth rate band, going from noon until 2 pm, when the current twilight rates would take effect. The new rate band would have rates half-way between peak and twilight rates.
- **Twilight Onset:** Adjust weekday twilight based on season.
- **Golf Now:** Allow for discounts up to 33% on Golf Now for specific teetimes (see discounting above).

Marketing

The marketing for BVGC is handled by City staff. They do consult with the proshop staff and try to coordinate any promotions with them.

Currently, BVGC is spending a lot less than its competition in marketing, although the budget has been increased significantly over the past few years, going from \$224 in FY09-10 to \$10,000 in FY12-13. However, we feel there is a lot that can be done to improve the *effectiveness* of the marketing.

- **Staff:** We have been told that the City staff is working at capacity and that any increase in BVGC's marketing budget would also need to include additional city staff. We would point out that with most municipalities having a contractor responsible for most of the operations, the contractor is also responsible for marketing. Should the City revise the contract as recommended, to a pooled revenue model, we would further recommend that the operator become responsible for the majority of the marketing. Further, we would require a minimum expenditure from the operator.
- **Theme:** The focus of the advertising should be on *image*, as well as programming. We would love to see family oriented ads, especially if you take our recommendations concerning new forward tees and junior tees as well as a family clinics and family rates.
- **Website:** We recommend the following improvements.
 - **Email Addresses:** Staff should have an email address using the domain name (bennettvalleygolf.org).
 - **Design:** The overall design is weak.
 - **Content:** We would like to see more information on leagues. There should be more pictures, not just on the rotating header. We would like to see each league have its own page where they can post weekly results (with a Facebook link!). This will make the leagues even more attractive.

Similarly, we would like a page for tournaments – both in terms of what you can offer, and notices about upcoming tournaments that players could participate in. Another great opportunity is to post both merchandise and food & beverage specials on a weekly basis. Content should be updated or changed on a regular basis. The more frequent the better.

- **Searchability:** A website is effective only if people can find it. While BVGC's website does readily come up when searching specifically for the golf course or "golf Santa Rosa", it is nowhere to be found on other searches golfers seeking to find a place to play may use, such as "golf Sonoma valley", "golf Napa", "Golf California wine country", "golf Rohnert Park" (or any of the surrounding cities). This is simply a missed opportunity to attract both travelers and regional residents looking for a golf course in the area.
- **Email:** We would encourage a regular email campaign, with large mail-outs at least once a month and targeted emails on a weekly basis.
- **Social Media:** The Facebook page needs to be regularly updated. We would like to see regular updates, preferably at least twice a week. Consider posting league results or linking to the website for this content. We would also recommend being active on Twitter. This should be done through the proshop, with someone assigned to give at least *daily* posts. A strong twitter following allows for opportunities to fill teetimes at last minute (e.g. 'we have a cancellation at 10 am. Call now and get \$5 off').
- **Print Media:** Contrary to popular opinion, print media is *not* dead, but still effective for golf. This is true in part because of the generally older population that plays golf, especially at BVGC. We encourage occasional ads in local papers and regional golf publications.
- **Billboard:** Billboards can be very effective in high-tourist areas, such as Sonoma Valley, in bringing in visiting golfers. It may be worthwhile, especially if the non-resident rate is reinstated, to try a billboard along US 101 for a six month period and measure its effectiveness. (One way to do so is to give them a different phone number to call and track the calls on this line).
- **Brochure:** We recommend creating a trifold brochure to be placed on area tourist racks in hotels, restaurants, etc. as well as distributed through the Chamber of Commerce, and Economic Development. The brochure needs to have the word "Golf" prominently displayed in the top 1 ½" of the front panel to stand out in a tourist rack.
- **Public relations:** PR announcements are free and can be effective. Make sure to send out press releases on holes-in-one and any significant event that takes place at the club.
- **Tracking Ads:** There are ways of tracking effectiveness, besides using coupons or redemption ads. These include:
 - **Tracking play:** The bottom line is how much impact the ads have to the bottom line. Simply tracking play before and after an ad is run and comparing to similar time periods, can give you a good idea. Of course there are always confounding elements (such as weather), so ideally this is repeated.
 - **Phone number:** The cost of phones has dropped and the digital age has made it easier to track calls. A sure way of tracking an ads effectiveness

is to give it a unique phone number (or website address, etc.) where the responses can be easily monitored.

Summary of Recommendations

Below is a summary of the most important recommendations contained in this report:

Capital Improvements

Improvements to Sustain Performance

- **Drainage:** Drainage needs to be improved, especially on holds 2, 9 and 15
- **Irrigation:** The entire system needs to be replaced.
- **Water Storage:** The water storage needs to be improved. We would like to see at least a 4-day supply.
- **Greens:** Some of the greens are approaching 20 years in age, which is the normal life-expectancy. Plans should be made for replacement over next 10-15 years.
- **Tees:** Many of the tees need leveling, and some need to be increased in size
- **Architect:** Consider hiring a ASGCA golf course architect to create a master plan for all the improvements.

Improvements to Improve Performance

- **New Forward Tee** with yardage between 4,200 and 4,500 yards with a par of 72 for women.
- **Family Tees:** Create new junior or "family" tees in the fairways in accordance to USGA recommendations.
- **Driving Range:**
 - Move back the grass tees
 - Widen the grass tees
 - Enhance the target greens

Timing

Given that replacing the irrigation system normally requires closing the course for an extended period of time, we would recommend that *all* the improvements be timed to coordinate with the new irrigation system. This would also allow for additional improvements such as fairway improvements, tree thinning, bunker renovation, and possible new features to be added.

Financial Controls

- Use "Voids" to cancel sales mistakes, not returns.
- Pass sales should not be included in rounds counts. (Rounds played by passholders should).
- Have each clerk use their own username and pin to access the system.
- Have individual cash drawers, with the clerks reconciling at the end of each shift
- Maintain a written record for "voids", "returns" and "allowances"
- Set up an accounts receivable and billing for passholders.

- Charge an administrative fee for passholders who spread the payments out.
- Set up an accounts receivable account for the Tom's Kids program and charge this account for the discount given to juniors
- Conduct a thorough audit of the accounting
- The contract language should be modified to reflect the policy of the pros keeping 100% of the lesson revenue.

Golf Operations

Management Contract

We recommend the management contract be restructured.

- All revenue, including green fees, should go into a single pot, with the cost-of-sales subtracted. The revenue should then be split between the City and the Contractor.
 - Consider having a breakpoint so that the contractor gets almost all the revenue up to their projected break-even point, then the City would get the larger share.
- Contractor should be responsible for most of the marketing, with a required minimum expenditure (we recommend at least \$50,000).
- Contractor should have the flexibility of setting *all* fees within a range specified by the City.

Tee Time Reservations

- Go to 9 minute intervals two hours after first teetime.
- Encourage more online reservations. This can be done by one or more of the following:
 - **Promotion:** With signage in the proshop and in all advertising, promote using the online system. Staff should also remind customers when they call in to book a time that they can a reservation online.
 - **Reservation Period:** You can allow people booking online to book teetimes further out than those calling in do. (We would suggest 3 day max for call-in reservations).
 - **Discounts:** You can give a small rate break (such as \$1-\$2) for booking online. This would be a short-term strategy until more people are utilizing the system.

Pace of Play

- Increase use of marshals to everyday, from two-hours after first tee-time until no earlier than the start of supertwilight.
- Decrease number of fivesomes, and require they keep pace or be broken into two groups.
- Work with Legends to improve turn-time
 - Have them reopen the golfer window
 - Consider having an outdoor grill and serving area
 - Increase staff during peak demand times.

Marshals

A revamping of the marshal program is needed. Among the suggestions:

- Increase use to 7-days a week
- Have a stronger screening process for prospective marshals, with an emphasis on outgoing, friendly personality
- Have a strong supervisor (usually an assistant pro, although could be one of the marshals) who trains and works with the marshals to continually improve the program
- Have regular staff meetings with marshals to discuss issues and ways of improving performance. (At least once a month).

Programming

- **Junior Programming:** Some suggestions to improve the junior program include:
 - Be an active participant in the Clubs for Kids Program
 - Provide free clubs for participants in clinics and lessons
 - Provide very low cost rentals
 - Have a selection of new clubs for juniors – both girls and boys.
 - To make learning golf more “fun”, consider adding “rings” around each target green. This can be done either with dye or mowing patterns. This will allow for creating games similar to darts on the practice range. You get more points the closer to the green (by ring) you get, and more points for the greens further away, etc.
 - Create additional year-round programs, with clinics and camps during other school breaks.
 - Create junior leagues in the summer
 - Work closely with area schools to develop more and better golf programming in the schools
 - Add “Family Fees” where one junior can play free with a full-fee paying adult. (Times will be restricted to slower play periods).
- **Women**
 - Have more women’s merchandise
 - Provide more clinics for women, especially career-minded women who see golf as a business tool as well as a form of recreation.

Fees

- **Setting Rates:**
 - Allow operator to set rates within a range set by the City if the contract is modified as recommended; alternatively
 - Give the Park Director much greater flexibility in setting and adjusting rates.
- **Discounting:** Discounting should be done on a very selective basis
 - Use discounts only to target specific times where play is needed (such as right before twilight time, or when there is a cancellation
 - Allow the Park Director/operator the flexibility to offer greater than 10% discounts in these situations.

- **Non-Resident Rates:** Reestablish a non-resident rate that is 10% higher than the resident rate.
- **Weekend Twilight:** Establish a fourth rate band on weekends that goes from noon until 2 pm, when the current twilight rates would take effect. The new rate band would have rates half-way between peak and twilight rates.
- **Twilight Onset:** Adjust weekday twilight based on season.
- **Golf Now:** Allow for discounts up to 33% on Golf Now for specific teetimes (see discounting above).

Marketing

- **Budget:** The budget should be at least \$50,000.
- **Staff:** Consider making the operator responsible for a greater share of marketing.
- **Theme:** The focus of the advertising should be on *image*, as well as programming. We would love to see family oriented ads, especially if you take our recommendations concerning new forward tees and junior tees as well as a family clinics and family rates.
- **Website:** We recommend the following improvements.
 - **Email Addresses:** Staff should have an email address using the domain name
 - **Design:** Redesign the website to make it more current and aesthetically pleasing
 - **Content:** Consider adding:
 - More information on leagues.
 - Each league should have its own page where they can post weekly results (with a Facebook link!).
 - More pictures, not just on the rotating header.
 - Create a page for tournaments – both in terms of what you can offer, and notices about upcoming tournaments that players could participate in.
 - Post both merchandise and food & beverage specials on a weekly basis.
 - Change content on a regular basis!
 - **Searchability:** Design website so that it can be found on common area searches such as “golf Sonoma valley”, “golf Napa”, “Golf California wine country”, “golf Rohnert Park” (or any of the surrounding cities). This is simply a missed opportunity to attract both travelers and regional residents looking for a golf course in the area.
- **Email:** Have a regular email campaign, with large mail-outs at least once a month and targeted emails on a weekly basis.
- **Social Media:** The Facebook page needs to be regularly updated. We would like to see regular updates, preferably at least twice a week. Consider posting league results or linking to the website for this content. We would also recommend being active on Twitter. This should be done through the proshop, with someone assigned to give at least *daily* posts.
- **Print Media:** Place occasional ads in local papers and regional golf publications.
- **Billboard:** Try a billboard along US 101 for a six month period and measure its effectiveness. (One way to do so is to give them a different phone number to call and track the calls on this line).

- **Brochure:** Create a trifold brochure to be placed on area tourist racks in hotels, restaurants, etc. as well as distributed through the Chamber of Commerce, and Economic Development.
- **Public relations:** Make sure to send out press releases on holes-in-one and any significant event that takes place at the club.
- **Tracking Ads:** There are ways of tracking effectiveness, besides using coupons or redemption ads. These include:
 - **Tracking play:** Track play before and after an ad is run
 - **Phone number:** Provide a unique phone number (or website address, etc.) where the responses can be easily monitored
- **Tournaments:**
 - Encourage more tournaments during slow periods
 - **Pricing:** Give the operator greater flexibility in pricing tournaments. Charge *more* if they want to play during peak periods; charge less if they play during slow times. Tournaments should be priced according to:
 - Size of group
 - Services required
 - Time of play
 - Profit/non-profit status
 - Cart usage
 - **Tournament Package:** Create a tournament brochure/package.
 - Include services provided
 - Include possible menus from Legends
 - Do NOT include pricing.
 - Post upcoming tournaments on website, with information on how to participate
 - Post past tournament results on website/facebook

Other

- **Carts:** Increase cart fleet to at least 72.

Overview

Sirius Golf Advisors, LLC (Sirius) was hired by the City of Santa Rosa (City) to perform a general operations review of Bennett Valley Golf Course (BVGC) and to provide recommendations for the improvement of the operations, including increasing the cash flow from BVGC.

For this study, John S. Wait, President of Sirius served as lead consultant. He visited the site and the market area on January 21-24, 2013. During the visit, Mr. Wait thoroughly inspected the golf course and facilities; interviewed both City and golf course personnel; and examined financial records.

BVGC has been serving Santa Rosa and the Sonoma Valley very well since its opening in 1970. Historically, BVGC has been one of the busiest municipal golf courses in California and is known to be an excellent value.

The golf facility has 18 regulation-length holes, a very nice practice facility including a driving range, and a restaurant and banquet center. The latter is operated by a separate entity, Sports Restaurants, Inc., and was excluded from this review.

The rest of the facility is operated by Bob Borowicz under a 10-year agreement with the City. This agreement expires in 2019. All the course's employees are employees of Mr. Borowicz and he is responsible for all operating expenses. While Mr. Borowicz took over full control of the operations in 2009, he has been with BVGC in various capacities, including head golf professional for over 25 years.

With a facility that is producing 70,000+ rounds each year, it is apparent that the operator is doing many things well. As the purpose of this review is to note ways of improving performance, we will concentrate on those areas in need of improvement rather than document all the positives. It needs to be noted that the current operator, Mr. Borowicz has been a major contributor to the success BVGC has seen over the years. The purpose of this report is to offer fine-tuning suggestions that can further improve both the City's cash flow from the operation and the quality of the golfer's experience at the facility.

History

BVGC was designed by Bob Harmon and opened in 1970, although the first nine holes opened in 1969. It is a Par 72 course measuring 6,545 yards from the back tee. It has three sets of tees, with the middle tee measuring 6,196 yards and the forward tee 5,774. The Par for women is set at 75.

Since its opening, BVGC has been known as a great value and a high volume facility. It has always has a strong positive cash flow to the City.

In the early 1990's a project was started to rebuild all the greens on the course, at a pace of two per year. The project was completed in 2000.

In 2005 a major project was undertaken to replace the existing clubhouse with two new structures, a 10,258 square foot restaurant/banquet center and a 2,344 square foot proshop. The cost for the project was \$8,295,000 financed as follows:

- \$5,575,000 bonds

- \$878,000 golf course reserves
- \$847,000 shifted from other projects
- \$995,000 borrowed from Park Development Fees (PDF).

2005 A & B Certificates of Participation (COP) were issued in 2005. 2005A was \$3,850,000 and 2005B (taxable) were \$1,725,000 for a total of \$5,575,000. Interest rates for the 2005A ranged from 3% for COPs maturing in 2007 to 4.6% for COPs maturing in 2030. Interest Rates for the 2005B COP's ranged from 4.57% to 5.44%. The FY 12/13 payments for the COP's are \$263,250 for the 2005A and \$131,467 for the 2005B. The PDF repayment began in 2011 and will continue through 2030 at an interest rate of 4.5% and annual payment of \$76,439.

Unfortunately, the project's completion coincided with a general decline in golf participation and rounds seen nationally as a result of the recession. While cash flow remained positive in FY 07-08 (\$70,304), the operation has been experiencing an accelerating decline in cash flow ever since. Last fiscal year, the loss (after bond payments) was \$312,624. The reserve fund, which had been \$1,108,472 in FY 07-08, had been reduced to \$761,603.

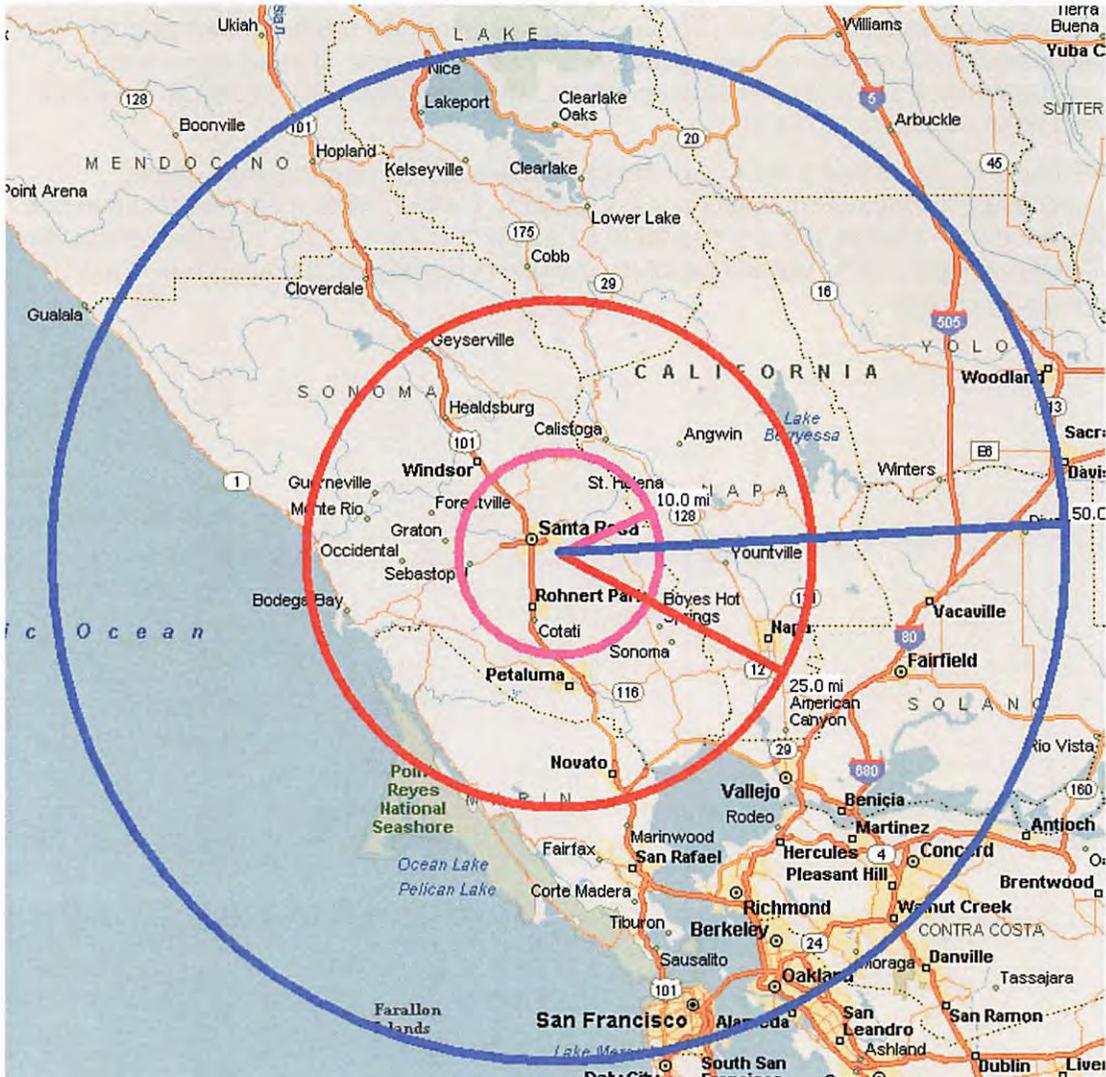
It should be noted that \$180,652 of the cash loss in FY11-12 came from capital purchases, mostly new maintenance equipment. Further, while green fee revenue has declined from \$1,438,000 in FY07-08 to \$1,251,028 in FY 11-12, it has been stable the last three fiscal years. We will be taking a much closer look at the financials in the Financial section.

Market

Below is a review of the golf market for Bennett Valley Golf Course. For this study, we divided the market into three segments:

- **Immediate Area:** Within 10 miles of the facility. We would expect up to 75% of the play to come from this area.
- **Local Area:** Within 25 miles of the facility.
- **Regional Area:** Within 50 miles of the facility.

With the large number of courses in the regional area, we anticipate that the vast majority of play will come from the Immediate Area, which will be the focus of our review.



Demographics

For the demographic analysis, Sirius utilized *GolfFacts* supplied by the National Golf Foundation (NGF). Detailed demographic information can be found in Appendix A: Demographics. Below is a summary of the most significant findings.

Population

The 2012 projection has 299,172 residents within 10 miles (Immediate Area) of BVGC. This represents a growth of 2.5% from the 2010 census and 10% from the 2000 census. While this is good growth, it is a far smaller percentage than the previous ten years, where the population grew 40,011 or 17.2% from 232,018 in 1990.

On the other hand, the Local Area (25-mile radius) currently has approximately 650,964 residents, which represents a growth of 7.1% over the past 12 years. The Regional Area (50-mile radius) now has 3,209,243 residents, growing just 6.1% over the past 12 years. It would appear that the immediate Santa Rosa area is growing at a faster rate than the surrounding area.

Households

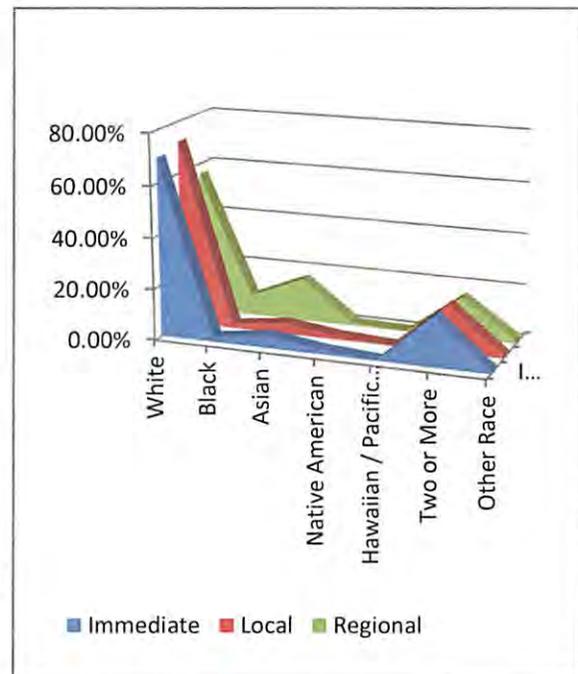
The difference between the Immediate Area and the other areas is similar to above when looking at households. There are an estimated 111,939 households in the Immediate Area, which is 1.3% more than in 2010 and 10% more than 2000. In contrast, the 244,588 household in the Local Area is 7.3% greater than twelve years ago and only .9% more than in 2000. In the Region, there were an estimated 1,279,083 households, representing a growth of 7.5% from 2000.

Race

The Immediate Area and Local Area are similar in their racial profiles, but are much different than the Regional Area, which includes parts of San Francisco and Oakland.

Whites make up 69.7% of the Immediate Area and 72.4% of the Local Area populations, but only 56% of the Regional Area. The next largest group is Asians, which make up 4.9% of the Immediate Area, 4.2% of the Local, but 16.9% of the Regional. Similarly, blacks account for 2.2% of the Immediate Area population, 1.7% of the Local Area, but 6.1% of the Regions.

The Immediate and Local Areas also have a higher percentage of Hispanics (27.4% for the Immediate, and 27.6% for the Local compared to 21.58% for the Regional). Hispanics tend to have the lowest participation rate for golf, while Whites have the highest.



Income

Income is the demographic that has the highest correlation to golf participation, with the higher incomes having the greatest participation. The incomes for all three areas are higher than the national or statewide averages.

The Immediate Area has an estimated 2012 Median Household Income of \$62,685 compared to \$67,106 in the Local and \$69,420 in the Regional Areas. For Average Household Income (which is influenced more by the upper income households), the difference is even greater. The Immediate Area has an average household income of \$81,769 compared to \$90,730 for the Local and \$99,747 for the Regional Areas. (Median Household Income is the mid-point of the range of household incomes in the area. Average Household Income is the arithmetic average. As such, it is influenced more by the higher income households.) The large disparity between the Median and the Average indicate that there are a large number of very high income households in the area.

For the Immediate Area, 22.72% of the households have an income of less than \$30,000/year, and 41.3% have incomes over \$75,000/year while 11% have incomes over \$150,000. In contrast, the Local Area has 20.8% make under \$30,000, 44.6% over \$75,000, and 13.89% make over \$150,000. The Regional Area has a similar amount (22.6%) making under \$30,000, but has 46.6% making over \$75,000, while 17.8% make over \$150,000.

Golf Demand Analysis

The National Golf Foundation also provides an analysis of golf demand in an area, using survey data on golf participation and their national database of golf courses.

Demand

The table below shows a profile of golfers in the three market areas. The index value is based on the US average of 100. An index of 110 represents 10% above the national average, while an index value of 90 is 10% less, etc.

Golf Demand	Immediate		Local		Regional	
	Value	Index	Value	Index	Value	Index
Golfing Households	16,516	97	36,408	97	173,269	89
Projected Golfing Households (2018)	17,154	98	37,890	98	179,658	89
Seasonal Golfing Households	234	33	1,490	96	3,642	45
Rounds Played	246,043	62	583,169	67	2,436,750	54
Seasonal Rounds Played	4,326	21	27,283	61	62,268	26
Latent Demand Households	11,337	101	24,140	98	144,397	112

The golf participation rate is essentially the same for the Immediate and Local area, but less for the Regional area. Both the Local and Immediate areas are very close to the national average (100).

Most interesting is that the *Immediate Area produces 246,043 rounds a year*, while 583,169 played in the local area. This would offer compelling evidence that *there is a significant demand for golf in the Immediate Area*.

Supply

Demand is just part of the equation. We must also look at the supply of golf that is available to meet this demand.

According to the NGF, there are 11 golf facilities in the Immediate Area, 29 in the Local and 75 in the Regional Area. Roughly 70% of these facilities are public, with the Immediate Area having the highest percentage (72.7% compared to 65.5% for the Local and 70.7 for the Regional).

Golf Supply - Number of Golf Facilities

	Immediate	Local	Regional
Total facilities	11	29	75
Public facilities	8	19	53
Private facilities	3	10	22
Resort facilities	2	5	7

Public Facilities

NGF breaks down the public facilities into three categories based on total golf fees (green + cart fees). They are Premium (golf fees over \$70), Standard (\$40-\$70) and Value (under \$40). BVGC is considered a "Standard" facility.

Golf Supply - Number of Golf Facilities by Price Point

	Immediate	Local	Regional
Public facilities	8	19	53
Premium facilities (>\$70)	0	4	14
Standard facilities (\$40-\$70)	4	10	20
Value facilities (<\$40)	4	5	19

The Immediate Area has the highest percentage of Value facilities (50%), compared to 26.3% for the Local and 35.8% for the Regional. Indeed, 80% of the Local area's value facilities (4 of 5) are located in the Immediate Area, compared to 40% of the Standard (mid-priced) facilities. Half of the Immediate Area's eight facilities are Standard (as is BVGC). It is also important to note, *there are no Premium Facilities in the Immediate Area*. (Note: all four of the Immediate Area's Value facilities are nine-hole courses as we will discuss in the Competition section).

In terms of number of holes of golf, the Immediate Area's supply is mostly (71.4%) Standard and 28.6% Value. The percentage of Value Holes in the Immediate Area is slightly more than in the Local Area (26.3%) and Regional Area (22.2%).

Golf Supply - Public Holes by Price Point

	Immediate	Local	Regional
Public holes	126	288	810
Premium holes (>\$70)	0	72	261
Standard holes (\$40-\$70)	90	171	369
Value holes (<\$40)	36	45	180

A notable finding is that municipally owned facilities account for 20-25% of the area's public golf facilities.

Golf Supply - Number of Golf Facilities by Type

	Immediate	Local	Regional
Public facilities	8	19	53
Daily fee facilities	6	14	38
Municipal facilities	2	5	15

Households by Supply

The next table takes the number of households and divides it by the number of 18 holes of golf. This gives a general idea of the demand relative to the national averages.

Households Per 18 Holes

	Immediate		Local		Regional	
	Total	Golfing	Total	Golfing	Total	Golfing
Households per 18 Holes: Total	11,126	1,652	9,607	1,428	18,799	2,548
Households per 18 Holes: Public	15,894	2,359	15,311	2,276	28,408	3,850
Households per 18 Holes: Private	37,085	5,505	25,787	3,832	55,580	7,533
Households per 18 Holes: Premium (>\$70)	NA	NA	61,245	9,102	88,162	11,950
Households per 18 Holes: Standard (\$40-\$70)	22,251	3,303	25,787	3,832	62,359	8,452
Households per 18 Holes: Value (<\$40)	55,628	8,258	97,991	14,563	127,835	17,327

Households Supply Indices (per 18 Hole Facility)

	Immediate		Local		Regional	
	Total	Golfing	Total	Golfing	Total	Golfing
HH Supply Index: Total	137	132	118	114	231	204
HH Supply Index: Public	141	137	136	132	253	224
HH Supply Index: Private	125	121	87	84	187	166
HH Supply Index: Premium (>\$70)	0	0	83	80	119	105
HH Supply Index: Standard (\$40-\$70)	77	75	90	87	217	192
HH Supply Index: Value (<\$40)	227	220	399	388	521	462

- **Total:** The total demand/supply ratio appears strong across all market areas, and especially in the Regional area. In the Immediate Area, there are 37% more households per 18 holes of golf than the national average and 41% more per 18 holes of public golf. The statistics are similar for golfing households, with the Immediate Area having 37% more golfing households per 18 holes of public golf than the national average, the Local Area 32% more, and the Regional Area 124% more.
- **Value:** The biggest demand appears to be for Value facilities in all three market areas, with the Immediate Area having 220% more, the Local 388% more and the Regional 462% more golfing households per 18 holes of golf than the national average. However, this likely reflects the fact that the cost of living in this area is significantly higher than the national average and the high demand for golf in general, tend to inflate the price charged for golf relative to the rest of the country.
- **Premium:** While there are no Premium public courses in the Immediate Area, there would appear to be an adequate supply in the Local Area, with 20% fewer

golfing households per 18 holes of premium public golf than the national average. Again, this may largely be due to the general price inflation for the area than indicative of the quality of the facilities.

- **Standard:** The demand indexes for Standard facilities are also lower than the national average for both the Immediate and Local Areas. Combined with the findings above, this would likely indicate the strongest demand being for lower-priced facilities, either Value or at the lower end of the Standard spectrum. This is exactly where BVGC sits and helps explain why it is by far the highest volume course in the area.

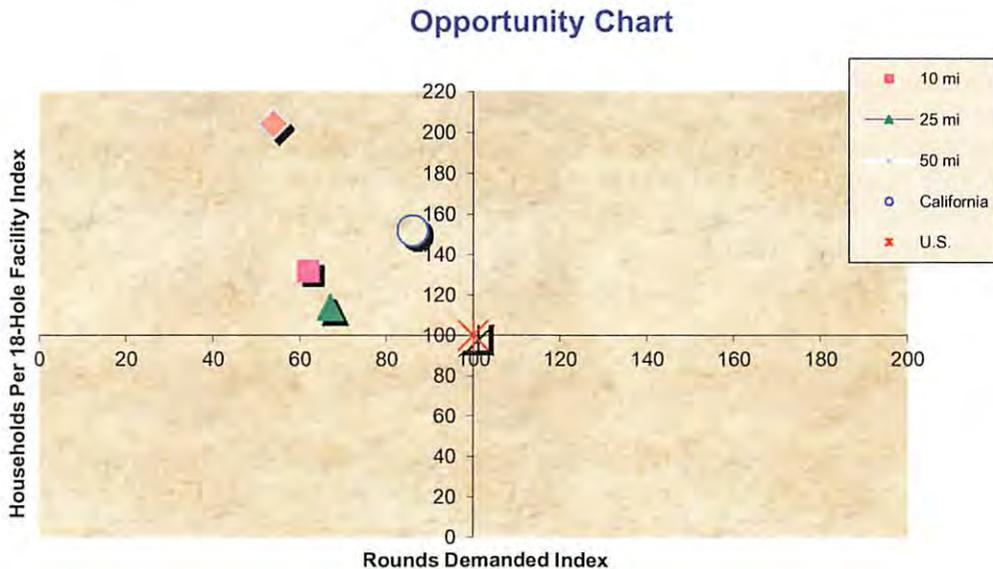
Rounds Per 18 Holes

Lastly, we will look at the estimated number of rounds produced by golfers in each market area and divide by the number of 18-hole equivalents. (An 18-hole equivalent is the number found by taking the total number of golf holes in the area and dividing by 18).

Here we find that *there are an estimated 24,604 rounds of golf generated in the Immediate Area* for every 18 holes of golf, 22,869 in the Local area and 35,836 for the Regional area. These are rounds produced by the local golfers and do not include imported rounds from surrounding areas or travelers. But it does indicate that again, BVGC, with 70,000 rounds and 18 holes of golf, is *performing substantially above expectation* based on demand.

Opportunity Chart

Using Supply and Demand figures as well as golf participation rates, NGF creates an Opportunity Chart for each market. The upper right hand quadrant represents the greatest opportunity.



Competition

In considering competition for BVGC, we eliminated Par 3 courses as there is very little overlap between golfers who frequent Par 3 courses and those who play regulation length courses. We also eliminated Private clubs. A full list of all the golf facilities in the three regions, including ranges is provided in Appendix B.

There are eleven golf facilities in the Immediate Area, including three private and eight public. The eight public can be further divided into four nine-hole courses, three eighteen-hole courses and one 36-hole facility. The four nine-hole courses are all Value clubs, with peak green fees under \$40. The remaining clubs, including BVGC, are considered "standard" or mid-fee facilities with peak green fees between \$40 and \$70. BVGC and Foxtail are the only two municipally owned facilities in the area.

The Local area has eleven other public facilities. They consist of four nine-hole courses, and seven 18-hole courses. Only one course, Northwood, which is a nine-hole course, is a Value facility. Four of the courses, Rooster Run, Bodega Harbor, Indian Valley and StoneTree are considered Premium course. The remaining courses are Standard. Three of the clubs, Mount St. Helena, Healdsburg (both nine-holes) and Napa are municipally owned.

The Regional area contains 30 additional public courses. Thirteen of these are nine-hole facilities. One (Blue Rock) has 36-holes and two have 27 holes while the remaining have 18 holes. Thirteen of the clubs are Value, seven are Premium and the rest are standard. Eleven of the facilities are municipally owned.

Comparable Courses

We are specifically interested in those courses that are most similar to BVGC in terms of location, market and quality. The courses selected were six of the seven clubs currently used by BVGC for rate comparisons (Oakmont West, Foxtail North and South, Windsor, Rooster Run and Adobe Creek).plus several we added because of their similarity to BVGC in terms of market, nature of the facility and quality. They were Napa Golf Course, Blue Rock Springs in Vallejo, and Mare Island. All three of these are municipally owned facilities. Oakmont East, which is part of the seven courses BVGC uses in their rate analysis, was excluded from our analysis as it is an executive length course (Par 63), and thus serves a different market segment than the other courses, which are all regulation length.

A detailed profile of these facilities can be found in Appendix C: Comparables.

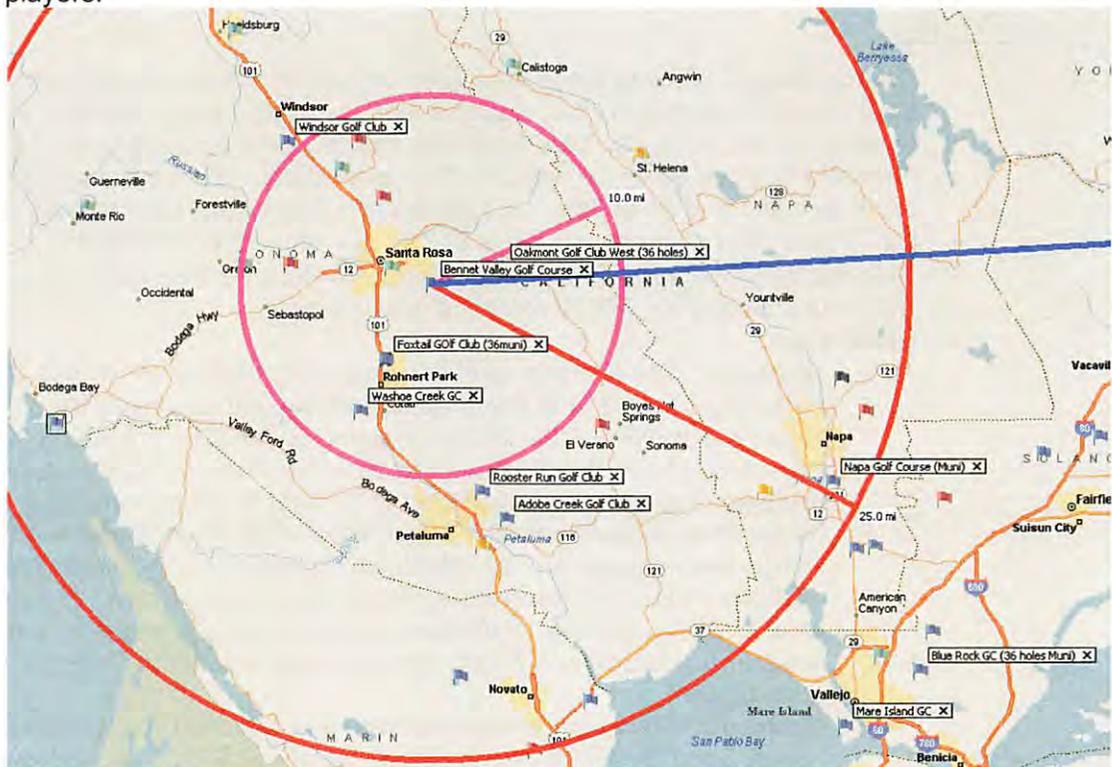
Below is a summary of significant findings.

Facility

- **Management:** Three of the courses, Windsor, Adobe Creek and Rooster Run, are owned by the same group who also manage the facilities. Windsor and Rooster Run are owned by the municipality but are on long-term leases. Touchstone operates Mare Island while both Napa and Foxtail are managed by Course Co. Blue Rock is operated by a non-profit group set up to manage the facility.
- **Par:** The average par for the 11 courses is 71.5. Seven of the courses, including BVGC, have pars of 72, while two (Blue Rock West and Foxtail South)

have pars of 71, and two (Blue Rock East and Mare Island) have pars of 70. Golfers tend to prefer a Par 72 course. Par 70's are at a distinct disadvantage.

- **# Tees:** Most of the courses have at least four sets of tees. Mare Island and Foxtail South have five, which is a competitive advantage as it makes the course more appealing to a wider range of golfers. Only BVGC has just three. *BVGC is at a competitive disadvantage with just three tee boxes.*
- **Age:** The average age of the comparable courses is 49.3. The newest club is Rooster Run at 15 years, while the oldest, Mare Island is 121 years old and is the oldest course west of the Mississippi. While golfers tend to prefer newer designs, none of the facilities appear to have a clear advantage.
- **Back Yardage:** The average yardage from the back tees is 6,524 yards. Only one course, Rooster Run, is over 7,000 yards. Most male golfers, when given the choice, will play from 6,000 to 6,400 yards. Younger and lower handicap players prefer playing from at least 6,500 yards and courses over 7,000 tend to have an advantage for *all* golfers as it is the defacto "standard" for modern courses. Courses that are shorter than this tend to be perceived as "short" courses and thus somehow "inferior" *even by golfers who do not play from the back tees.* However, BVGC is right at the average for the comparables, thus does not have a clear advantage or disadvantage. However, three of the courses, the two courses at Blue Rock and Mare Island, lack a tee over 6,200 yards. This puts them at a definite disadvantage, especially for younger and lower handicap players.



Most male golfers, when given the choice, will play from 6,000 to 6,400 yards.

- **"Senior" Tees:** Seniors tend to prefer playing from 5,400 to 5,700 yards. However, most will not play from the forward tees as they still regard them as

“ladies” tees. Thus, a course that does not have a tee other than a forward tee, in this yardage band is at a disadvantage. Not only will it be less attractive for seniors, but will likely suffer from a slower pace of play as the seniors they do have will be playing from a longer distance and thus take more time to play. *BVGC does not have senior tees and is at a distinct disadvantage.* Seven of the competitors have senior tees and three others have their middle tee in this range. *Only BVGC and Napa lack a non-forward tee in this range.*

- **Forward Tee:** The forward tee is the tee most used by women. Women, on average, hit the ball about 70% as far as men. Thus, the equivalent of a 6,200 yard course (the preferred distance for most male golfers) would be 4,340 yards. Unfortunately, few architects take this into consideration when they build a course. The consequences are many, including:
 - **Women** shoot higher scores, so they get discouraged and less likely to return to the course
 - **Pace of play** is adversely affected because the women have to take more strokes due to the added distance.

Five of the courses come in at under 5,000 yards (Both Blue Rocks, Oakmont, Mare Island, and Foxtail South), with one, Oakmont West, under 4,000 (3,719). The average was 4,996. *Notably BVGC is by far the longest at 5,774 yards, over 400 yards more than the 2nd longest (Napa). At 5,774 yards, BVGC is the equivalent for women of an 8,248 yard course for men!* This is not only a major competitive disadvantage for women but can contribute substantially to a much slower pace of play for everyone.

Pricing

- **Driving Range:** Driving range fees were consistent across the competition. Most (6 of 9), including BVGC, charged \$4 for a small bucket of balls which was between 30 and 35 balls. Blue Rock was the cheapest at \$3.50 for 35 balls. Oakmont charges \$5 for 30 balls, or 11.7 cents each, while Foxtail was the most expensive at \$6 for 35 balls or 13.3 cents each. *BVGC rates are appropriate.*
- **Cart Fees:** The average cart fee is \$14.80 per rider. Six of the facilities, including BVGC, charge \$14. Foxtail charges \$15, while Blue Rock and Oakmont charge \$16. *BVGC rates are appropriate.*
- **Green Fees:**
 - **Weekday:** The average weekday green fee (peak season) was \$32.90. Fees range from \$24 at BVGC to \$38 at Napa and Rooster Run. Foxtail South was the only other facility charging under \$30. *It would appear that there is room for BVGC to increase their base rate by a small amount.*
 - **Fridays:** The courses are divided as to what to charge on Friday. Five of the facilities, including BVGC, Napa, Blue Rock, Mare Island and Foxtail, charge weekday rates. The remaining courses charged a rate that was basically midway between the weekday and weekend rate. *Friday rates usually reflect demand. If demand is considerably stronger for non-league daily fee play on Friday than the other weekdays, a higher rate appropriate.*
 - **Weekend:** The average weekend rate was \$46.20, ranging from \$29 at Foxtail South to \$58 at Rooster Run. BVGC, at \$38, is second lowest. Blue Rock was the only other course under \$40. Adobe Creek, Oakmont and Windsor were also over \$50. Notably, the two closest comparable courses, Foxtail at \$49 and Oakmont at \$52, are both considerably higher

than BVGC. The average rate difference between weekday and weekend rates was 40.2%. Napa had the smallest increase at 18.4%, while BVGC had the highest at 58.3%. Rooster Run, Oakmont and Windsor were all over 50%. *Again, it appears there is some room for a higher fee.*

- **Resident Rate:** *BVGC was the only municipally owned course to NOT charge a lower rate to residents. The average discount was 16.7%.*
- **Seniors:**
 - **Discount:** The average green fee rate (weekdays) for seniors was \$24.33. BVGC, at \$19, was tied with Foxtail South for cheapest. The next lowest was Mare Island at \$20. The average percentage discount for seniors was 26%. Mare Island gave the biggest percentage discount at 35.5% while Oakmont, at 11%, gave the least. (It may seem ironic that Oakmont which is located in a senior community has the smallest discount, but rates are demand driven, so with a plentiful population of seniors at hand, they do not need to lower rates to attract more).
 - **Weekends:** While all the courses but Blue Rock offers a discount to seniors during the week, only Oakmont, Foxtail and Windsor offered a discount on weekends, usually for play after 12. The average discount was 17.7%. *Nationally, few courses offer discounts to seniors on weekends. The logic behind offering discounts to seniors during the week largely stems from the fact that courses traditionally have the weakest demand for play during the week and seniors are a prime candidate for weekday play. However, with much higher demand on weekends, few courses see a need to offer discounts.*
- **Twilight**
 - **Weekdays:** The average twilight rate was \$22.90, ranging from \$15.00 at Foxtail South to \$27.00 at Foxtail North and Rooster Run. BVGC was second lowest at \$17.00. The average percentage discount was 33%, with Windsor leading the way at 53.6% and Foxtail North having the smallest at 22.9%. BVGC, at 29.2% was close to the average. *BVGC rates are appropriate.*
 - **Weekend:** The average for weekends was \$29.20. Foxtail South again was the lowest at \$15.00, with BVGC next at \$21.00. Rooster Run and Windsor were tied for high at \$39. The average discount given was 37.8%, with Foxtail South the highest at 48.3% and Oakmont the lowest at 28.8%. BVGC, at 44.7%, was fourth highest behind the two Foxtail courses and Mare Island. *There may be some room to increase at BVGC.*
 - **Onset:** The average onset time during the offseason was 12:43 PM. The onset did not change at any course from weekday to weekend. Four courses, including BVGC, Windsor, Adobe Creek, and Rooster Run, start at noon. Mare Island waits until 2 pm. Napa is at 1:30, with the others being at 1. *BVGC is the ONLY course NOT to change the start time after daylight savings. While this is a competitive advantage from a rate standpoint, it may adversely affect profitability.*
- **Supertwilight:**
 - **Weekdays:** The average supertwilight rate during the week was \$16.89, ranging from \$9.00 at Foxtail South to \$27.00 at Rooster

Run. BVGC, at \$10.00, was next lowest, followed by Mare Island at \$12.00. The average discount was 57.7%. *BVGC, at 71%, was the highest discount, while Adobe Creek, at 32.7%, was the least.*

- **Weekends:** The average rate was \$20.56, ranging from \$9.00 at Foxtail South to \$35.00 at Adobe Creek. BVGC was the second lowest at \$11.00, with the next being Foxtail North and Mare Island at \$15.00.
- **Onset Times:** The average onset time was 3:15 PM, ranging from 2 pm at Adobe Creek and Windsor to 5 at Blue Rock, Foxtail and Mare Island. BVGC is at 3:45 pm. *BVGC does change the onset for supertwilight during the summer, as do the other facilities.*
- **Nine-Hole Rate:** BVGC was one of only three facilities (along with Oakmont and Napa) to offer a nine-hole rate. *We feel this is a good competitive advantage.*
- **Annual Passes:** Napa does not have an annual pass. Blue Rock only offers a seven-day pass. The other facilities offer both a weekday only (or limited) and a seven-day pass, with rates for singles and couples (some have a family rate).
 - **5-Day passes:**
 - **Singles:** The average 5-day pass for singles was \$1,706, ranging from \$885 at BVGC to \$2,220 at Oakmont. (Oakmont and Foxtail have two courses with the pass good at either). The next cheapest was Mare Island at \$1,248. The average *break-even point* (the number of rounds one has to play in order for the pass to equal the green fees that would have been charged), was 50.2 rounds. BVGC was the lowest at 36 rounds, while Oakmont was highest at 65. *While there would appear to be room for an increase at BVGC, the actual break-even point is appropriate.*
 - **Couples:** The average 5-day rate for couples was \$2,751. Oakmont, which offers amenities other than golf, was highest at \$3,540. The break-even point averaged 77.2 rounds (keep in mind this is for two people). *BVGC does not offer a 5-day pass for non-senior couples.*
 - **Seven day passes:**
 - **Singles:** The average seven day pass cost \$2,136, ranging from \$1,400 at BVGC to \$2,646 at Adobe Creek, Rooster Run and Windsor. The breakeven (assuming equal number of weekday and weekend rounds) was 51.5 rounds. Blue Rock was lowest at 30 rounds, followed by BVGC at 45.2. Adobe Creek was highest at 61. *BVGC's rates are appropriate.*
 - **Couples:** The average rate for couples was \$2,967, ranging from \$1,890 at Blue Rock to \$3,840 at Oakmont. The break-even point averaged 71.2 rounds. Blue Rock again was lowest at 53, with BVGC next at 67.7. *BVGC again is appropriate.*
 - **Cart Pass:**

- Four of the facilities (Adobe Creek, Rooster Run, Foxtail and Windsor) offer an annual cart pass. The average rate for single 5-day was \$753, for single 7-day, \$887, for couple 5-day, \$906 and couple 7-day, \$1,127. BVGC does not offer an annual cart pass.

Performance

- **Memberships/Passes:** The average number of pass-holders or members was 167, ranging from 30 at Napa (offer a 30 day pass only) to 325 per 18-holes at Blue Rock. Both Blue Rock and Oakmont are semi-private and thus have a much higher membership count. When those two facilities are excluded, the average number was 92. With 114, BVGC was in the middle of the pack.
- **Rounds:** We asked the head pro at each facility to provide an estimate of the number of rounds they did this past year (most have fiscal years that just ended). We have no way of verifying the accuracy of their statements. Adobe Creek was closed for all of 2011 and most of 2012 and was not included. (It was sold last year to the same group that owns Rooster Run and Windsor).
 - The average number of rounds per course was 45,067. (The total number of rounds given for Oakmont and Foxtail was divided by two to get an average per course). BVGC had by far the most with 70,266, followed by Windsor at 50,500 and Rooster Run at 49,500. Oakmont, with an average of 34,000 per course, was the lowest.
 - We also asked for 2011 numbers. The average was 45,087. Windsor was the only facility reporting a decrease. The average increase was 5.9%. Foxtail had the highest percent increase with 11.7%, followed by BVGC at 8.2%
- **Rounds by Group:** We also asked the pros to estimate the percentage of play from various groups. Because these number are not tracked well at any facility, the estimates are very rough.
 - **Members:** The average was 19.2% of the play. BVGC was right at the average with 19%.
 - **Women:** The average was 9.8%. The guess at BVGC was 7%.
 - **Seniors:** The average estimate was 44.6%, with BVGC estimating 33%.
 - **Tournaments:** The average estimate was 99%. Napa had the highest rate and Adobe Creek, which did not reopen its clubhouse, had the lowest. BVGC's estimate was 8%.
 - **Leagues:** The average estimate was 7.1%. BVGC estimated 15%, the highest of any course. And this estimate may be low.
 - **Discounted Play:** Discounted play was a major concern of the BVGC management, so we asked the competitors to estimate what percentage of their rounds were discounted – such as through Golf Now, or Coupons, etc. The average amount was 17.9%, ranging from a high of 40% at Blue Rock to just 4% at BVGC.
- **Revenue Per Round:** We were able to get estimates on revenue per round from four of the facilities, including BVGC, Adobe Creek, Napa and Foxtail.
 - **Total:** The average total revenue/round was \$37.27. However, BVGC's \$29.10/round is misleading as it does not include Food and Beverage.

- **Merchandise:** The average was \$2.49/round. BVGC was right at the average with \$2.29. The high was \$5.70.
- **Driving Range:** The average was \$2.82. BVGC was a bit above average with \$3.19/round. The high was \$3.59 and the low \$2.00.
- **Golf Now:** Windsor was the only comp not to utilize Golf Now. Not all the facilities discounted all their rounds on Golf Now, indeed, usually only a few teetimes per day were discounted when we checked. The average weekday discounts we saw on our spot check was 32.7% (excluding BVGC), and 18.2% on weekends. The average amount of play booked through Golf Now was 10%, with a high of 15% (Adobe Creek) and a low of 5% (Napa).

Facility

This is an overview of the facility, highlighting only those things that are in need of improvement.

First Impressions



As they say, you never get a 2nd chance to create a first impression. Moreover, first impressions tend to stay with you. They create an expectation as to what the rest of your experience will be like. A negative first impression can be difficult to overcome.

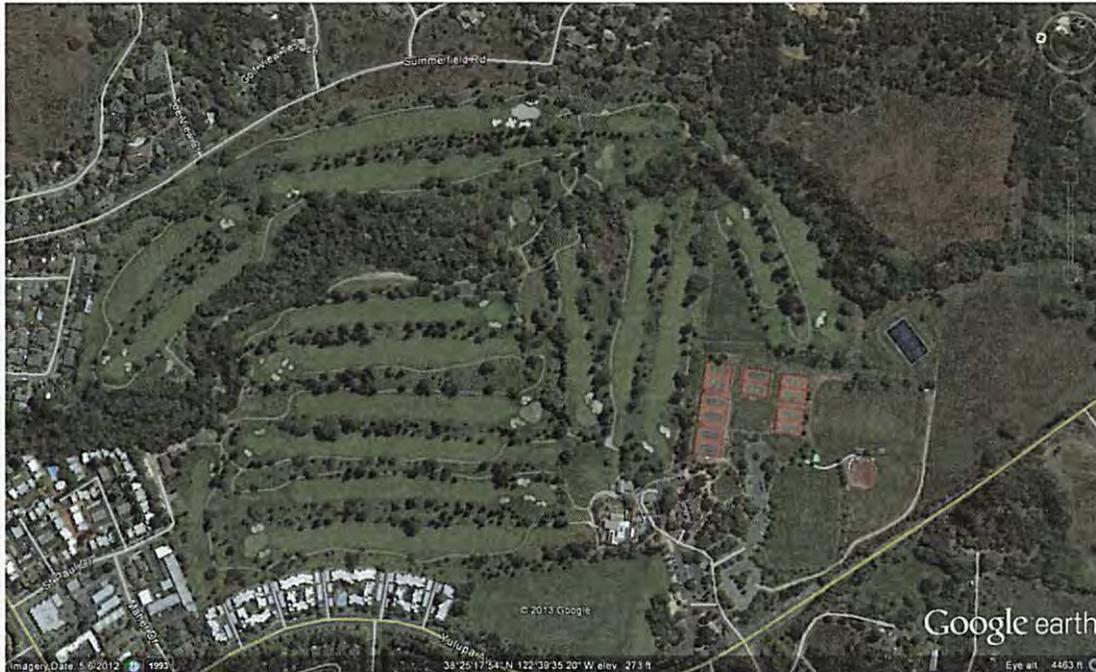
In the case of BVGC, the first impression is largely positive. There is a nice entryway leading to two modern clubhouse buildings. The course is located in a scenic area. And depending on which way you come in, you drive by an outstanding practice area. Taken together, the impression is of a facility with a much higher price point than BVGC actually is.

However, there can easily be confusion for the first-time visitor as to which building to go. The location of the Legends grill is closer to the parking lot and bag drop area and its entry faces the parking lot, leading many (including myself) to believe this is where the proshop is located. The real proshop is set back with a less discernible main entrance. *We would recommend better signage to direct patrons to the appropriate building.*

Course

Layout

The course is aesthetically pleasing, with many mature trees throughout the course, and pristine views of the surrounding hills.



- **Routing:** The routing apparently was changed at some point as the current #16 used to be the first hole. The current routing provides the proshop with a clear view of the #1 tee, allowing the proshop to start the golfers. The layout features mostly parallel straight fairways as the above aerial shows.

There are few doglegs or severe elevation changes to challenge the golfer. There is almost no water on the course, leaving the trees and traps to be the main obstacles to overcome. This routing does lend itself to a high volume course and is consistent with the current fee structure.

- **Trees:** The trees serve several important roles. First, they add a lot of beauty, which adds to the appeal of the course. Second, they do add a difficulty factor that increases the course's challenge and also heightening its appeal. Third, and perhaps most important, they protect the golfers on the adjoining fairways from stray hits. Given the multitude of parallel fairways at BVGC, this could be a real problem

However, the trees can also be a hindrance because they tend to slow down play. This can be especially bad in the fall when leaves are falling. Fortunately, the maintenance crew does an excellent job at keeping the areas under the trees clear.

Another issue with trees is that they can provide too much shade to sensitive areas, such as greens (especially in the fall). It is also true that many trees have died over the past several years from disease. *There may be some trees that could be removed to help with traffic flow and improve playability without sacrificing safety.*

- **Length:** As was pointed out in the previous section, at 6,545 yards, BVGC is considered a “short” course, although not *too* short. Not only will this adversely affect play from lower handicap golfers who want to play from over 6,500 yards, but it can also affect play from higher handicap golfers. The reason is that golfers usually want to play “better” courses, and a “short” course is viewed as being “inferior”, even though the length may be appropriate for their game.

On the other hand, the course is also way too long from the forward tees for most women golfers. This not only affects the playability and thus popularity of the course for women and juniors, but it will also adversely affect the pace of play as these people will be taking more strokes than otherwise necessary, slowing down the pace, which affects *all* golfers. *We view the forward tee length to be a significant issue.* Fortunately, it is one that is easy to correct and likely can be done in-house for a relatively low cost.

- **Traps:** There are 36 sand traps located around the course. All of them are around greens. The bunkers are well-maintained and add both challenge and aesthetics to the course. However, as with trees, they can adversely affect the pace of play. *Consultation with a golf course architect could result in the ability to safely remove several traps to promote a faster pace without adversely affecting the appeal of the course. However, we would recommend staying with at least 20-25 traps.*
- **Playability:** Other than the length and trees discussed above, there are no real playability issues. This is what you want for a high-volume facility.

Irrigation & Drainage

Probably the two biggest concerns with the physical facility are the irrigation system and drainage issues. Heavy rains can render the course unplayable due to drainage issues on the course. Even when the course is open, during wet periods, the course becomes very muddy and sloppy, slowing play and hurting its appeal. The issue is particularly bad on holes 2, 9 and 15.

Last year, a drainage project was completed on hole #1, which was one of the worst areas on the course. A cross-hatch sand-based drainage system was put in at the cost of \$118,000. These results have met, if not exceeded expectations. This hole is now of the driest fairways during the wet season and has received excellent feedback from the golfers. Similar work is planned for holes 2, 9 and 15.

There are three main concerns regarding the current irrigation system: its age, spacing and water storage.

The current irrigation system is the original one put in when the course was built. As such, it has lived long past its normal life expectancy. Because of its age, the repair costs are a lot higher than normal, and more man-hours are spent repairing the system than should be the case. Further, because it lacks the automation of new systems, the Superintendent has to spend on hour a day going around a programming each of the 19

control boxes. Modern systems can be programmed from a single location and only need occasional adjustments, not daily programming.

Another issue associated with its age is that the main line is a transit pipe that contains asbestos. So when a break occurs, which happens at least once a year, it requires that staff wear hazmat suits for repair work.

Another consequence of the system's age is the fact the heads are spaced 90 feet apart. Modern systems are usually spaced around 65 feet. The wider spacing means there is not true head-to-head coverage, resulting in brown and bare areas on the fairways during dry periods, especially during the summer. This hurts the course's aesthetics and playability and thus its appeal.

Adding to the problem is an inadequate water storage area for the system. Ideally, one would like to have at least a two-day and preferably more supply of water on hand to draw from. However, the irrigation pond at BVGC has been shrinking over the years due to sediment. In fact, last year the intake had to be dug out from silt filling in around it. Not only does the silt reduce the storage area, but it gets sucked into the system. This has two adverse consequences: first, it can damage the valves, creating more repair problems and causing some areas to go without water, which can lead to damage if not caught early enough. The second consequence is that the silt itself can get spread over the green, which can hurt the grass and impede drainage.

BVGC is living on borrowed time. The irrigation system needs to be replaced and additional water storage created. This is a major project that will likely cost at least \$1.25 million and may result in closing the course for an extended period of time. We will discuss this more later in the report.

Course Conditions

In general, we found the course to be in very good condition. BVGC does have the reputation of being well-maintained and having excellent greens. However, our study did not include an agronomic review so a detailed assessment of the course conditions (or maintenance practices) was not conducted.

Greens

The greens are the pride of BVGC. The greens were rebuilt during the 1990's to modern standards. When they were rebuilt, they were planted with bent grass. However, since then poa annua has intruded and has become the dominant grass on the greens.

We did find the greens to be in good condition. *However, according to the USGA, the life-expectancy of greens is about 20 years. This means the greens are approaching their normal life expectancy. Planning should be made to at least resurface the greens sometime over the next 10 years.*

Tees

Many of the tees appear to be too small and unlevel. Unlevel tees have two significant consequences: 1) they are much less popular with golfers as it can affect the shot; and 2) it can affect maintenance as the golfers will seek out the most level part of the tee to use, creating heavy wear in these locations. Due to the high volume of the course, the tees need to be extra large, especially on Par 3's.

Fairways

The grass coverage on the fairways is good. As mentioned above, several of the fairways have drainage issues. Many more will have brown or bare areas in the summer due to the poor coverage of the irrigation system.

Also becoming a factor is that with the growth of the trees, some of the fairways are getting “tight”, making the holes more difficult and slowing play down.

Clubhouse

The clubhouse area features two buildings: one for the restaurant and banquet area, and the second one for the proshop. As noted above, the biggest issue for us was the lack of signage to the proshop.

Another issue is that the restrooms for the proshop are located outside and on the back of the building. This is an inconvenience to the golfer and makes it more likely that they will not be maintained to high standards.

The proshop itself is very nice, with lots of space for display and counter. It features an excellent view of the first tee, allowing the counter staff to start play from the proshop.

Driving Range

BVGC has a nice driving range complex featuring an electronic self-service ball dispenser. Golfers are able to park right in front of the range and practice without having to go to the proshop for tokens, etc.

There are both artificial tees and grass tees. However, the grass tee area is too small for the volume of play, meaning that golfers are forced to use the mats on a regular basis. This is unfortunate as most golfers prefer to hit off grass when they practice.

Another issue is that the range is short by modern standards. In fact, golfers are asked not to hit drivers from the grass tees due to the shorter distance.

Unfortunately, there is not an easy fix to this problem with the range's current location. A possible solution, other than to switch places with the ball fields, would be to add netting, along the sides and at the back. While this improves the safety, it does add a significant cost and detracts from the facility's appearance, especially along Yulupa Avenue.

Financial Performance

This section will provide an analysis of the golf operation's performance since the City assumed operations. The primary emphasis will be on calendar year 2012 and the previous two years.

Accounting Practices

BVGC utilizes a Point of Sale system (POS) from Active golf. This is a modern system and features an integrated electronic tee sheet. They have had the current system since 2008.

In our review of the financials, we did note several issues that would not appear to be good accounting practices and could indicate a lack of knowledge on the proper use of the POS system, despite its being in place for many years. These issues can obscure other, bigger problems and make it more difficult to track errors or distort actual performance. These include:

- **Rounds:** The rounds counts used by BVGC and the City are the totals for the Green Fee department on the POS. However, these totals also include pass sales, which are not rounds. We deducted these counts from our totals. They also include "2nd nine" sales, which are when players who initially paid for nine holes decide to continue on and play 18. It is debatable as to whether these should count as rounds, but we left them in. There were only 828 such rounds over the past three years.
- **VOIDS:** The clerks are trained *not* to use voids on sales, but rather enter a *return* for the erroneous transaction and reenter. This obviously distorts the number of *actual* returns and makes it difficult to determine whether there is an issue with returns or with voids. We believe it is important to make a distinction between a "void", which is an erroneous transaction, versus a "return" which is when a customer changes their mind or returns faulty merchandise. It also has the effect of slowing down check-in when it is busy as it generally takes longer to "return" a sale than void one. *We strongly recommend discontinuing this practice.*
- **Personal Accountability:** Clerks are not required to check into the register by name. Instead, they all use "Clerk 1" and "Clerk 2". This makes it very difficult to track problems to a specific problem and makes the company much more vulnerable to employee theft. *We strongly recommend that each attendant be required to check into the register by name, with everyone having their own access code or key.*
- **No individual cash drawer:** As above, clerks are not required to have their own cash drawers, nor to count the drawer out at the end of their shift. Again, this practice makes BVGC more vulnerable to employee theft and makes it very difficult to trace errors to an individual employee. *We recommend each employee have a cash drawer and that they are responsible for counting it down at the end of their shift.* When there are more than two clerks behind the counter, only two should be accessing the register with the third handling the phones, starting the golfers, and assisting customers on the floor.
- **Returns/Allowances:** Clerks are not required to make notes when they ring up a return (or void a sale by way of a return), or make an allowance. ("Allowance" is what the POS system calls any deduction on an item taken at the register).

Again, this makes it much easier for an employee to get away with giving unwarranted discounts to friends, or theft. Given that golf is largely a cash business, it is very easy under the current system at BVGC for an employee to ring up a customer for a sale and give them a receipt, then after the customer has left, to ring in a return and pocket the cash. While it is difficult to completely stop a motivated thief, the more difficult one makes it, the less likely it is to occur. Further, the more safeguards added, the easier it can be to detect when a theft is occurring and who is responsible. *We do recommend that employees be required to log in mistakes and allowances.*

- **Annual Pass Billing:** Currently, annual pass holders are able to finance (for free) their annual pass over three payments, with ½ down, ¼ due March 15th and ¼ due June 30th. The issue, as far as accounting is concerned, is the way this is rung up in the POS system. Each time a passholder makes a payment, it is being rung up as a *new sale*, with an "adjustment" made to the price to reflect the actual payment. This obviously distorts the number of passes actually being sold as those who pay over three payments are being rung up as three different passes sold. *The solution is to use a member billing. The initial transaction should be recorded at full price, with the PAYMENT split between cash (or credit card) and ACCOUNTS RECEIVABLE, with the amount added to the member's account.* This will also allow for automatic billing and tracking through the POS. Currently, no bills are being sent out and the amount due is being tracked manually. *We strongly recommend changing this practice and using an accounts receivable/member billing accounting.*
- **Juniors:** This issue is very similar to the annual pass billing above. There is an excellent program in place for juniors called Tom's kids, a program created and administered by the North California Golf Association (several area courses participate). Through this program, the club is reimbursed \$4 for each round of golf played by a participant in the program. The accounting issue is that these rounds are rung in at full fee then an "allowance" is made on the transaction to reflect the fee collected. When the program pays the difference, a new transaction is recorded as a *new junior round* and an allowance is entered to reflect the amount paid. Again, this distorts the number of rounds. More importantly, it provides no automated system for showing how much is owed, nor is there a good audit trail for the transactions. (The staff currently *manually* record the discounted rounds and submit a bill to the NCGA for reimbursement). *As with the annual passes, the solution is to use member billing/accounts receivable. The initial transaction should be recorded in full, with the payment split between cash and accounts receivable (to the account of NCGA).*
- **Supertwilight:** We noticed in our review that limited pass patrons were not being charged for weekend supertwilight golf, even though they should be. *I understand that this is being corrected.*

In addition, there were also a number of "red flags" that could potentially indicate more serious issues, such as employee theft. However, because of the accounting practices noted above, we cannot state there is any likelihood of employee theft, only that there are some areas that should be investigated further. Below is a summary of the problems we found.

- **# Returns/Allowances:** Even taking into consideration that voids were rung in as returns, there seem to be a large number of returns and allowances. We were seeing many "allowances" made on transactions where we would not expect discounts to be given. Again, it is difficult to determine why the allowances were

made as no record is required. In 2012, there were \$7,030 in green fee returns (excluding pass sales) and \$15,265 in allowances. Combined, they represent only about 2% of the sales volume. This percentage has been consistent over the past three years. We do not have any data on the percentage of transactions they involve, just the dollar amounts. It should be noted that not all "allowances" were negative. There were several that were for positive amounts, some substantial (several thousand dollars). For example, in December 2012, there was a \$3,444 allowance made to the positive for resident adult 18 hole weekday twilight green fees.

- Juniors:** As noted above, juniors participating in the "Tom's Kids" program play for just \$3. This is rung in as a regular fee than an "allowance" is given for the \$4 difference. This amount is tracked manually and billed to the program for reimbursement. The reimbursement is then rung in as a regular round, but with an allowance adjustment made to reflect the payment. Thus, at the end of the year, one would expect the net balance of the adjustments to be "0". However, this is not the case. Last year, there was a net negative adjustment of \$603, or just under 5% of the total volume. Over the last three years, the total is a negative \$2,790, or 6.4% of the volume. Again, not big numbers, but still an issue.
- Annual Passes:** We were told that passholders always pay up and that there has been no discounting. As mentioned above, the accounting for the passholders needs to be improved. Yet, if we take the *total* paid for each category and divide by the pass amount, we should arrive at the number of passes sold. We did this calculation for CY 2012, including December 2011, when 2012 passes started being sold, and leaving off December 2012, when 2013 passes were sold. The result was disturbing on two counts. First, on four of the five categories, the number calculated was a fraction, which should not occur if all the passes sold were paid for fully without discounting. Further, we asked for a count of the number of passes sold in 2012 from course management, which they track manually. *The numbers did not agree in ANY of the categories.* The numbers reported were actually *lower* than the calculated amount. The table below shows the results. ("Calc #" is the number calculated by taking the net received during the 12 month period Dec 11-Nov 12 and dividing it by the price. "Rep #" is the number reported to us by golf management as the number sold.) At best, this issue demonstrates carelessness in bookkeeping and the fact that a number of passholders are not paying the full amount (likely skipping the last payment(s)).

	Price	Qty	Extended	Adjust	Net Return	Net	Calc #	Rep #
Senior Ltd	\$836.00	192	\$165,528.00	(\$96,101.00)	-2,299.00	\$67,128.00	80.30	71.00
Regular Ltd Sin	\$935.00	1	\$935.00	\$0.00	0.00	\$935.00	1.00	2.00
Cpl Unl	\$2,100.00	14	\$33,600.00	(\$20,000.00)	-3,450.00	\$10,150.00	4.83	6.00
Cpl Unl Sr	\$1,254.00	25	\$31,350.00	(\$18,076.50)	0.00	\$13,273.50	10.58	7.00
Singl Unl	\$1,400.00	123	\$172,200.00	(\$106,750.00)	0.00	\$65,450.00	46.75	41.00
	\$1,305.00	355	\$403,613.00	(\$240,927.50)	(\$5,749.00)	\$156,936.50	143.46	127.00

- No SKU Sub-department:** This is one of the mysteries that turned up during our mini-audit that defies explanation. On the initial reports we were given for 2012 monthly sales (detailed item sales report), the reports showed a sub-department

under Merchandise sales for “non sku items”. These items, over the year, accounted for thousands of dollars in sales. The mystery developed when we got the annual summary report and there was no “no sku” sub department! Unfortunately, there was an error in the reports sent to us as they only included Clerk 1. By the time we noticed this, an upgrade had been made in the software. The new reports, which were for both clerks, *did not have this sub-department either*. Nor could the City or the course manager replicate the initial reports. It appears that the “no sku” items were items that the sku number had become “inactive” and thus were put into this department. The issue, as far as the City should be concerned, is whether or not the non-sku items are included in the reports given to the City to calculate the course manager’s compensation.

- **Rainchecks:** Rainchecks are normally issued when inclement weather or an emergency does not allow a golfer to finish their round. We are also told that they are occasionally issued to a disgruntled golfer, usually due to unhappiness with slow play. We are told rainchecks have to be approved by the GM, Head Pro or Asst. Pro. The problem is that in the months of June through September, there was NO recorded rainfall. Yet there were a total of 100 rainchecks issued. This is an issue, the question then becomes whether the issue is that some rainchecks were issued improperly or that there were 100 angry golfers (an average of 1 per day) that are so disgruntled that they are given a free round. (We do not have a problem with giving a disgruntled golfer a raincheck; our issue is that it would be necessary this many times).
- **Lessons:** According to the agreement with the course manager, the City is to receive 15% of the lesson revenue. However, the pros, other than the GM, are retaining 100% of their lesson revenue. While we do not have a philosophical problem with the pros retaining their lesson revenue, it does appear to be a contract violation. The amount is not a large amount, as only \$6,838 in lesson revenue (other than from the GM) was rung in the register in 2012. (We have other issues with the management contract that we will discuss these in detail later in this report.) Another issue with lessons concerns the number recorded through the POS. The director shows a total of 96 lessons in 2012, which is a believable number, an average of 1.5 per week. However, the remaining three pros *combined* for 143 lessons *rung into the register*. This is an average of less than three per week, or one per pro. This pace conflicts with verbal reports I received that indicated a much higher rate. A philosophical issue, to us, also arises if the General Manager is giving more lessons than any of the other PGA pros. Presumably, the GM should have the least amount of time available and their time should be the most valuable. (Our suspicion is that the Pros are simply not ringing in lessons that are paid in cash as they are getting reimbursed 100% anyway and they do not want to declare the income with the IRS).
- **Income Statement:** The Green Fees provided Sirius by the City for the past three fiscal years do not agree with the other reports. And the amount of discrepancy is large. For FY11-12, the income statement had \$1,251,028 vs. the POS reports of \$1,405,388, a difference of \$154,360. Over the past three years, the total discrepancy was \$548,153. We could not get an explanation for this discrepancy. (It is likely something simple, such as the income statement failed to include the annual passes, although they should have. Or that the Income statements were “adjusted” by the accounting office for some reason. But the amount of discrepancy is a concern and we feel someone should track it down.

Recommendation

Taken individually, none of these items may seem very big. However, there are enough issues and potential problems to warrant further investigation. We understand that a full audit, or even a partial audit, has not been conducted in recent memory. *We would recommend that an audit be conducted that would at least further investigate the above issues and do random checks to make sure the totals are as they should be.*

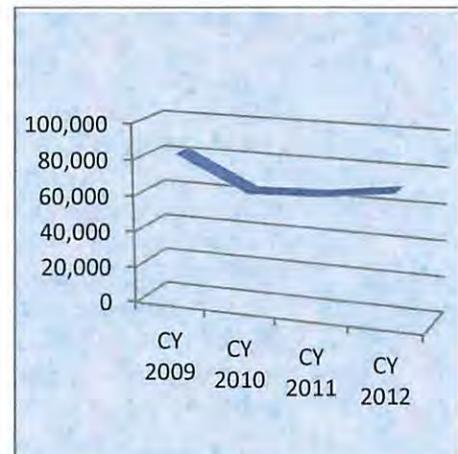
Rounds

Our examination of rounds play is limited to the last four years. We looked extensively at performance in the last year.

In 2009, rounds totaled 82,361. The number fell sharply (22.6%) to 63,780 in 2010. Since then, rounds have slowly increased, going up 2.3% in 2011 to 65,261 and another 8.2% in 2012 to 70,625.

We compared this pattern to national, state and regional patterns reported by the National Golf Foundation (NGF). The table below shows the change in rounds play from one year to the next over the past four years for BVGC, nationally, the state and the SF region.

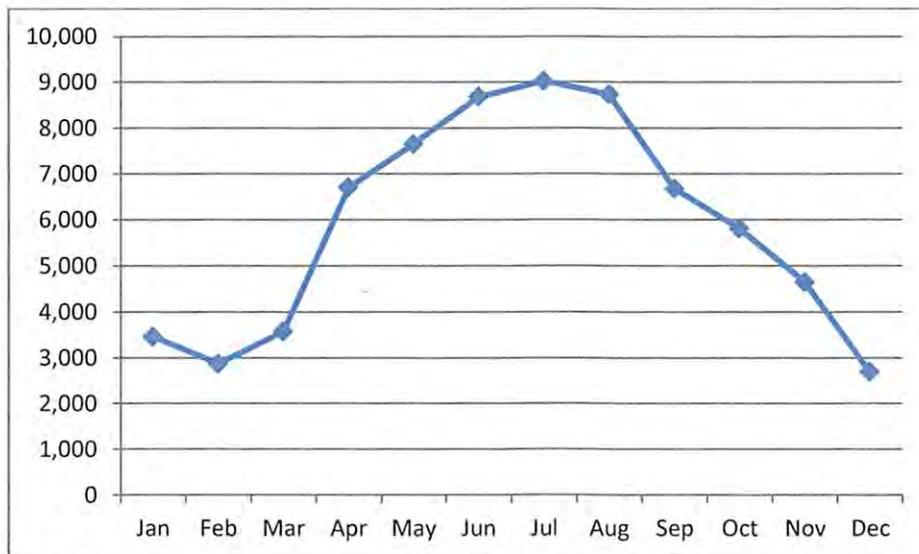
	BVGC	National	State	SF Region
09 to 10	-22.6%	-2.3	-5.4	-9.4
10 to 11	2.3%	-2.5	2.3	2.1
11 to 12	8.2%	5.7	1.6	2.7



As can be seen, BVGC has a high “beta”, meaning that its trend is in the same direction as the regional and state averages, but with a higher swing. This may be due to the fact that BVGC is a value-oriented course and attracts a higher percentage of lower and mid-level income golfers. The growth also echoes the economy, as one would expect.

Rounds by Month

Next, we examined performance by month. To do this and to attempt to control for extraneous factors such as weather, we looked at the historical data over the past four years. The results can be seen in the chart below, which shows the average number of rounds for that four year period for each month.



The three summer months (June-August) are the three busiest months and account for 37.5% of the total play. July was the busiest, with an average of 9,028 rounds and helped, no doubt, by the Fourth of July holiday. It was followed closely by August (8,730) and June (8,658). December was the slowest month, with just 2,697 rounds, followed by February at 2,870 and January at 3,462. These three months combined to account for 12.8% of the annual rounds, or about the same as the month of July.

Perhaps most notable is the jump in rounds play from March, at 3,565 rounds, to April, averaging 6,702 rounds. This reflects an 88% increase in play. Also noteworthy is the 42% drop from November to December. These changes have obvious implications with regards to staffing and potentially rates. They also coincide with the advent of league play.

Rounds by Time of Day and Day of Week

Next we examined rounds by time of day. There are six basic rate blocks. Weekday prime, which is from open until noon, weekday twilight, which goes from noon until 4 pm (winter) or 5:30 (summer), when supertwilight takes effect. The same three periods are repeated on weekends (Saturday and Sunday).

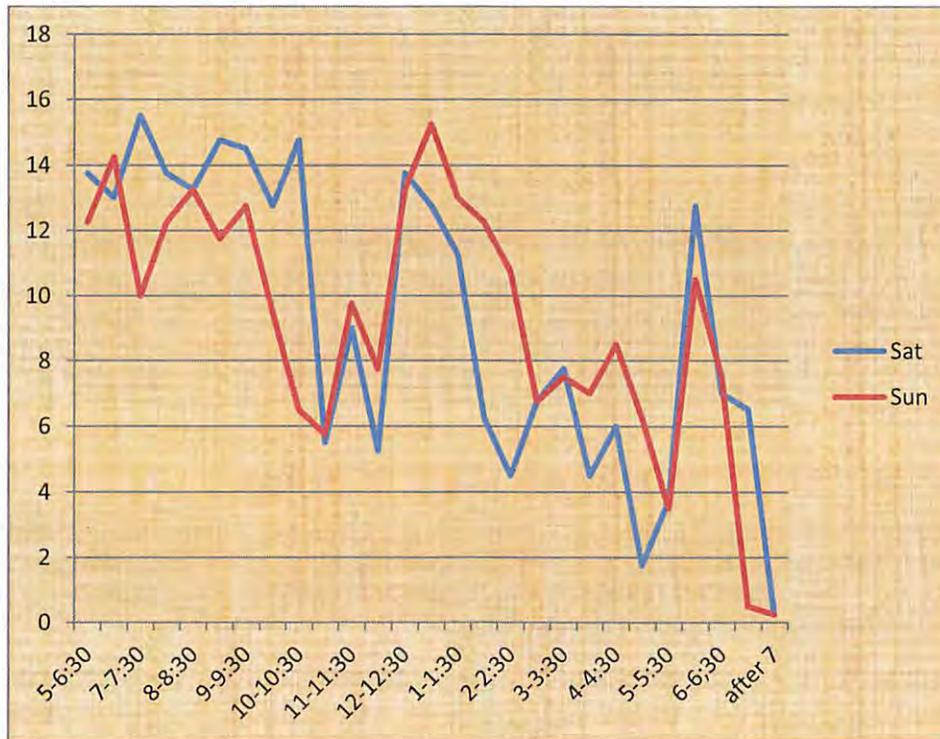
As can be seen from the table below, weekday peak play has the greatest percentage of rounds, accounting for 42.13% over the three year period. It was followed by Weekday twilight with 27.7%, weekend peak at 16.9% and weekend twilight at 8.6%.

Total Rounds 2010-2012

	Qty	%play	Net	% Rev	Avg Yield
Weekday	83,631	42.13%	\$1,071,916.94	34.89%	\$12.82
WD Twilight	54,941	27.67%	\$645,145.85	21.00%	\$11.74
WD Supertwilight	7,128	3.59%	\$66,230.24	2.16%	\$9.29
Weekend	33,447	16.85%	\$952,256.82	31.00%	\$28.47
WE Twilight	17,068	8.60%	\$312,365.80	10.17%	\$18.30
WE Supertwilight	2,313	1.17%	\$24,164.22	0.79%	\$10.45

However, a very different picture emerges when one looks at the actual green fee revenue generated. Here, weekday peak play still leads with 34.9%, but it is closely followed by weekend peak with 31% of the revenue. In other words, weekend peak play generated 89% as much revenue as the weekday peak, in spite of having 40% of the teetimes and the fact that there were 2.5 times more rounds! This demonstrates the importance of these rounds. The average yield for weekend peak play was \$28.47, compared to just \$12.82 for weekday peak. Collectively, weekdays, with 2.5 times more teetime slots (five days compared to two), had 2.76 more rounds than the weekends, but generated only 38% more revenue. *This clearly demonstrates the importance of weekend play.*

One issue that emerged, especially in comparison to the competition, is the onset of twilight times. While there were no time of day reports available, we did look at the teesheet reports for the month of July, 2012, for the weekends. We looked at 30 minute intervals from 5 am until close. Each 30-minute interval contains four teetimes, with a maximum of 16 players (assuming all foursomes).



What we found was a dramatic fall off of play at 10:30 am. Prior to 10:30, each 30 minute interval averaged 12.1 players. But from 10:30 until noon, the average plummeted to 7.2, despite having two small outings (each on a Sunday). Play then jumps up at the start of twilight. In fact, the busiest time slot of the day is between 12 and 12:30 just after twilight starts. Play then drops sharply after 2, only to spike again after the start of supertwilight.

The concern is that because of the dramatic price difference between peak and twilight play (\$38 vs. \$21), that people are foregoing peak play to wait until twilight.

We also noted an interesting trend. Saturdays were busier in prime time, with an average of 14 rounds per 30 minute block compared to 11.4 on Sunday. However,

Sundays were busier the rest of the day as can be seen in the table below. Overall, the two came out about the same.

Avg Rnds per 30 min block		
Time Period	Sat	Sun
7:00-10:30	14.0	11.4
10:30-12	6.6	7.8
12:00 -2	11.0	13.4
2:00-4	5.9	8.0
4:00-5:30	3.8	6.1
5:30-6:30	9.4	9.9
Total	9.3	9.2

Trends: The one trend we noted in comparing the three years is a shifting of play from peak period weekends to twilight. In 2010, 17.45% of the play was weekend peak and 7.55% on weekend twilight. This changed to 15.96% peak and 10% twilight in 2012. Part of the reason is likely due to the fact twilight time no longer is moved back in the summer.

The trend is even sharper on revenue. Weekend peak accounted for 33.53% of the total green fee revenue in 2010, and twilight .8.57%. By 2012, the numbers had shifted to 28.79% and 12.33%. Part of the reason for the bigger change in revenue is the dropping of non-resident rates. We will have more on this topic later.

Rounds by Type

BVGC tracks rounds by type, including the type of customer and rate period. All together, we found 52 different round types. In actuality, the number of potential categories is much higher. The 52 represents only those categories for which there was activity sometime in the last three years.

Below are some of the main points (percentage of revenue is the percentage of green fee revenue plus annual pass revenue):

- **Nine Hole Play:** As noted earlier, BVGC was one of the few courses among the comps to offer a nine-hole only rate. Over the three year period, nine-hole rounds accounted for 20.35% of the play and 13.91% of the green fee revenue. *This confirms that offering nine-hole play is a good decision.* However, the trend is downward. Nine-hole play has gone from 21.68% of the rounds in 2010 to 17.7% in 2012 (total rounds have also decreased from 13,721 to 12,456).
- **Seniors:** Seniors are very important to BVGC's success as witnessed by the fact they account for 32% of the rounds (this does *not* include senior pass holders) and 30.77% of the revenue. These percentages are on the upswing as they accounted for 31.2% of the play and 26% of the revenue in 2010, but 33% of the rounds and 30.7% of the revenue in 2012.
- **Juniors:** Juniors do not make up a large percentage of play, accounting for just 3.1% of the rounds and 0.99% of the revenue. However, what is disturbing is that the number of rounds from juniors is decreasing. Rounds from Juniors has gone down 22.4% since 2010, while overall rounds have gone up 10.9%. As juniors represent the future of golf, we certainly would like to see the play from juniors increase, not decrease.

- **League Play:** League play accounted for just 5.7% of the rounds and 3.56% of the revenue. However, this number is very deceiving as it only counts those people who pay each time they play. Most of the league members, however, are pass holders and their rounds are not counted in the league total. This is disappointing as knowing the exact amount of league play would be very helpful in planning. We encourage BVGC to track pass holder league play.
- **Non Resident Play:** The play from non-residents is a critical issue, given the discontinuation of a higher rate structure for non-residents. Over the three year period, non-residents accounted for 24.55% of the play and 28.9% of the revenue. The number of non-resident rounds has increased by 7,170 from 2010 to 2012, which is *more* than the total increase in play (6,979 rounds). This represents a 50.9% increase in play from non-residents, while the percent of rounds has gone from 22.2% to 30.2%. Green fee revenue from non-residents has increased by 32.8% over the same time period, and the percent of revenue has increased from 24% to 34.33%. This would seem to confirm that the rate decrease was a good idea. BUT, over the same time period, play from residents has *dropped* by 11.3%. Moreover, the revenue from residents has declined by \$99,787 – *which is almost equal to the \$101,218 gain from non-resident play*. So while there has been a dramatic shift increase in the number of rounds, this has NOT translated into increased green fee revenue. In fact, overall rounds have increased 6,920 rounds (10.9%) from 2010 to 2012, but green fee revenue *has gone down by \$4,515 (0.4%)*. We will have a further discussion of this in our *Fee* section.
- **Pass Holder Play:** Overall, pass holders accounted for 17.46% of the rounds and 12.43% of the revenue. Unlimited passholders (7-day) accounted for 11.96% of the rounds and 6.1% of the revenue while limited (5 day) accounted for 5.5% of the play and 4.8% of the revenue. Pass holder play has increased sharply from 2010. The number of rounds has increased by 3,703, or 39.7%. Revenue has gone up 38% or \$42,595 in the same period. The increase is due to a substantial increase in the unlimited pass holder play, where revenue increased \$46,314, while the limited passholders saw their revenue decline by \$3,719. Taking the number of passholder rounds and dividing it by the calculated number of passholders, we find that passholders averaged 90.9 rounds each. Limited passholders averaged 85.6 rounds compared to 100.28 for unlimited. *These counts are very high and nearly double the national average*. They have also increased, from an estimated 82.5 per passholder in 2010. These number indicate that, as a group, the passholders averaged nearly two rounds a week *for the entire year*. While this may be possible, *it also raises the cloud of suspicion that some rounds are being rung in as passholder rounds when, in fact, they should have been paying guests*.
- **Tournament:** Currently, BVGC does not track tournament rounds. We feel this is a mistake as it is an important market segment that could play an increasingly important role if daily fee play revenue continues to decline.

Revenue

While rounds have seen a dramatic upswing over the past two years, the same is not true for revenue. Revenue increased just 0.39% from 2010 to 2011, going from \$1,806,847 to \$1,813,813. Revenues did increase more dramatically in 2012, with a 5.19% jump to \$1,907,948. On the other hand, revenue per round has steadily

decreased, going from \$28.53 in 2010 to \$27.94 in 2011 (down 2.1%) and \$27.15 in 2012 (down another 2.8%). Revenues, in this case, include everything but food and beverage.

In CY 2012, BVGC generated \$1,907,848 in total sales, excluding food and beverage. This is broken down in the table below.

REVENUES

Revenue Type	Amount	% Total
Annual Passes	\$154,827	8.1%
Green Fees	\$1,037,416	54.4%
Cart Rental Fees	\$317,359	16.6%
Driving Range Fees	\$223,857	11.7%
Pro Shop Merchandise	\$161,942	8.4%
Other	\$13,447	0.7%
Total Revenues	\$1,907,848	

Green fees account for by far the largest percentage of sales, with 54.4% (62.5% if you include annual passes.) Cart rentals is the next largest revenue source, with 16.6%, followed by driving range (11.7%) and merchandise sales (8.4%).

Trends

The table below shows the revenue figures by department over the last three years.

	2010		2011		2012	
	Revenue	Rev/Rnd	Revenue	Rev/Rnd	Revenue	Rev/Rnd
Rounds	63,337		64,925		70,266	
Annual Passes	\$237,629	\$3.75	\$158,044	\$2.43	\$154,827	\$2.20
Green Fees						
WD Prime	\$359,962	\$5.68	\$361,711	\$5.57	\$350,244	\$4.98
WD Twil	\$212,239	\$3.35	\$204,222	\$3.15	\$228,684	\$3.25
WD ST	\$23,268	\$0.37	\$20,786	\$0.32	\$22,176	\$0.32
WE Prime	\$349,359	\$5.52	\$304,231	\$4.69	\$298,667	\$4.25
WE Twil	\$89,314	\$1.41	\$95,125	\$1.47	\$127,927	\$1.82
WE ST	\$7,788	\$0.12	\$6,658	\$0.10	\$9,718	\$0.14
Total GF	\$1,041,931	\$16.45	\$992,733	\$15.29	\$1,037,416	\$14.76
Driving Range	\$213,810	\$3.38	\$221,044	\$3.40	\$223,857	\$3.19
Carts	\$268,774	\$4.24	\$279,337	\$4.30	\$317,359	\$4.52
Merchandise	\$157,120	\$2.48	\$156,777	\$2.41	\$161,042	\$2.29
Total Revenue	\$1,806,847	\$28.53	\$1,813,813	\$27.94	\$1,907,948	\$27.15

There are several important observations one can make from the above chart. They are:

- **Total Revenue:** While rounds have increased by 10.9% since 2010, revenue has gone up only 5.6%. Revenue per round has actually gone down 4.8% or \$1.38.

- **Annual Passes:** Pass revenue has steadily decreased, both in terms of actual dollars and in terms of revenue/round. Revenue has decreased by \$82,802 over the period. *This a red flag, given the sharp increase in passholder rounds.*
- **Green Fees:** While rounds have increased sharply since 2010, green fee revenue has actually *gone down* over the same period, albeit slightly (0.4%). This has significant implications with regards to the vendor contract. While the City gets 100% of the green fee and annual pass revenue, it gets less than 10% of the rest of the revenue (effective yield based on recent performance and the rent escalators in the contract). The vendor, meanwhile, makes his money on the ancillary revenue. Thus, *over the past two years, the City's primary source of revenue has fallen by \$87,316; the vendor's has increased by \$188,418* (the City receiving less than 10% of this amount). Again, we will discuss the vendor contract in greater detail later in the report. But, in short, *the strategy of reducing green fees to increase rounds definitely helps the vendor, but does not necessarily help the City.*
- **Cart Fees:** Cart fees have increased by \$48,585, or 18.1% since 2010. The revenue per round from carts has also increased, from \$4.24 to \$4.52, indicating a greater utilization.
- **Driving Range:** Driving range usage has increased slightly (4.7%), but the revenue/round has decreased by nearly the same amount (-5.6%).
- **Merchandise Sales:** As with the driving range, revenue is up slightly (2.5%), but the revenue per round is down significantly (7.6%).

Taken together it would appear that the new rounds being brought to the course are from players who are looking for a value golf experience (they are playing twilight and supertwilight more and peak rounds less), and who do not spend as much money outside of the green fees. These customers tend to be loyal to the dollar and not to the facility and will likely go wherever they can play for the least amount of money.

Other Observations

- **Cart usage:** Over the three-year period, golf cart utilization has averaged about 36.8%. meaning that on 36.8% of the rounds, there was a power cart rented. This is a very low rate, although consistent with both verbal reports and personal observation. Usage in 2012 was slightly higher at 38.2%.
- **Merchandise sales:** Merchandise sales averaged \$2.39 per round over the three year period. This is slightly above expectation for a municipal golf course, but low relative to the average green fee charged. Soft goods (clothes, shoes, gloves) averaged \$0.86/round while hard goods averaged \$1.53. The hard good sales are at expected levels, but the soft goods are low.
- **Driving Range Revenue:** Range revenue (excluding pass sales) is averaging an estimated \$3.32/round over the three-year period, including range passes. This is excellent and is over three times the national average. This is especially valuable as the driving range is the most profitable aspect of most golf operations. (Note: the City's share is about 10% of the revenue).

Income Statement

The table below is the Income Statement for BVGC for the past five years as provided by the City. The revenues and expenses reflect the income and expense for the City as it relates to BVGC.

Bennett Valley Golf Course Operations Review

Financial Performance

	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
Revenue					
Property Rent	\$30,000	\$0	\$31,616	\$38,687	\$39,415
Restaurant Rent	\$68,402	\$127,046	\$127,329	\$115,738	\$82,009
Interest		\$56,894	\$29,419	\$16,616	\$5,848
Unrealized Gain (loss) on investments		\$10,315	(\$5,934)	(\$6,169)	(\$2,371)
Green Fees	\$1,438,000	\$1,375,486	\$1,245,924	\$1,128,364	\$1,251,028
Pro Shop and range fees	\$95,000	\$120,799	\$104,863	\$98,163	\$108,375
Sale of property and equipment		\$1,791	\$2,094		
Cash over/under		(\$1,044)	(\$170)	(\$15,061)	\$24
TOTAL	\$1,631,402	\$1,691,287	\$1,535,141	\$1,376,338	\$1,484,328
Operating Expenses					
Management Contract	\$840,087	\$955,651	\$877,165	\$821,977	\$903,789
City admin fees	\$116,869	\$193,226	\$153,095	\$153,095	\$153,095
Operating Expenses (utilities, etc.)	\$174,088	\$125,814	\$124,086	\$194,003	\$112,191
Total Expenditure	\$1,131,044	\$1,274,691	\$1,154,346	\$1,169,075	\$1,169,075
Net Operating Income (Loss)	\$500,358	\$416,596	\$380,795	\$207,263	\$315,253
Other Expenses					
Capital Items	\$54,515	\$50,028	\$48,043	\$27,093	\$180,652
PDF Loan Repayment					\$51,005
Total Other Expenses	\$54,515	\$50,028	\$48,043	\$27,093	\$231,657
Net Gain	\$445,843	\$366,568	\$332,752	\$180,170	\$83,596
Debt Service					
Taxable Bond Debt Service	\$163,606	\$122,489	\$135,435	\$133,378	\$133,857
Tax Exempt Bond Debt Service	\$211,933	\$244,979	\$271,582	\$266,388	\$262,363
Total Bond Payment	\$375,539	\$367,468	\$407,017	\$399,766	\$396,220
Total Expenditures	\$1,561,098	\$1,692,187	\$1,609,406	\$1,595,934	\$1,796,952
Cash Flow	\$70,304	(\$900)	(\$74,265)	(\$219,596)	(\$312,624)

Explanation of Terms:

- **Property Rental:** Lease payment from AT&T for cell tower
- **Restaurant Rent:** This is the amount of revenue collected from Sports Restaurants for the operation of the Legacy Restaurant (BVGC's food and beverage operation).
- **Interest:** Interest received on investments made from the reserve fund.
- **Unrealized Gain (loss):** Unrealized gain from the investments made with the reserve fund.
- **Green Fees:** Revenue from green fees and annual passes. The City receives 100% of this revenue

- **Proshop and Range Fees:** This is the City's share of the revenue from other sources at BVGC, including the driving range, lessons, cart rentals and merchandise sales.
- **Sale of Property and Equipment:** This is usually used equipment that is sold. The City owns all the golf course maintenance equipment.
- **Management Contract:** This is the fee the City pays the contractor for managing the facility, including all course maintenance and proshop expenses. This fee increases each year of the contract.
- **City Admin Fees:** This is a fee the City assesses the fund to pay for City overhead, such as the Park staff time, IT, etc.
- **Operating Expenses:** These are the City's operating expenses at BVGC. The City is responsible for utilities and capital repair.
- **Capital Items:** This includes golf course maintenance equipment purchase and other capital purchases as well as capital improvements to the course and buildings.
- **PDF Loan Repayment:** This is a payment to the PDF fund to repay a loan taken out to help pay for the clubhouse construction.
- **Bond Payments:** These are the payments made to service the bonds (one taxable and one tax exempt) taken out to finance the bulk of the clubhouse construction costs.

As can be seen, the total revenue and Net Operating Incomes have been on a roller-coaster ride over the past five years. Revenue increased slightly from FY07-08 to FY08-09, peaking at \$1,691,287, before falling \$156,146 (9.2%) in FY09-10 and another \$158,803 (10.3%) in FY10-11, and then rising again last year by \$107,990 (7.8%). It should be noted that Revenue in FY08-09 was helped by non-golf items, such as a nearly \$60,000 increase in restaurant rent, and \$56,894 in interest income. Golf revenue declined. In fact, golf revenue (green fees plus the proshop and range fee lines), declined each year until FY10-11, going from \$1,533,000 to \$1,226,527. This represents a drop of \$306,473 or 20%. Last year, though, golf fees rebounded, going up \$132,864 or 10.8%.

At the same time, the Net Operating Income (NOI) went down steadily from FY07-08, where it was \$500,358, to \$207,263 in FY10-11, a loss of \$293,095 or 58.6%, before rebounding strongly last year, increasing \$107,990 (52.1%).

Contributing to the decline in the NOI is an escalation in both the fees paid the operator (they have gone from \$850,087 to \$903,789), and the City's administrative overhead fees, which increased from \$116,869 to \$153,095.

When Capital Items (mostly equipment purchases) and the PDF Loan payment are figured in, the net gain drops each year, going from \$445,843 in FY07-08 to \$83,586 last year. However, the capital items totaled \$180,652, which is several times the normal amount.

Also figuring into the actual cash flow are the bond payments for the financing of the clubhouse construction. These payments total about \$400,000 each year. Their payment has resulted in a negative cash flow each of the last four years. Last fiscal year, the amount of loss was \$312,624.

Other Observations

- **Reserve:** City policy to have a reserve fund of 6-8 months operations plus \$200k. The Model for the Reserve and budget for the course that was created is apparently based on when the course was doing 82,000 rounds. When rounds dipped, the course was no longer able to sustain the reserve at its normal levels.

- **Expenses:** The management contract calls for the City to pay for all the utility costs at the golf course and clubhouse operations, including the water for irrigation. Also included are permit fees, advertising, supplies, etc.
- **Capital Items:** The following table details the capital items from the past five fiscal years.

FY 11-12 BVGC Capital Items		Per Income Statement
Gator Utility cart	\$7,701	
Kioti Tractor	\$22,108	
Foley United Reel Spin/Relief Grinder	\$29,875	
Foley United Bedknife Grinder	\$10,579	
John Deere Hybrid Triplex Tee Mower	\$27,542	
Lastec Rotary Mower	\$21,124	
Greens Mowers (2)	\$55,628	
Total	\$174,557	\$180,652

FY 10-11 BVGC Capital Items		Per Income Statement
Gas Hybrid Greens Mower	\$27,000	
Total	\$27,000	\$27,095

FY 09-10 BVGC Capital items		Per Income Statement
LF-100 Jacobsen Fairway Mower	\$50,000	
Total	\$50,000	\$48,043

FY 08-09 BVGC Capital items		Per Income Statement
Utility Cart (2)	\$15,000	
Sand Pro with Front Blade	\$13,000	
Sweeper/Vacuum	\$25,000	
Core Pulverizer	\$7,000	
Total	\$60,000	\$50,028

FY 07-08 BVGC Capital items		Per Income Statement
Tractor Backhoe Attachment	\$6,000	
Bed Knife Grinder	\$15,000	
Reel Grinder	\$35,000	
Total	\$56,000	\$54,515

Customer Feedback

In 2011, the City conducted a customer satisfaction survey at BVGC. It was the first such survey conducted by the City. The survey was placed in the proshop and at the Legends Restaurant. It was also emailed to over 2,000 names in the course database. They received a total of 330 responses. The results are presented below: (Note: the reason that the number of responses on a given question exceed the total number of responses is because multiple answers were given by individuals to that question).

Please rate the following things about the pro shop:

	Poor	Fair	Good	Great	Total Responses
Customer Service	1.4%	2.9%	34.8%	60.9%	348
Product Selection	3.1%	21.4%	58.7%	16.8%	322
Quality of Products	0.0%	7.5%	64.8%	27.7%	318

Please rate the condition of the course in:

	Poor	Fair	Good	Great	Total Responses
Summer	0.0%	2.6%	39.5%	57.9%	347
Winter	10.7%	33.6%	42.1%	13.5%	318

Were the green fees appropriately priced?

	Yes	No	Total Responses
Green Fee	91.9%	8.1%	345

Please rate the condition of the driving range:

	Poor	Fair	Good	Great	Total Responses
Driving Range	0.6%	12.8%	65.9%	20.8%	337

Please rate your experience reserving a tee time online:

	Poor	Fair	Good	Great	N/A	Total Responses
Online Reservation	6.6%	3.1%	22.8%	33.4%	40.6%	320

When do you typically play? (Check all that apply)

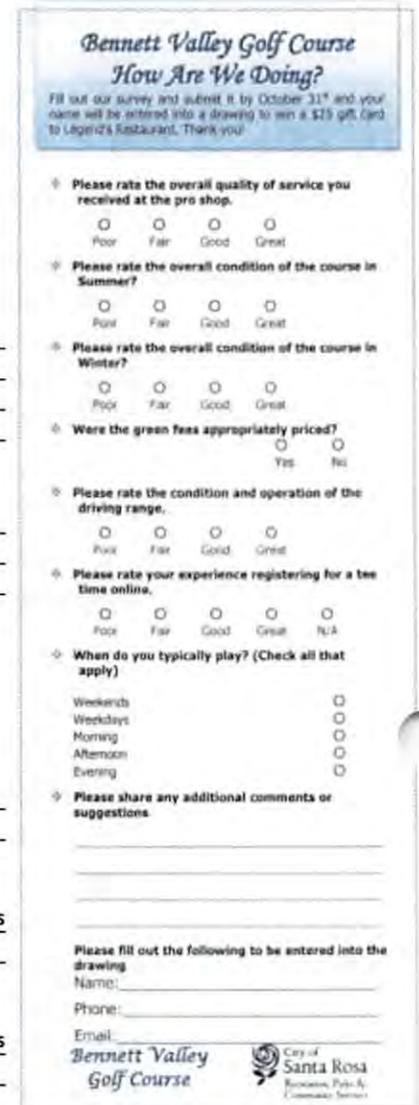
	Weekends	Weekdays	Morning	Afternoon	Evening	Total Responses
When do you play	26.7%	40.2%	29.5%	21.2%	9.0%	599

The most frequent comments were made on staff and customer service, with 25 total comments. Notably, all but two were positive.

Next most commented on was the Pace of Play (especially on weekends), with 24 comments, all negative (although one did say it was getting better). The main suggestions were to increase marshalling of the course, increased the teetime interval and eliminate fivesomes.

Merchandise sales received seven comments, all but one negative and it was a back-handed compliment. Five of the seven comments were about the poor selection of women's merchandise.

Online reservations received four comments, all negative. Since then, the course has signed up with Golf Now, which hopefully resolved most of the issues people were having (although singles still cannot book a teetime online).



What is notable is the lack of complaints about fees. There were only two, which is excellent in relation to most facilities. Golfers always want to pay less and get more!

Comments

Taken together, the feedback is good. The "great" ratings vastly outnumbered the "poor." However, this is normal for most golf course surveys.

We feel that surveys are an excellent tool in golf course management. We would strongly encourage the City to do more surveys. In fact, we would encourage an annual survey so that trends can be assessed and problems corrected before they get out of hand.

We would also strongly recommend the City utilize the survey provided by the National Golf Foundation. This is a more detailed survey and provides some extremely valuable feedback, including:

- Customer demographics (which is extremely helpful in marketing)
- Wallet share: what percentage of your customer's golfing dollar are you capturing relative to the competition?
- Competition: what are the other courses *your* customers are also playing?
- Standards: because NGF surveys are used by hundreds of courses, the results from your survey can be compared to results from other courses with a similar price structure. This can be very helpful information in comparing how you are doing relative to the industry.

Golf Operations

When you are doing 70,000 rounds a year, you are obviously doing a lot of things right! And that is the general observation at BVGC. We found the golf operations to be very well managed. However, as noted earlier, our mission was to find areas where improvements are needed. Therefore, the focus of this section is to highlight those areas where the operation is weakest. It can be safely assumed that areas not mentioned were found to be in excellent shape.

Management Contract

The operator, Bob Borowitz, serves as General Manager. He is in the fourth year of a 10-year contract that runs until 2019. Under the contract, he is responsible for every aspect of the golf operation excluding food and beverage, but including the proshop and golf course maintenance. All the employees of BVGC are his employees, not the City's. All operating expenses, except for utilities, advertising, capital equipment, capital improvement, and permits, are his responsibility and at his cost. This includes the purchase and maintenance of the golf cart fleet, and all merchandise inventory.

It is useful to remember that Mr. Borowitz has been with the club for over 25 years and served as Head Professional previous to taking over the contract. We understand that previous operators operated under a similar contract.

This contract is unusual in that it has payments being made both ways. The City pays a monthly "management fee," but the operator pays the City a percentage of revenues.

- **Monthly Management Fee:** The City pays a monthly management fee that increases each year of the contract. In FY2012-2013, this fee is \$73,062/month or \$876,755 for the year. Next year, it goes up to \$889,906 and so on.
- **Revenue Sharing:** The City collects 100% of the green fees, including annual pass revenue. The operator then pays the City a percentage of most of the other revenue collected, including cart fees, driving range fees, lessons, and merchandise sales. The amount paid to the City is on a sliding scale based on the cumulative sales volume for the fiscal year. The schedule is:
 - For the first \$250,000, the City gets 15%
 - From \$250,001 to \$300,000, the city share is 12%
 - From \$300,001 to \$350,000, the city share is 9%
 - And above \$350,000, the share is 6%.

In FY11-12, the total sales were \$722,501, which should have generated "rent" of \$70,350 or about 9.7% of the sales volume. Over the past three fiscal years, the average sales has been \$687,713, which should have produced an average rent of \$68,253 or 9.9% of the sales volume.

Comments

The amount Mr. Borowitz makes as an individual from this contract is reasonable. In our opinion, he deserves to make as much as he can as long as the City is realizing its fair share and the customers are getting a good value and a good golf experience.

However, we do have several fundamental issues with how this contract is structured. While there is *no evidence of abuse*, this contract, by its nature, has several flaws *that*

we believe are unfair to BOTH sides. Moreover, these flaws can lead to decision making that can be detrimental to the City.

We have found in working with municipalities across the country, that anytime there is a differential split of revenue, there are going to be issues. In this case, the City retains 100% of the green fee revenue, but roughly 10% of everything else. Thus, the operator gains the most by having *low* green fees as he gets NONE of the green fee revenue, but makes his money on having a high volume, because he gets his money on everything else the golfer buys. It should be quickly pointed out that this may not even be a conscious decision on the operator's side, but it cannot help but be an influence, even if unconscious. And while the City does control the fees (which we also think is a mistake and will be discussed later), I am confident it relies strongly on the recommendations of the operator in setting these fees. Indeed, as discussed in the previous section, we see evidence of this, both in the past performance and in the recommendations set forth by the operator in his business plan for the current fiscal year.

On the other hand, the contract is also unfair to the operator in that it treats all other revenue equally. However, the costs involved are very different. The cost of sales for merchandise, for example, usually runs 70% of the sales price. If the City is taking another 10%, then the operator has a very low incentive to push merchandise sales (although the operator does a very respectable job). Another issue is lessons. As noted previously, the contract does not distinguish as to who is providing the lessons. So theoretically, the City should be collecting its share of the lesson revenue from the other pros. This is not the case (nor, probably, should it be).

We will discuss alternative structures in greater detail in the Discussion section. But in short, we *strongly recommend a management contract where ALL the NET revenue (gross receipts less cost of sales) is pooled and then split, with the same percentage split regardless of the source of income.* Such a contract avoids any possibility of manipulation and aligns the interests of both parties.

Personnel

As noted above, all staff are employees of the operator. Total payroll is estimated to be around \$900,000, which is close to the annual payments from the City to the vendor.

The staff are all very capable. What is notable is that the senior staff have all been with BVGC for a minimum of 25 years (the GM, Head Professional and Superintendent). Further, the remaining staff has very little turnover in what is normally a high-turnover industry. This is obviously a strong testimony not only to the Mr. Borowitz, but to the facility and to the City itself.

Policies & Procedures

Hours of Operation

The proshop is open from just before dawn until dark (30 minutes before the first teetime), remaining open as long as golfers are on the course. This is as it should be.

Tee Time Reservations

Golfers are allowed to make reservations one week ahead. They can do so in person, by phone, or on-line. Apparently, the vast majority utilize the phone.

The teetime interval is alternating seven and eight minutes. This allows for eight tee times per hour. This is the closest spacing normally seen in the industry. (The longest intervals are normally 10 minutes). We will talk more about tee-time intervals under Pace of Play below. However, 7/8 minute intervals is common in the industry, especially on courses such as BVGC that see a high volume and that have few hazards to slow down play.

The table below shows how rounds were booked during two periods, from July 1st, 2007 till July 31, 2012 and from August 1st, 2012 to January 23, 2013. Unfortunately, it does not show how many rounds were booked by phone versus over the counter. Nor does the course keep such statistics. But based on observation and experience with other facilities, generally less than 10% of the rounds are booked over the counter.

Rounds by Booking Source

		8/1/12- 1/23/13	7/1/07- 7/31/12
Web	Booked	1,760	13,739
	Cancelled	372	5,091
	No Show	1,201	764
	Played	187	7,884
Total Non-web	Booked	40,743	525,867
	Cancelled	9,245	114,080
	No Show	2,927	33,057
	Played	28,571	378,730
Total	Booked	42,503	539,606
	Cancelled	9,617	119,171
	No Show	4,128	33,821
	Played	28,758	386,614

As can be seen, only a little over 4% of the teetimes are being booked online, which is well below normal. Yet this is an improvement over the 2.5% seen over the previous five years.

Comments

For the most part, the main problem I have with the current system is that it is labor intensive, which is more of the operator's issue and not the City's. However, to the extent that it affects customer service, it can be an issue for the City as well.

Ten years ago, the vast majority of teetimes *everywhere* were booked via the phone. Golfers and the golf industry in general, were very slow to adapt to the internet and online booking. However, today we are seeing more and more facilities having online booking being the predominant form of teetime reservations. This is easier for the customer and reduces the toil on the staff.

There are several issues with having so much of the teetimes being booked via phone. First, it obviously takes a lot of staff time. If we can assume the period August 1st to January 23rd represents about 43% of the annual total we get a total of 94,571 rounds/year booked by staff. If we further assume the average time from first contact with the customer to completing the conversation (hanging up or going to the next customer) takes an average of 90 seconds we get a total of 2,369 hours of staff time spent booking teetimes, or more than a full-time position. Obviously, this is a large labor cost and explains why there are often three people behind the counter during peak times.

However, it can also be a customer service issue. For the 2,000 plus hours spent on the phone by staff is time that same *staff is not servicing customers at the counter*. To be fair, with three people and two registers, there may not be a lot of waiting involved. But as any consumer knows, it is always disturbing when the clerk is talking on the phone instead of attending to their needs. And with the phone ringing 90,000 plus times a year, there are going to be a lot of times when this is the case.

Further, BVGC apparently does not have a voice mail system. This is somewhat understandable given the high volume of calls and the desire not to have to spend hours in the morning dealing with the overnight calls. Yet it is also very frustrating to the consumer who is used to being able to leave voicemails with businesses they deal with. What's worse (in our opinion) is that on weekend mornings, when demand is highest, we were told the phones are not answered until 7 am, almost two hours *after* the proshop is open. This raises serious concerns should an emergency occur and someone needs to reach a golfer on the course. (We understand that the staff are overwhelmed with customers coming in at the same time, but another solution must be found than letting the phone go unanswered. Further if golfers at the counter hear the phone ringing incessantly, it can be very disturbing to them as well.)

Based on these concerns, it would be very apparent that there should be a major push to get customers to book their teetimes online. However, the other statistics from this report call that strategy into question.

Based on the data provided, only 10.8% of the rounds booked on line were *actually played*, compared to 70.1% booked by staff! The cancellation rate for the two methods was similar, but 68.2% of the online teetime reservations were listed as "no shows" compared to just 7.2% booked by staff. This is a highly alarming statistic because if the teetimes are booked, but the players do not show, than the revenue may be lost (unless there are enough walk-ins to compensate, which would be doubtful with this high a percentage).

We have a real tough time, though, believing the 90% no-show/cancellation rate for online bookings. Given the stakes involved, a much more detailed analysis is called for. However, it is also clear that there are many compelling reasons to get golfers to book online versus using staff. Not only for the reasons stated above, but it also provides an easier path to capturing valuable marketing data, especially their email address.

There are a number of strategies that can be utilized to 1) increase online booking and 2) decrease the no-show rate or its impact.

Increasing Online Utilization

- **Marketing:** Increase customer awareness of booking online through advertising, notices around the golf shop, and a stronger presence on the

website. Remind customers calling in for a teetime that they can book online.

- **Booking ahead:** Allow online reservations to book teetimes further out than when booking with staff. For example, allow online bookings for seven days, but staff bookings only four days out.
- **Discounts:** Several area courses are using the strategy of discounting the rounds if booked online and done more than three days out. The further out it is booked, the more the discount. In most cases, the rounds must be prepaid to get the discount, which protects against the no-shows. (Refunds are given if cancelled ahead of time, although some operators require 24 hour notice, others just require it be done prior to the teetime.) In other parts of the country, we see a general policy of giving a dollar off for rounds booked online.
- **Marketing:** Increase customer awareness of booking online through advertising, notices around the golf shop, and a stronger presence on the website. Remind customers calling in for a teetime that they can book online.

Strategies to Reduce No-Shows

We strongly suspect that the no-show rate will decrease dramatically as regular customers become more accustomed to booking online versus using staff. However, there are other strategies that can be employed as well.

- **Email reminders:** It is not clear when or how often email reminders are sent out for online booking. There is always a confirmation email sent out. However, we would encourage a reminder email to be sent out 24 hours in advance of the teetime, with a link to cancel if needed.
- **Double Booking:** If no shows continue to be a problem, the next solution is to add extra teetimes to allow for the probability that not everyone will show up for their time. The risk, of course, is that everyone does show up and then you face angry customers who are forced to wait past their scheduled times. However, consumers in general, are getting used to the concept of double booking as the airline industry, as well as many others, has been doing it for a long time. This is a common strategy within the golf industry as well, but requires vigilantly tracking no-shows and adjusting the "extra" teetimes based on current trends.
- **Encourage Walk-ins:** Another strategy to offset a no show problem is to encourage more walk-ins (players without a teetime). This is usually done by giving them a discount (usually no more than 10%). This strategy can fail, though, if staff start giving preferred treatment to regulars, by giving them the discount for not booking a teetime, but allowing them to play during their "regular" time anyway without booking ahead.

Pace of Play

Clearly, the biggest issue from a customer satisfaction viewpoint is pace of play. This is a normal complaint at most golf courses, particularly those that do a high volume. A slower pace of play is to be expected at a high volume course. The issue, then, is whether the pace at BVGC is whether or not BVGC's pace is slower than expectation and whether there are things that can be done to improve the pace and thus increase customer satisfaction.

Unfortunately, we do not have clear data on the actual pace of play at BVGC. *And this is the first problem. We strongly recommend that there be a concerted effort to monitor the pace of play and to keep records of it.* This is the only way to know for certain whether or not there is a significant problem and if changes put in place are having any effect.

Monitoring the pace is relatively easy and can be done any number of ways. The easiest and most accurate is to record the cart numbers as groups start at the first tee (which should be done by the starter as a matter of course anyway) and then record them coming off the 18th green. Simple math provides the time taken to play. While it would be labor intensive to do this for *all* players, it would not require too much effort to do spot checks at regular intervals throughout the day. Another option is to record the start times, and then have the marshals record the time and location of carts as they make their rounds. The pace then can be inferred from the time and locations of the carts.

The next step in solving the problem is to better understand *why* there is a pace of play issue. What causes the slow pace? Unfortunately, there is no one answer, but rather a combination of factors that can contribute. These include:

- **Volume:** As may be obvious, the more players on the course, the greater the chance for an errant shot, slow players and other factors that can slow down play. From an operator's perspective, having a slower pace of play because of high volume is a "good problem to have."
- **Course difficulty:** Pace is simply how long it takes to play the course. As such, it is directly affected by how many strokes a player takes as well as other factors such as how quickly the player plays (how long does it take them to get to their ball and take a swing), and time spent looking for lost balls. The more difficult a course, the more swings it will likely take. Further, if there are a lot of hazards, especially tall grass, woods, etc., there is an increased likelihood for lost balls, which can really slow down play. In the case of BVGC, the layout is not too difficult and there are not a lot of hazards, with the exception of the trees. While there are not a lot of places for the ball to hide, when a ball hits a tree it can sometimes be difficult to see which direction it took after hitting the tree. Keeping the area underneath the trees clear of debris and leaves is critical. BVGC does a great job of this.
- **Course Layout:** Par 5s take longer to play than Par 4s. While this may seem obvious because they are longer holes, there is another factor that comes into play. Depending upon the length of the Par 5 hole and the distance a golfer has hit their tee shot, many golfers may feel they have a shot at hitting the green with their *second* shot. Thus, they have to wait until the group ahead clears the green, effectively slowing play by a whole group. Unfortunately, golfers are notorious at underestimating the distance and overestimating their ability. The problem becomes worse, from a pace of play standpoint, when the Par 5 is the first hole as there are no gaps. So when a golfer thinks he can hit the green with his 2nd shot, he has to wait for *two* groups to clear the green. Unfortunately, at BVGC both holes 1 and 10 are short Par 5s. This definitely impacts the pace, especially with the 7/8 minute interval.
- **Skill Level:** The more strokes taken, the slower the play. So a less skilled player, all other things being equal, is likely to take considerably longer to play than a lower handicap golfer. A course like BVGC is often considered an entry level course because it is not very difficult and it is one of the more affordable

courses in the area. As such, it is likely to attract a higher percentage of high handicap golfers, which will slow down play. And, for the same reason as well as its overall length, BVGC will attract a smaller share of low handicap golfers. The result is more shots per golfer on average and a slower pace.

- **Course Length:** Finally, we come to something that is correctible. It may seem obvious, but the longer a hole, the more strokes it is likely to take. What is not as obvious is how big an issue this is at BVGC. This is because operators are so used to thinking of golfers as males, usually between the ages of 20 and 60. And for these golfers, BVGC is at a good length from the back and white tees. But, as we pointed out in previous sections, BVGC is long for both seniors and especially for women. Because women, on average, hit the ball about 70% as far as men, from the forward tees, BVGC plays for women the equivalent of an 8,248 yard course for men! This is almost 2,000 yards longer than what most men prefer and *can easily add 10-15 strokes per round*. More strokes means a much slower pace of play! (It also means a less satisfying round, and thus less likelihood of returning!).
- **Teetime Interval:** The shorter the teetime interval between golfers, the more likely it is that pace will be adversely affected. However, even when the actual *time* to play in unaffected it will *seem* longer because the golfers are always waiting on the group ahead. BVGC, itself, has clearly demonstrated the impact of a longer interval when they changed to a 9-minute interval for the BV Golf Club. The result was a faster pace of play and happier golfers.
- **Fivesomes:** The more players playing a hole at the same time, the longer it will take to play as golfers must wait for other players to play before taking their shot. BVGC does allow fivesomes. However, it is not automatic and the pro at the counter must approve.
- **Walking vs. Riding:** When golfers ride golf carts, they get to their ball faster and so can typically play faster. This is true unless the golf carts, because of wet conditions, are limited to cart path only, at which time riders will play slower than walkers. At BVGC, we have a much higher percentage of walkers, which can slow down play.
- **Lack of Monitoring:** When there are no marshals patrolling the course, play tends to slow down. This is because players, especially occasional golfers as opposed to golfers who play a lot, do not feel as much pressure to play fast. They may take longer in looking for balls. They are also much less likely to let a faster group play through.
- **Course Etiquette:** Course etiquette can also impact pace. For example, it is customary for slower groups to allow faster groups to play through. However, novice golfers may be unaware of this courtesy, and others may choose to ignore it, thus forcing the entire course to play at their pace. (A train moves at the speed of the slowest car – so does a golf course).
- **Singles/doubles:** While it is courteous to allow faster groups to play through, such a process does take time. So the more times a group plays through other groups, the more it slows down play for everyone else. Thus singles and doubles playing by themselves can actually slow down the pace of play *because* they are playing faster than everyone else and these groups are allowing them to play through. BVGC does not allow singles to book a teetime and appears to do a very good job at pairing up singles and doubles to avoid this problem.
- **League Play:** Leagues, by their nature, can often play a lot slower than the regular pace of play. We understand this can make it difficult for players who

book a time after the league play to finish their rounds. While these players are warned of this possibility when they check in, this may do little to offset ill will, especially if they booked online without any warning at the time of booking.

- **Turn Interval:** Here is another problem that appears to be especially bad at BVGC, and that is the amount of time it takes golfers to “make the turn”, i.e. go from the ninth green to the 10th tee. The reason for this is that golfers tend to visit the snack bar when making the turn. Thus, the slower the service at the snack bar or restaurant, the longer it takes to make the turn. This can slow play down considerable as other golfers may be reluctant to jump ahead of the golfers waiting in line.

A few years ago, BVGC had another consultant come out and study specifically the pace of play. While we did not get to see this report, we understand they made the following recommendations:

- **Increase teetime interval** from 7/8 minutes to nine minutes. BVGC did do this for the BV Club, but not for any other occasion.
- **Make #16 into #1.** Holes 16 and 10 are parallel to each other and both start near the clubhouse. By starting play on 16 instead of 1, play would be starting on a Par 4 instead of a Par 5. The main reason against doing this is because it would require a starter. Because the current #1 tee is right next to the clubhouse, the proshop can control play off the tee without requiring a starter.
- **Increase the use of Marshals:** Currently marshals are only used Fridays-Mondays. We were told that staff from the proshop will go out and monitor play on the other days. However, interviews suggest that this happens only on occasion and can easily be delayed because of heavy phone activity, breaks, and an unexpected rush of golfers coming to the counter.
- **Eliminate Fivesomes:** The pros do not feel that fivesomes are impacting play because the groups they let play as fivesomes are able to keep pace with the group ahead of them. If this is the case, then the main issue becomes perception. This issue can then be tied to the previous one of not having enough marshals. When a marshal is present, they can explain to the groups behind the fivesome that the fivesome is not causing the delay, when it may not otherwise be obvious.

We would agree with the above recommendations. However, we would still allow fivesomes in situations where we know the group can and will keep pace. But we would also do so only when there is a marshal present to both assure the group is keeping pace and to reassure the other groups that they are doing so. Another option with fivesomes would be to require them to all ride carts.

The most difficult decision is the one involving the teetime interval. Theoretically, increasing the teetime interval means fewer teetimes, which means fewer players, which means less revenue. However, this does not have to be the case. If the course maintains a strong walk-up list, a group can be inserted once an hour or so between regularly scheduled teetimes, *if the pace allows*. The key is monitoring the start times. We were not able to get any data comparing the average delay in starts. In other words, how long do golfers have to wait to tee off from their scheduled teetime. Based on interviews, we understand the delay can average 15-20 minutes by 10 am on weekends. This delay no doubt is upsetting to golfers.

There may be a compromise, however. Typically, the groups with early morning teetimes tend to be the “hard core” golfers. These same golfers tend to play the fastest.

So there may be little need to change the teetime interval for them. However, as the day progresses, slower golfers are more prevalent and the need for longer teetime intervals becomes apparent. This will likely require some experimenting and close monitoring, but our suggestion would be to keep the early morning teetime intervals at 7/8, but then go to nine-minute intervals beginning about two hours after the first teetime, or around 8 am in the summer months. This may also have the desired effect of spreading play out to cover the otherwise very slow period that occurs at 10:30 am.

We strongly agree with the recommendation to add more marshals. *We feel there should be a marshal every day, starting two hours after the first teetime and going at least until the end of league play or start of supertwilight.*

Other recommendations:

- **New Tees:** As noted previously, we strongly feel there needs to be new forward tees and new distances for the senior tees. This will likely have the biggest positive impact on pace of play than any other change.
- **Turn Time:** Work with Legends to decrease the turn time. (We will discuss this more under Food and Beverage).
- **Supertwilight:** When there is an issue of slow league play, consider starting supertwilight play off both 1 and 10 (when possible), to give players a greater chance of finishing play.
- **Monitor:** Do a better job of monitoring pace of play with written records, including both the pace of play and the delays in start times.

Starters

As noted above, BVGC does not utilize starters. Instead, the proshop staff start golfers from the first tee. They are able to do so effectively because of the excellent view of the first tee they have from inside the proshop. Golfers are called to the tee by way of a loudspeaker.

Starters play a very important and often underappreciated role at golf courses, although many facilities (including BVGC) fail to take full advantage this position can offer.

Among the services starters *should* be providing are:

- **Course Access:** The starter controls who has access to the course – at least on the first tee.
- **Course Control:** The starter *should* be verifying that all the golfers have paid. They do this by checking their receipts.
- **Fraud Control:** By having the starters collect a starter receipt (a 2nd receipt issued specifically for the starter), these receipts can be compared to the POS system to guard against a clerk issuing a receipt, then voiding the sale and pocketing the cash.
- **Pace of Play:** Starters are usually responsible for pairing up singles and doubles to maximize teetimes and improve pace of play.
- **Cart control:** Starters should help control cart use by combining two individual cart riders into one cart.
- **Customer Service:** One of the most important roles (yet rarely properly utilized functions) of a starter is customer service. There are several ways this is done including:

- **Friendly greeting:** starters should ALWAYS greet golfers with a smile and a friendly greeting (we understand this is not always the case at BVGC).
- **Information:** Starters should be providing useful information to the golfers, especially if the golfers are new to the course. This information includes:
 - **Out of bounds information** (if the golfer is new to the course)
 - **Yardage and pin location indicators** (if the golfers is new to the course)
 - **Beverage Cart Information:** Whether or not the beverage cart is operating.

Another advantage for BVGC specifically for using a starter would be to reduce the pressure on the inside staff, who are also responding to customers at the counter and answering the phone.

At this point, we do not have a strong recommendation as to employing a starter as opposed to the current method of starting from the proshop. However, we would strongly recommend it if the current 16th hole becomes the first hole in order to improve the pace of play.

Marshals

BVGC employs marshals Fridays through Mondays to help control pace of play. Most of the marshals are retirees. They work four-hour shifts of which there are two each day (8-12 and 12-4).

Most golfers (and some operators) think that Marshals only duty is to help improve the pace of play. In fact, Marshals (should) have several important functions, including:

- **Pace of Play:** Marshals most visible duty is to ensure a good pace of play. They do this by “encouraging” slower groups to maintain pace with the group ahead.
- **Control Access:** Marshals also are responsible for controlling access to the course – making sure that players do not “sneak” on without paying by starting play at a hole other than 1.
- **Customer Service:** Marshals probably come in contact with the golfers more than any other employee, yet customer service is often the last priority for golf courses when it should be the top. Marshals need to provide a friendly face and welcoming demeanor to the golfers. Their attitude should be to help golfers and solve problems, not to create them.

As is often the case with golf courses, the marshals at BVGC are volunteers who earn a free round of golf for every four hours worked.

Comments

We have heard there are some issues with the current program. In addition to the lack of marshals Tuesday-Thursday, there apparently are some concerns about the effectiveness and attitudes of the marshals that are used.

We feel a strong marshal program can be a big asset to a golf course. On the other hand, employing unfriendly or ineffective marshals can do more harm than good.

We recommend the following:

- Marshals be utilized seven days a week.
- A stronger screening program needs to be put in place to ensure that the marshals have a friendly personality and appropriate attitude and are not just looking for “free” golf.
- A better training program needs to be implemented that covers customer service and how to effectively encourage faster play without creating ill will.
- Have regular staff meetings with marshals to discuss issues and ways of improving performance. (At least once a month).
- Marshals need to understand that customer service is just as important as pace of play.
- Marshals need to be regularly supervised, including mentoring and not just time scheduling.

Cart Operations

BVGC utilizes a fleet of 56 electric carts, which are stored under the clubhouse. The golf carts are owned and maintained by the course manager. Cart staff are employed to stage the carts in the morning (bring them out of storage and line them up for use) and to clean and store the carts in the afternoon and evening.

We did find the carts to be well maintained and clean, which is important for appearances and customer service.

Comments

Our main issue is with the number of carts. Fifty-six carts is a relatively small fleet for a regulation course, especially one with such a high volume of play. Most facilities will have a fleet of at least 72 carts, which is usually enough for every golfer on the course to ride. This is especially important for tournaments, where most facilities *require* the golfers to ride, both for the added revenue and to promote faster play.

According to the proshop staff, the course rarely runs out of carts. At worst a golfer may start out having to walk, with a cart brought to them before they finish the first hole.

With a cart utilization rate of just 38%, BVGC can get away with a smaller than normal fleet. But it does restrict them in the solicitation and handling of tournaments. Presently, when a tournament does require more carts, additional carts are brought in, although the rate can be expensive.

We feel the cart fleet needs to be expanded. At a minimum, we would recommend having 64 carts, with 72 being preferred. There are several reasons for this:

1. While it may not happen frequently, we view running out of carts to be a serious customer service issue. Not only does it inconvenience the golfer, it reflects negatively on the facility and gives the appearance of being a “cheap” course.
2. We feel tournament play should be encouraged. Yet when it costs the operator a lot more to bring in extra carts, there is a strong disincentive for the operator to pursue larger groups.
3. We also feel it is important to encourage more cart usage, which will not only increase revenue and profitability, but improve the pace of play. However, with so few carts, encouraging more cart usage could end up with worse consequences than slow play (see 1 above).
4. While it is not a strong trend, there is a trend over the past three years for greater cart utilization. We feel this trend will continue and likely accelerate, especially if

the facility takes our recommendations on new tees, which will increase participation from women and seniors – both groups have high cart utilization rates.

Programming

Juniors

BVGC participates in the Youth on Course program, better known as “Tom’s Kids” sponsored by the Northern California Golf Association (NCGA) Foundation. This program allows youths to play at participating courses for \$5 or less while putting to use the life skills and values training they receive in the Youth on Course certified program. At BVGC, these juniors pay just \$3 to walk, with the balance of their normal green fee paid by the program.

In addition to this program, BVGC does offer junior clinics and lessons, as well as additional programming in the summer.

In addition, BVGC has agreements with area high schools where by their golf participants get to play for free at certain times of the day during the school year.

Comments

Tom’s Kids is an excellent program and BVGC is to be applauded for participating. We also commend BVGC’s other junior programs.

Tom’s Kids is similar to the First Tee program sponsored by the PGA, which is also an excellent program. The main problem with these programs is that there seems to be a high drop-out rate once the youths complete the program. We feel the main reason for this is that *unless their parents play golf*, there is often little support for golf from the parents. Without parental involvement, the motivation to play beyond the program drops off completely.

Similarly, one of the faults with most junior programs across the country is that they tend to target *juniors whose parents are already playing at the facility*. Thus, while benefiting these youths and their families, it does little to grow the game in general.

We feel that strong junior programs are essential to the future of the game, as well as to specific facilities. (Studies clearly show that players tend to be loyal to the facility where they learn the game). But we also feel that current programs in the industry do not go far enough.

There are many reasons why it can be difficult to get juniors involved in golf. These include:

1. **Ongoing Cost:** Golf is a relatively expensive hobby. Programs such as Tom’s Kids and deeply discounted Junior rates have gone a long way to solving this problem.
2. **Initial Cost:** Golf is also expensive to start. Clubs are expensive, as are golf balls. If a player wants to get better, lessons can be costly.
3. **Time:** As with adults, one of the biggest issues with golf is the time it takes to play. (Parents, though, tend to see this as a big advantage!)
4. **“Cool”:** Golf is often seen as an “old person’s sport” and participating may not seem “cool” to other kids. Tiger Woods did wonders to offset this image, but that

was 20 years ago. No one has really stepped up since on the national scene to capture youths' imagination.

Unfortunately, there are two common problems with *most* junior programming. Most junior programs at golf facilities target *the children of golfers – especially their own clients*. While this is certainly important, it does little to *expand* the market. On the other hand, programs such as First Tee, that target children of non-golfers, *do virtually nothing to get the parents involved in golf!*

Children of golfers are an easy target. We simply need to make the junior programming known to them and make it affordable, of great quality, and convenient to both the parents and the children.

Getting children of non-golfers is a much more difficult task. These children are largely unexposed to the game. Further, many of them have developed a negative outlook on golf -- perpetuated by the media -- as an "elitist" sport with rigid rules, dress codes, and not much fun.

Our strategy will be three-fold:

1. **Increase Awareness** through aggressive marketing and programming with the area schools.
2. **Change Perceptions**
3. **Involve the Family**

The biggest missing element in junior programs today is that they fail to truly involve the parents. Yet the parents are *critical to future participation in golf* in terms of both supplying the means and maintaining the enthusiasm. In addition, the parents represent the biggest *potential for current income*.

We would like BVGC to make it as easy as possible to get the entire family involved. This can be done by creating affordable *family* clinics where golf is taught to non-golfing parents and their children. (Note that we state "affordable" rather than "free". It is our experience that people are more likely to participate and *stay with* the program if they are asked to pay a small fee) We also would like to offer family rates on golf such as children play free when accompanied by an adult (one child free per each adult). We would make these rates available at all times except the very busiest (weekend mornings).

In addition to the programming, we want to add "junior" or "family" tees to each facility in accordance to USGA guidelines. These will not be formal built-up tees, but designated spots in the fairway or close rough where juniors can tee off and have a reasonable chance of reaching the green in regulation.

To lower the entry cost for juniors, we would further recommend:

- Be an active participant in the Clubs for Kids Program
- Provide free clubs for participants in clinics and lessons
- Provide very low cost rentals
- Have a selection of new clubs for juniors – both girls and boys.

To make learning golf more "fun", consider adding "rings" around each target green. This can be done either with dye or mowing patterns. This will allow for creating games similar to darts on the practice range. You get more points the closer to the green (by ring) you get, and more points for the greens further away, etc.

In addition to these recommendations, we would encourage:

- Create additional *year-round* programs, with clinics and camps during other school breaks.
- Work closely with area schools to develop more and better golf programming in the schools
- Create junior leagues in the summer
- Add "Family Fees" where one junior can play free with a full-fee paying adult. (Times will be restricted to slower play periods).

Women

BVGC does have an active women's club which plays on Thursday mornings. This group will see 24-60 players. But as a whole, BVGC does not get a lot of play from women.

As noted previously, the biggest issue is the yardage from the forward tees. *We strongly recommend creating new forward tees, with a yardage between 4,200 and 4,500 yards.*

Another issue, however, is making women feel comfortable at the course. While we heard not complaints about how the staff treat women, they still get a clear message they are not as welcome when they walk in the door. This is because the selection of women's merchandise pales in comparison to the choices for men. This despite the fact that women are notorious for shopping! Indeed, the poor selection of women's goods was the second most frequent complaint on the survey behind pace of play. And it probably would have received even more complaints *had there be more women playing the course!*

It is a myth in proshops that women will not buy merchandise in a proshop, which is the justification most pros have for offering such a limited selection. This tends to be a self-fulfilling prophecy as they will naturally buy less if offered less. The fact is that women tend to outspend their male counterparts on a per round basis (and by a wide margin), given two critical factors: 1) a good selection of merchandise, and 2) ALWAYS having a SALE.

We would also recommend creating clinics and programs aimed at "executive" women (women in the workforce, especially those in management level positions).

Leagues

While we are focusing most of the report on areas needing improving, we would be remiss if we did not state how good a job BVGC does with leagues. BVGC does by far the best job with leagues of any area course we surveyed. Further, the league play accounts for a huge part of the weekday business. While most courses struggle for weekday play, BVGC does not. It has at least one league Monday-Friday during the golf season.

It is difficult to tract exactly how many rounds are accounted for by leagues as most of the participants are pass holders and their rounds are not included in the league green fee counts (although we strongly recommend this be tracked). We would conservatively estimate that league play accounts for 25-30% of all play at BVGC.

It should be noted that league participants who pay by the round get a \$1 off the regular rate, which is appropriate.

Fees

A table of BVGC's current fees is presented below.

Bennett Valley Golf Course		
Fees		
	Weekday	Weekend
Green Fees		
18 hole rack Rate	\$24.00	\$38.00
9 hole rack rate	\$17.00	\$21.00
Twilight	\$17.00	\$21.00
Seniors	\$19.00	na
Senior 9 hole	\$12.00	na
Juniors	\$10.00	\$11.00
Junior 9 hole	\$8.00	\$7.00
Supertwilight	\$10.00	\$11.00
Cart Fee		
18 holes	\$14.00	
Range Fee		
Large	\$7.00	
Small	\$4.00	
Annual Pass		
Individual 7-day	\$1,265	
Couple 7-day	\$1,898	
Individual 5-day	\$935	
Couple 5-day	\$1,400	
Senior 5-day	\$836	
Senior Couple 5-day	\$1,254	

Rates are set by the City Council, usually in the July for the following calendar year. The Parks Director has the ability to modify the rates by 10%.

Comments

The single biggest issue to us is how the rates are set. BVGC is a *business* and is competing against privately owned businesses in a very competitive environment. It is almost absurd to think of any business that would set and *fix* its rates for an 18-month period, without giving its manager flexibility to make changes based on market conditions.

This issue goes back to the fact that the City receives 100% of the revenue from the green fees, but only about 10% of the rest of the income. The City does not set the rates on the other aspects of the operation. Nonetheless, the golf market is constantly

changing and is highly competitive. In such an environment, it is important to have maximum flexibility in order to adjust to market changes.

Instead of fixing the rates for 18 months, we recommend the City authorize a *range* of fees, within which the operator can adjust the fees according to market. Further, we feel it is important to at least give the Park Director greater authority to make adjustments (up or down). With discounts off rack rates averaging 30% on Golf Now, we feel the Park Director should be able to match these discounts if needed.

That being said, we do not see a need to reduce the rates (although we would want the operator to have the option of discounting to fill in empty tee times). Instead, we feel there is a great opportunity *to increase revenues through rate adjustments*.

There are two areas where we feel a rate increase is appropriate and would benefit the facility and the City. They are non-resident rates and weekend twilight.

- **Non-resident rates:** For years, BVGC had non-resident rates that were higher than the resident rate. The rate differential was eliminated two years ago in hopes of increasing play. As noted earlier, the rate reduction did help increase rounds, but *has not generated more revenue for the City*, although it has helped the operator significantly. (It should also be pointed out again that resident rounds went *down* as nonresident play increased, suggesting the nonresident play replaced the resident play. In addition, it is also the case that the change in the non-resident rate is the sole reason for the increase in play as ALL the area course reported strong increases in 2012, echoing area and national trends). Again, this goes to the nature of the current contract that rewards the operator for more rounds, but not for increasing the City's revenue. However, we feel the rate difference before may have been too much for current market conditions. *Our recommendation would be to have the non-resident rate 10% higher across the board.*
- **Weekend Twilight:** Play on weekends drops off dramatically at 10:30 in advance of the noon start to twilight. Moreover, the twilight rate on the weekend is 45% off the rack rate, compared to 29% during the week. Further, twilight play drops off around 2 pm and does not really pick up again until supertwilight rate starts at 5:30 (in the summer). It is also the earliest onset of any of the competitors. *Our recommendation would be to add a fourth rate tier on weekends. We would:*
 - Keep the current twilight rate, but move back the start-time until at least 2 pm (seasonally adjusted).
 - Add an afternoon rate of \$29.50, which would start at noon and go until the start of twilight.

The combination of these two changes should not only significantly increase revenue, but also help spread the play out throughout the day. We would anticipate less of a fall-off at 10:30 as there is less incentive to wait until noon so more people would opt to pay more and finish sooner. There would still be a big jump at noon, but now there would also be an increase at 2 pm.

- **Twilight start times:** BVGC is the only course *not* to change the start of twilight based on the season (or at least daylight savings time). We do not see the logic in this. At the very least, the times should get pushed back an hour with daylight savings. But again, we would give the operator flexibility to make adjustments based on market conditions.
- **Golf Now:** We would allow the Park Director the ability to offer discounts up to 33% through Golf Now. However, we would be very selective when these

discounts are given. There is no reason to offer discounts during peak play periods when the course is normally full anyway.

- **Discounting:** BVGC is already the value leader in the area and has far more play than anyone else. As a result, *we strongly recommend against extensive use of discounting, whether through Golf Now, coupons, etc.* Discount offerings should be limited to those times when you KNOW you are going to have a difficult time capturing play, such as last minute cancellations or the teetimes right before the onset of twilight or supertwilight.

Food and Beverage

Our review did not include a review of the operations of the Legends restaurant. However, to the extent that their operations affects the play at the golf course, we feel some comments are in order.

We will say that we dined twice at the restaurant and found the food quality to be excellent. However, service was mixed. It was excellent one time and poor the other time.

Turn Management

We previously discussed how pace of play is the biggest single complaint from golfers at BVGC. Based on staff interviews and observation, Legends is part of the problem.

At most courses, golfers tend to stop at the grill for refreshment when going from the ninth green to the tenth tee. This can create a big problem at the tenth tee if these golfers are not serviced quickly, and thus adversely affect the pace of play for all golfers following the group that stops.

Legends does have an intercom set up at the ninth tee to facilitate ordering, with the goal that golfers would order any food at the tee, then pick it up after they finished the hole.

The problem, apparently, is getting service once they get to the grill. Legends used to have an outdoor window exclusively to service the golfers. They have subsequently closed this window, forcing the golfers to go inside where they compete for attention with other diners from often only a single attendant behind the bar. So even if the food was ordered and ready, it can take a long time to get it.

We strongly recommend that Legends be required to keep the outdoor window open at least for the main lunch rush of 11-2.

Outdoor Grill

Another possible solution, which we highly recommend, is to set up an outdoor grill operation on the patio, or close to the 10th tee. This will greatly benefit both the dining operator and the golf operation. Outdoor grills, serving hamburgers, hotdogs, sausage, and chicken sandwiches, are extremely popular at golf courses. The smell of the outdoor grill will actually entice a much higher participation than indoor dining. In addition, it will help expedite service and thus improve the pace of play. Further, its popularity will add to the golf experience and could actually help increase play.

Market Mismatch

A more difficult issue is the fact that there is an apparent market mismatch between the golf operation and the restaurant. The golf course has established itself as a value leader, and thus much of its play comes from golfers who are price-sensitive.

However, Legends Sports Grill appears to target the more affluent golfer, with a menu and atmosphere that is consistent with those found at higher-end golf facilities. (It is also apparent that they do a lot of non-golf business, which is great, but outside the parameters of this study). Golfers attracted by \$17 green fees are not likely to want to pay \$7.75 for a hamburger.

This market mismatch can work to the detriment of both the grill and the golf operations as it means that a smaller percentage of the golfers will likely utilize the grill. This not only hurts the grill's revenue, but makes the golf experience less enjoyable.

Communications

We understand that there are communications issues between the Legends operation and the golf operation. This can affect performance of both operations and adversely affect the golfer.

Such a situation is very common at facilities where the two operations have different management companies and therefore different agendas. This is one of the reasons we always recommend that there be one vendor who operators both venues. We would encourage the City to consider bringing both operations under one operator when the two management contracts expire.

Marketing

The City's marketing department handles all the marketing for the course, such as it is. They do consult and coordinate with the proshop staff.

The budget for marketing is very thin at less than 0.5% of revenue. Most prudent facilities are spending at least 3-4% on marketing. In a highly competitive market many are spending more. However, the \$10,000 budgeted for FY12-13 is double that for FY10-11. Prior to FY10-11, advertising was clearly an afterthought, with expenditures of \$224 in FY09-10 and \$1,976 in FY10-11.

The emphasis in the current marketing plan focuses on social media (primarily Facebook) and the launching of a mobile app for the golf course.

Comments:

We certainly agree with the emphasis on Facebook and creating a mobile app. Both are good ideas. But the budget is still minimal. We would like to see it increased at least three fold or more.

Other recommendations include:

- **Staff:** We are told that City marketing staff are working at capacity and that any increase in the marketing budget for BVGC must also include an increase in staffing. Another option would be to have the operator become responsible for more of the marketing as he benefits as much or more from its efforts. With most municipal operations where a contractor is responsible for all operations, they are

also responsible for marketing. (If the management contract is changed, as recommended, to a pooled revenue, we would also include having the operator become responsible for most of the marketing). Further, there should be a minimum expenditure requirement.

- **Theme:** With 70,000 rounds, BVGC's problem is not really in attracting golfers to the course. Thus, we would discourage using discounting as a major focus of your marketing strategy. Discounting should only be used for very targeted times and media (such as Golf Now for specific teetimes). We much prefer the focus of the advertising to build on *image*, as well as programming. We would love to see family oriented ads, especially if you take our recommendations with regards to new forward tees and junior tees as well as a family clinics and family rates.
- **Website:** In today's world, the web is where golfers first turn when looking for a place to play. This is especially true for visitors to the area. Unfortunately, the BVGC is weak compared to its competition.
 - **Design:** The overall design of the website is weak. We do like the rotating pictures, but would like to see the ability for the golfers to find more pictures. Information is sparse. It basically just needs a little "juicing up."
 - **Content:** We would like to see more information on leagues. Ideally, we would like to see each league have its own page where they can post weekly results (with a Facebook link!). This will make the leagues even more attractive. Similarly, we would like a page for tournaments – both in terms of what you can offer, and notices about upcoming tournaments that players could participate in. Another great opportunity is to post both merchandise and food & beverage specials on a weekly basis. *Content needs to be changed and/or updated on a regular basis – preferably weekly.*
 - **Searchability:** A website is effective only if people can find it. While BVGC's website does readily come up when searching specifically for the golf course or "golf Santa Rosa", it is nowhere to be found on other searches golfers seeking to find a place to play may use, such as "golf Sonoma valley", "golf Napa", "Golf California wine country", "golf Rohnert Park" (or any of the surrounding cities). This is simply a missed opportunity to attract both travelers and regional residents looking for a golf course in the area.
- **Email:** In reading the marketing plan, we saw only one reference to an email campaign. Email is the most cost-effective marketing tool there is. We encourage a regular email campaign, with large mail-outs at least once a month and targeted emails on a weekly basis.
 - **Email Address:** We also suggest that the staff's email address utilize the golf course's domain name (e.g. staffname@bennettvalleygolf.org)
- **Social Media:** Facebook is certainly a good first step into social media. However, to be effective, the Facebook page needs to be regularly updated. We would like to see regular updates, preferably at least twice a week. Consider posting league results or linking to the website for this content. We also recommend being active on Twitter. This should be done through the proshop, with someone assigned to give at least *daily* posts. A strong twitter following allows for opportunities to fill teetimes at last minute (e.g. "we have a cancellation at 10 am. Call now and get \$5 off").

- **Print Media:** Contrary to popular opinion, print media is *not* dead, but still effective for golf. This is true in part because of the generally older population that plays golf, especially at BVGC. We encourage occasional ads in local papers and regional golf publications.
- **Billboard:** Billboards can be very effective in high-tourist areas, such as Sonoma Valley, in bringing in visiting golfers. While BVGC does not fit the profile a lot of traveling golfers are looking for (resort style courses), it would attract the more value-oriented traveler. It may be worthwhile, especially if the non-resident rate is reinstated, to try a billboard along US 101 for a six month period and measure its effectiveness. (One way to do so is to give them a different phone number to call and track the calls on this line).
- **Brochure:** Brochures can be effective, especially when promoting to tourists and for tournaments. BVGC does not currently have a brochure. We recommend creating a trifold brochure to be placed on area tourist racks in hotels, restaurants, etc. as well as distributed through the Chamber of Commerce, and Economic Development. The brochure needs to have the word "Golf" prominently displayed in the top 1 ½" of the front panel to stand out in a tourist rack.
- **Public relations:** PR announcements are free and can be effective. Make sure to send out press releases on holes-in-one and any significant event that takes place at the club.
- **Tracking Ads:** Savvy marketers realize it is important to constantly monitor the effectiveness of their marketing campaigns, including individual ads, so they can make adjustments accordingly. Redemption ads (coupons) are always easy to track. Internet ads that require a "click" that can be monitored are also easy to track. More difficult are general ads, such as billboards or print ads, that do not provide a discount or other easily trackable item. There are still ways of tracking effectiveness. These include:
 - **Tracking play:** The bottom line is how much impact the ads have to the bottom line. Simply tracking play before and after an ad is run and comparing to similar time periods, can give you a good idea. Of course there are always confounding elements (such as weather), so ideally this is repeated.
 - **Phone number:** The cost of phones has dropped and the digital age has made it easier to track calls. A sure way of tracking an ads effectiveness is to give it a unique phone number (or website address, etc.) where the responses can be easily monitored.

Tournaments

Tournaments can be VERY important to a golf course's bottom line. Not only are they a revenue source in and of themselves, but they provide a great marketing opportunity as they often will bring in players who may not otherwise have ever played the course. Further, they can be used to fill hard to fill teetimes.

However, BVGC does not actively solicit tournaments. They will host them if approached. Of course, one of the main issues is that, with 70,000 rounds, BVGC does not really need many tournaments to fill play. Further, there is a big risk in hosting too many tournaments as it would upset the regular players, which is the course's bread & butter.

Nonetheless, we would like to see the tournament strategy revised. Among our recommendations:

- **Pricing:** The operator should be given significant flexibility in the pricing of tournaments and outings. However, the main flexibility should not be in *discounting* the rates, but rather the ability to *charge more*. Tournaments do take time to setup properly and they are disturbing the play of the regular customers. So we would strongly encourage *increasing* the rates for tournaments, based on the normal demand for those timeslots. Many courses, for example, will charge a tournament substantially more for playing during prime time on weekends, while offering discounted rates for afternoon starts when it is less busy.
- **Tournament Package:** We would like to see BVGC develop a comprehensive tournament package. This would include a brochure, details on services available, and a catering menu. *Prices should not be included as the pricing for tournaments and outings should be on a case-by-case basis depending on the normal demand for the teetimes.*
- **Website:** A competitive advantage can be achieved if BVGC offers to post tournament information on its website. This information can include how to sign up for the tournament and costs involved prior to the tournament and results after the tournament is played.

Discussion

The City of Santa Rosa has every right to feel very proud of its golf facility. While the tone of this review may seem negative, it is only because we focused on the improvements that can be made rather than commenting on all the things that are being done right. Suffice it to say, this report would be significantly longer would we to mention all the many positives we found.

It should be said that we found BVGC to be an outstanding facility that is being managed very well. We can find no fault at all with the job the excellent court maintenance staff is doing, other than to point out the obstacles they have to work around.

We did, though, find many areas where improvement is needed and others where it would be highly desirable. These improvements range from very minor, to significant.

The most salient areas in need of improvement, in our opinion, are capital improvements to the course and financial controls. Areas where improvements are highly recommended to improve both performance and customer satisfaction include pace of play, marketing, and fee structure. We also recommend a restructuring of the management contract so that the interests of the City and the operator are aligned.

Capital Improvements

The capital improvements to the facility fall into two categories: those needed to *sustain* performance and those that can *improve* performance.

Improvements to Sustain Performance

Unfortunately, the ones needed to sustain performance are major in nature. However, the urgency is perhaps not as great as performance has not *yet* been adversely affected, although fixing them will likely *improve* performance. Chief among these is the need to replace the current irrigation system, increase water storage, and to fix the drainage issues, especially on holes 2, 5, 9 and 16. However, the greens are at an age where they will need to be redone in the near future. The same is true with the bunkers. Without making these improvements, the conditions of the course will no doubt begin to deteriorate and an escalating pace. This, in turn, will significantly affect performance.

Replacing the irrigation system typically will require closing the course, or at least nine holes at a time. Because of the major nature of the project and because the course will be closed, most course owners will choose this time to embark on other capital improvements, such as improving the tees, greens, bunkers and fairways. Drainage issues would certainly be addressed as well. Additional improvements can also be made, such as possible lengthening of the course or other design/layout changes that can improve the quality of the course.

Depending on what is done, the cost of these improvements can range from \$1.2 million (for just replacing the irrigation system) to \$4-\$5 million for a complete renovation of the golf course. *We strongly recommend having a golf course architect review the facility and create a master plan for the renovations.* Once the City has determined what improvements are to be made, the issue of timing can be addressed. The ideal time would be to coincide with the completion of the current operator contracts. However, we feel waiting six years may be too long to address the problems. Consideration should be

given to working with the management companies for a plan that may include extending the contract and adjusting compensation during the period the course is closed.

It should be noted that while these improvements are needed to sustain current performance, once completed, we would expect performance to improve. The amount of improvement will depend on the nature and quality of the improvements.

Improvements to Improve Performance

On the other hand, the most pressing capital improvement to us, is one that will have *an immediate and significant positive impact on performance*. More exciting is that *the cost is relatively low, with the possibility of doing a lot in-house*. This improvement, of course, is the addition of new tees.

Earlier we pointed out that for women, BVGC plays the equivalent of an 8,248 yard course for men. There is some acknowledgement of this by making it a par 75 for women. But, this is not a good solution for several reasons.

- An 8,248 course for most men would be more like a Par 82 not 75.
- It does not address the issue of pace of play. By having the course so long for women, it will naturally take them a lot longer to play. This adversely affects the play for everyone.
- Golfers are traditionalists. A Par of "75" is unusual and far less appealing than a par of 72.
- Players are going to shoot a lot higher scores at BVGC because of the relative length. This makes it a LOT less appealing to most golfers, especially on a regular basis.

We also pointed out that while the forward tees are at a good length for seniors, the male seniors are often reluctant to use them because they are still considered by many (especially seniors) as "ladies tees." Thus, the seniors will play from the middle tees. At 6,196 yards, these tees are longer than what most seniors prefer and we have the same problems as we see for women – higher scores, slower pace for everyone, and less customer satisfaction.

Sirius recommends that a fourth set of tees be constructed, with a Par of 72 for women and a total length between 4,300 and 4,700 yards. The table to the right shows a possible solution that makes the course equitable for women on a hole by hole basis. Of course, we would recommend consulting with a golf course architect before proceeding. However, it should be noted that many, if not most, golf course architects continue to build the forward tees too far back and do not understand the impact of doing so.

Hole	Current		Recommended	
	Par	Yardage	Par	Yardage
1	5	420	5	340
2	5	422	4	300
3	4	340	4	260
4	4	293	4	230
5	5	449	5	375
6	3	143	3	115
7	4	331	4	255
8	3	177	3	145
9	4	337	4	270
Subtotal	37	2,912	36	2,290
10	5	454	5	360
11	3	125	3	110
12	5	400	4	308
13	4	319	4	270
14	4	358	4	280
15	3	104	3	104
16	4	272	4	268
17	5	407	4	315
18	5	423	5	345
Subtotal	38	2,862	36	2,360
TOTAL	75	5,774	72	4,650

With the new forward tees, BVGC will have four sets of tees, which will increase its market appeal to a much larger segment of golfers.

In addition to the new forward tees, which should be of at least the same quality as the other tees, we recommend creating "junior" tees in accordance with USGA recommendations. These tees, sometimes called "family tees" are usually simply markers set near the fairway at suitable distances for younger golfers. These family tees have the same goal for children as the new forward tees accomplish for women. It makes the game faster and more fun.

Current Management Contract

As we have noted throughout this report, we have significant concerns about how the current management contract is structured. It has been our experience that whenever there is a differential split in revenue (such as the city getting 100% of the revenue and the operator getting most everything else), there is inevitably a conflict of interest.

This is because it is human nature to want to maximize your own personal income, and sometimes this pressure (and it can be subconscious) will influence the operator's decision in such a way that it favors themselves at the cost of the City. We see a great example of this in the decision to eliminate the non-resident rates. This move did increase rounds, which definitely benefits the operator because he makes his money on everything *but* green fees. So discounting green fees has no personal cost at all to the operator, but offers a great opportunity to increase volume, which translates into personal income. But discounting the green fees *can* hurt the City's share of the revenue as we have seen recently.

Again, we must emphasize that this may not be a deliberate manipulation, but can be subconscious or even unintentional. But the fact remains that under this contract there are definite situations where the contractor will benefit at the cost of the City.

And, as we also pointed out, the contract is also not fair to Mr. Borowitz in that it treats all the other revenue the same, regardless of the cost of sales involved. The prime example is merchandise sales where the typical cost of sales is already 70%. With the City adding another 10-15% off the top, there is little incentive to aggressively pursue merchandise sales. This, ultimately, can hurt everyone, but especially the consumer as there is less selection available.

Our solution is to pool ALL *net* revenue together into one pot and *then* split it. We define "net revenue" as gross receipts less cost-of-sales. In this way, what is good for the operator will be good for the City and vice-versa. (We would recommend that the initial percentage be established so the resulting calculation would yield a similar net split to the average yield over the past several years).

In lieu of having money going in both directions, we would suggest having a break point in the revenue split. For example, for the first \$1,000,000 in revenue, the operator would get 95% of the revenue, thereafter it would go to 60% or whatever the agreed upon split would be.

It would also be our strong recommendation that at the earliest possible time given the two existing contracts, that the management of the restaurant and the management of the golf course be folded into a single contract with a single vendor.

Conclusion

While there is a lot to like about BCGC, both the facility and its management, there is also equally clearly room for improvement. Within this report, we have detailed a number of strategies that we feel will significantly improve performance. And without question, the biggest impact items would be adding a new set of tees and the restructuring of the rates, including reinstating the non-resident rate and adding a new rate tier on weekends. These two factors alone could improve revenue by 10-12%.

With these improvements, plus better marketing and other operational changes that will improve pace of play and the golfer's experience, we foresee a return to the 80,000 round level, with revenues to the City exceeding \$1.8 million.

However, there is a shadow across the horizon in the form of the increasing need for a major renovation to the facility, especially putting in new irrigation, increased water storage and improved drainage. Planning for this project should begin as soon as possible, with the first step being hiring an architect for a master plan and creating a business plan to determine financing options and prepare for the financial and operational impact these renovations will have.

Appendix A: Demographics

	Population Change					
	10 miles		25 miles		50 miles	
	Number	Percent Change	Number	Percent Change	Number	Percent Change
1980 Census	553,378		1,713,934		2,889,177	
1990 Census	707,568	27.90%	2,175,579	26.90%	3,822,463	32.30%
2000 Census	864,175	22.10%	2,793,581	28.40%	4,948,568	29.50%
2010 Projection	943,319	9.20%	3,381,873	21.10%	6,241,973	26.10%
2015 Projection	971,806	3.00%	3,714,967	9.80%	6,948,597	11.30%

	Families (2010)		
	10 miles	25 miles	50 miles
	Families	220,985	785,644
Average Household Size	2.87	2.85	2.88

	Population by Race (2010)					
	10 miles		25 miles		50 miles	
	Number	Percent	Number	Percent	Number	Percent
White	581,059	61.60%	2,137,005	63.20%	4,200,588	67.30%
Black	167,820	17.80%	566,999	16.80%	899,822	14.40%
Asian	47,336	5.00%	211,660	6.30%	324,471	5.20%
Native American Hawaiian / Pacific Islander	5,300	0.60%	16,897	0.50%	28,768	0.50%
Two or More	1,019	0.10%	3,263	0.10%	8,470	0.10%
Other Race	26,076	2.80%	83,828	2.50%	168,262	2.70%
Total	114,709	12.20%	362,221	10.70%	611,593	9.80%
Total	943,319	100.00%	3,381,873	100.00%	6,241,974	100.00%

	Hispanic Population (2010)					
	10 miles		25 miles		50 miles	
	Number	Percent	Number	Percent	Number	Percent
Hispanic	340,777	36.10%	1,106,658	32.70%	1,765,835	28.30%
Not Hispanic	602,541	63.90%	2,275,215	67.30%	4,476,138	71.70%
Total	943,318	100.00%	3,381,873	100.00%	6,241,973	100.00%

**Bennett Valley Golf Course Operations Review
Demographics**

Appendix A:

Income (2010)

	10 miles	25 miles	50 miles
Median Household Income	\$48,359	\$55,641	\$56,868
Average Household Income	\$66,349	\$82,241	\$80,792
Average Family Income	\$73,684	\$92,732	\$90,724

Households by Income (2010)

	10 miles		25 miles		50 miles	
	Number	Percent	Number	Percent	Number	Percent
Less Than \$10,000	20,460	6.30%	67,733	5.80%	119,534	5.60%
\$10,000-\$14,999	14,554	4.50%	47,230	4.00%	86,565	4.00%
\$15,000-\$19,999	18,917	5.80%	57,522	4.90%	99,340	4.60%
\$20,000-\$24,999	20,330	6.20%	61,729	5.30%	107,007	5.00%
\$25,000-\$29,999	21,015	6.40%	65,203	5.60%	112,545	5.30%
\$30,000-\$34,999	20,807	6.40%	62,991	5.40%	112,336	5.30%
\$35,000-\$39,999	18,147	5.60%	57,937	4.90%	104,610	4.90%
\$40,000-\$49,999	34,757	10.60%	111,160	9.50%	201,239	9.40%
\$50,000-\$59,999	29,592	9.10%	96,902	8.30%	182,916	8.60%
\$60,000-\$74,999	34,326	10.50%	116,088	9.90%	220,749	10.30%
\$75,000-\$99,999	38,655	11.80%	144,471	12.30%	283,171	13.20%
\$100,000-\$124,999	22,593	6.90%	98,957	8.40%	187,676	8.80%
\$125,000-\$149,999	12,566	3.80%	59,204	5.10%	109,712	5.10%
\$150,000-\$199,999	10,365	3.20%	60,232	5.10%	108,118	5.10%
\$200,000-\$249,999	3,005	0.90%	20,517	1.80%	34,392	1.60%
\$250,000-\$499,999	3,602	1.10%	25,518	2.20%	40,365	1.90%
\$500,000+	2,876	0.90%	18,935	1.60%	27,334	1.30%
Total	326,567	100.00%	1,172,329	100.00%	2,137,609	100.00%

Households by Tenure (2010)

	10 miles		25 miles		50 miles	
	Number	Percent	Number	Percent	Number	Percent
Owner Occupied	194,778	53.40%	695,965	53.30%	1,349,224	56.80%
Renter Occupied	131,788	36.10%	476,365	36.50%	788,386	33.20%
Vacant	38,010	10.40%	132,872	10.20%	237,738	10.00%
Total	364,576	100.00%	1,305,202	100.00%	2,375,348	100.00%

**Bennett Valley Golf Course Operations Review
Demographics**

Appendix A:

	Population by Age					
	Immediate Area		Local Area		Regional Area	
	Number	Percent	Number	Percent	Number	Percent
Age 0-4	79,638	8.40%	273,925	8.10%	505,076	8.10%
Age 5-9	78,907	8.40%	271,654	8.00%	498,153	8.00%
Age 10-14	72,262	7.70%	248,689	7.40%	461,797	7.40%
Age 15-19	64,961	6.90%	227,394	6.70%	427,183	6.80%
Age 20-24	58,050	6.20%	214,481	6.30%	403,509	6.50%
Age 25-29	62,635	6.60%	241,091	7.10%	447,712	7.20%
Age 30-34	71,652	7.60%	263,427	7.80%	476,878	7.60%
Age 35-39	77,797	8.20%	273,216	8.10%	486,170	7.80%
Age 40-44	74,718	7.90%	264,458	7.80%	474,916	7.60%
Age 45-49	69,141	7.30%	250,736	7.40%	458,548	7.30%
Age 50-54	60,691	6.40%	225,067	6.70%	418,499	6.70%
Age 55-59	49,342	5.20%	185,897	5.50%	347,308	5.60%
Age 60-64	38,873	4.10%	145,910	4.30%	275,439	4.40%
Age 65-69	28,216	3.00%	104,914	3.10%	199,066	3.20%
Age 70-74	20,128	2.10%	71,275	2.10%	134,952	2.20%
Age 75-79	14,554	1.50%	49,655	1.50%	94,349	1.50%
Age 80-84	10,504	1.10%	34,625	1.00%	65,760	1.10%
Age 85+	11,251	1.20%	35,458	1.00%	66,658	1.10%
Total	943,319	100.00%	3,381,873	100.00%	6,241,973	100.00%

Appendix B: Competition

Facility List

Miles from Subject	Company Name Golf Facility	City	County	Total Holes	Year Open	Price Point	Type	Tee Stations	Peak Green Fee	Sales Sq. Ft.
PUBLIC CLUBS										
Immediate Area										
0.0	Bennett Valley Golf Course	Santa Rosa	Sonoma	18	1970	B	MU	50	\$51.00	2,000
2.2	Fairgrounds Golf Course	Santa Rosa	Sonoma	9	1960	C	DF	15	\$14.00	1,000
4.0	Oakmont Golf Club West	Santa Rosa	Sonoma	18	1963	B	DF	50	\$66.00	4,000
4.6	Oakmont Golf Club East	Santa Rosa	Sonoma	18	1963	B	DF	0	\$50.00	0
4.6	Foxtail Golf Club	Rohnert Park	Sonoma	36	1963	B	MU	40	\$67.00	1,200
7.4	Wikiup Golf Course	Santa Rosa	Sonoma	9	1963	C	DF	0	\$31.00	1,500
7.6	Washoe Creek Golf Course	Cotati	Sonoma	9	2006	C	DF	0	\$15.00	200
9.8	Sebastopol Golf Course	Sebastopol	Sonoma	9	1960	C	DF	0	\$24.00	1,200
Local Area										
10.5	The Windsor Golf Club	Windsor	Sonoma	18	1989	B	DF	25	\$70.00	900
11.2	Rooster Run Golf Club	Petaluma	Sonoma	18	1998	A	DF	50	\$72.00	700
12.3	Mount Saint Helena Golf Course	Calistoga	Napa	9	1955	B	MU	8	\$52.00	800
12.8	Adobe Creek Golf Club	Petaluma	Sonoma	18	1990	B	DF	25	\$66.00	1,500
16.7	Vintner's Golf Club	Yountville	Napa	9	1999	B	DF	65	\$57.00	2,000
16.8	Healdsburg Golf Club	Healdsburg	Sonoma	9	1921	B	MU	18	\$40.00	5,000
18.8	Northwood Golf Club	Monte Rio	Sonoma	9	1929	C	DF	6	\$36.00	1,000
20.5	The New Links At Bodega Harbour	Bodega Bay	Sonoma	18	1976	A	DF	0	\$90.00	600
20.8	Indian Valley Golf Club	Novato	Marin	18	1957	A	DF	23	\$76.00	1,700
23.4	Napa Golf Course	Napa	Napa	18	1967	B	MU	22	\$59.00	900
23.7	StoneTree Golf Club	Novato	Marin	18	2000	A	DF	65	\$120.00	1,500
Regional Area										
26.4	Eagle Vines Vineyards & Golf Club	American Canyon	Napa	18	2004	A	DF	18	\$80.00	900
26.5	Hidden Valley Lake Golf & Country Club	Hidden Valley Lake	Lake	18	1965	B	DF	14	\$55.00	400
27.3	Chardonnay Golf Club	American Canyon	Napa	18	1987	A	DF	50	\$84.00	1,700
28.0	San Geronimo Golf Club	San Geronimo	Marin	18	1965	A	DF	0	\$79.00	1,000
28.5	Mclinnis Park Golf Center	San Rafael	Marin	9	1993	C	DF	54	\$28.00	2,000
28.9	Adams Springs Golf Course	Loch Lomond	Lake	9	1962	C	DF	0	\$24.00	1,800
30.7	Joe Mortara Municipal Golf Course	Vallejo	Solano	9	1974	C	MU	0	\$14.00	1,200
31.1	Peacock Gap Golf Club	San Rafael	Marin	18	1950	A	DF	18	\$74.00	500
31.9	Mare Island Golf Club	Vallejo	Solano	18	1892	B	DF	12	\$58.00	600
31.9	Hiddenbrooke Golf Club	Vallejo	Solano	18	1995	A	DF	25	\$95.00	900
32.2	Blue Rock Springs Golf Club	Vallejo	Solano	36	1941	B	DF	28	\$54.00	800
33.4	Rancho Solano Golf Course	Fairfield	Solano	18	1990	A	MU	25	\$74.00	700
35.6	Yocha Dehe Golf Club	Brooks	Yolo	18	2008	A	DF	12	\$105.00	1,000
36.0	Mill Valley Golf Course	Mill Valley	Marin	9	1919	C	MU	0	\$34.00	600

Bennett Valley Golf Course Operations Review

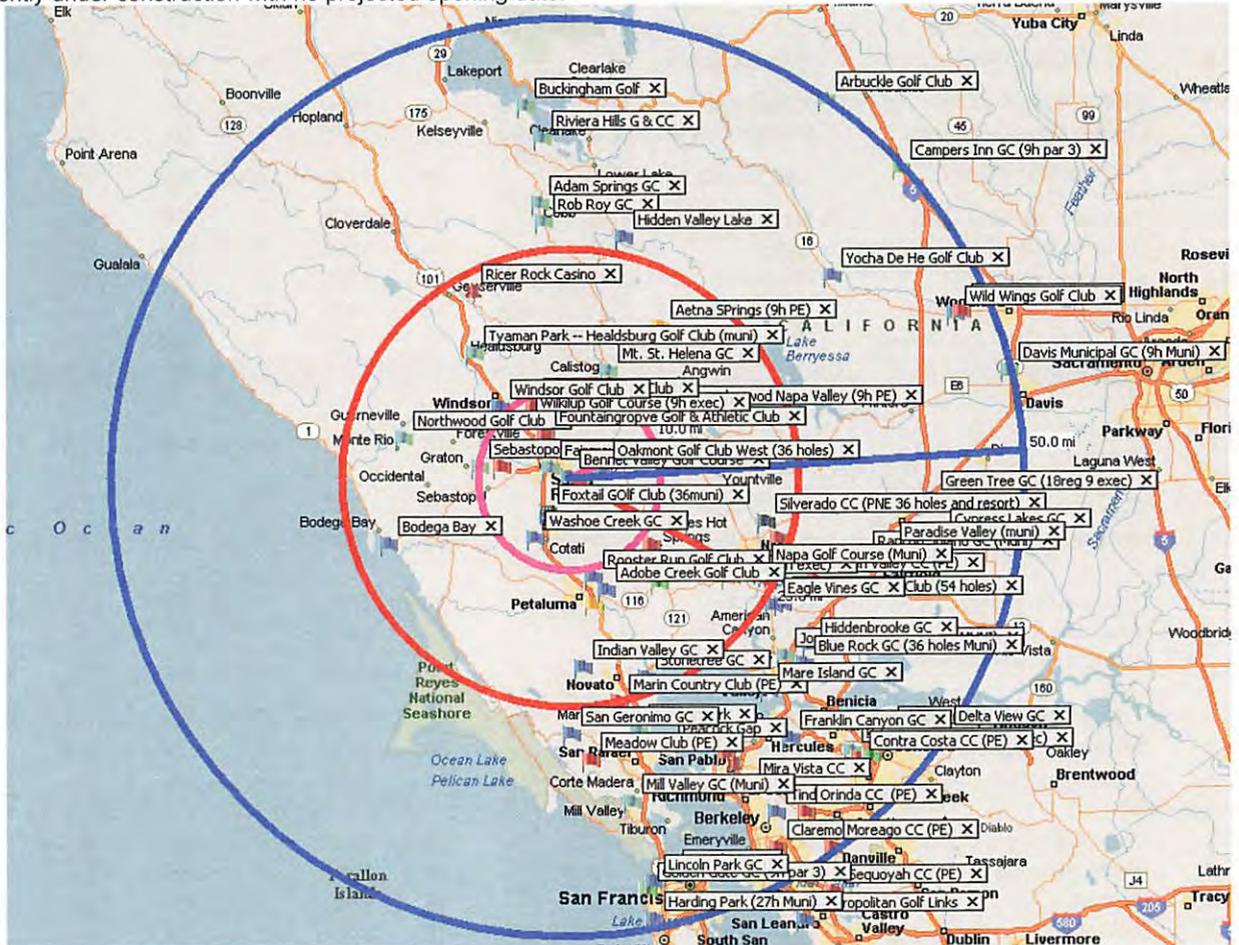
Appendix B: Competition

Miles from Subject	Company Name	City	County	Total Holes	Year Open	Price Point	Type	Tee Stations	Peak Green Fee	Sales Sq. Ft.
36.1	Paradise Valley Golf Course	Fairfield	Solano	18	1993	A	MU	40	\$74.00	800
37.6	Franklin Canyon Golf Course	Hercules	Contra Costa	18	1968	B	DF	25	\$60.00	1,600
37.6	Riviera Hills Golf and Country Club	Kelseyville	Lake	9	1965	C	DF	0	\$20.00	400
39.7	Green Tree Golf Club	Vacaville	Solano	27	1969	B	DF	24	\$54.00	1,500
41.7	Buckingham Golf & Country Club	Kelseyville	Lake	9	1955	B	DF	15	\$48.00	450
43.0	Pine Meadows Public Golf Course	Martinez	Contra Costa	9	1966	C	DF	0	\$16.00	450
43.4	Tilden Park Golf Course	Berkeley	Contra Costa	18	1937	B	MU	70	\$65.00	800
44.7	Diablo Creek Golf Course	Concord	Contra Costa	18	1963	B	MU	40	\$53.00	400
44.9	Buchanan Fields Golf Course	Concord	Contra Costa	9	1955	C	DF	54	\$22.00	800
45.0	Grayson Woods Golf Course	Pleasant Hill	Contra Costa	9	2001	C	DF	0	\$29.00	1,000
45.0	Presidio Golf Course	San Francisco	San Francisco	18	1895	A	DF	48	\$145.00	1,000
45.1	Lincoln Park Golf Course	San Francisco	San Francisco	18	1928	B	MU	0	\$67.00	1,200
45.8	Golden Gate Golf Course	San Francisco	San Francisco	9	1951	C	MU	9	\$20.00	500
45.9	Wild Wings Golf Club	Woodland	Yolo	9	2005	C	DF	0	\$28.00	600
48.4	Diablo Hills Golf Course	Walnut Creek	Contra Costa	9	1975	C	DF	0	\$32.00	150
49.0	TPC Harding Park	San Francisco	San Francisco	27	1925	A	MU	25	\$175.00	1,100
49.5	Campers Inn Golf Course	Dunnigan	Yolo	9	1986	C	DF	0	\$9.00	0
49.7	Davis Municipal Golf Course	Davis	Yolo	18	1964	C	MU	23	\$33.00	900
49.8	Arbuckle Golf Club	Arbuckle	Colusa	9	1925	C	DF	20	\$26.00	750
49.8	Delta View Golf Course	Pittsburg	Contra Costa	18	1947	B	DF	40	\$62.00	1,000
50.0	Boundary Oak Golf Course	Walnut Creek	Contra Costa	18	1969	B	MU	50	\$57.00	1,200
Private Clubs										
Immediate Area										
5.1	Fountaingrove Golf & Athletic Club	Santa Rosa	Sonoma	18	1985	P	PN	15	\$150.00	900
7.4	Santa Rosa Golf & Country Club	Santa Rosa	Sonoma	18	1958	P	PE	15	\$135.00	1,200
8.6	Mayacama Golf Club	Santa Rosa	Sonoma	18	2001	P	PN	12	\$125.00	1,000
Local Area										
11.6	Sonoma Golf Club	Sonoma	Sonoma	18	1928	P	PN	12	\$103.00	1,600
12.9	Meadowood Napa Valley	Saint Helena	Napa	9	1963	P	PE	1	\$45.00	800
14.0	Petaluma Golf & Country Club	Petaluma	Sonoma	9	1922	P	PE	20	\$33.00	1,200
20.5	Vineyard Knolls Golf Club	Napa	Napa	9	2000	P	PN	0	\$0.00	0
22.2	Silverado Resort and Spa	Napa	Napa	36	1966	P	PN	45	\$169.00	1,500
23.8	Napa Valley Country Club	Napa	Napa	18	1917	P	PE	40	\$140.00	1,500
Regional Area										
25.2	Marin Country Club	Novato	Marin	18	1957	P	PE	20	\$75.00	850
29.4	Green Valley Country Club	Fairfield	Solano	18	1950	P	PE	30	\$95.00	1,200
31.0	Meadow Club	Fairfax	Marin	18	1927	P	PE	20	\$250.00	2,500
34.7	Richmond Country Club	Richmond	Contra Costa	18	1924	P	PE	30	\$95.00	1,700
39.0	Mira Vista Golf & Country Club	El Cerrito	Contra Costa	18	1922	P	PE	8	\$75.00	1,500
41.3	Cypress Lakes Golf Course	Vacaville	Solano	18	1960	P	PR	20	\$51.00	1,000
44.3	Contra Costa Country Club	Pleasant Hill	Contra Costa	18	1925	P	PE	12	\$105.00	900
44.8	Orinda Country Club	Orinda	Contra Costa	18	1924	P	PE	0	\$150.00	2,500
46.2	Claremont Country Club	Oakland	Alameda	18	1903	P	PE	0	\$125.00	1,000

Miles from Subject	Company Name	City	County	Total Holes	Year Open	Price Point	Type	Tee Stations	Peak Green Fee	Sale Sq. Ft.
46.7	Yolo Fliers Club	Woodland	Yolo	18	1919	P	PE	30	\$67.00	900
49.6	Moraga Country Club	Moraga	Contra Costa	18	1974	P	PE	17	\$92.00	900
49.9	The Olympic Club	San Francisco	San Francisco	45	1924	P	PN	60	\$101.00	500
Practice Facility/Range										
10.3	Petaluma Golf Center	Petaluma	Sonoma		1998			56		1,000
12.4	Flowers Golf Range of Sonoma	Sonoma	Sonoma		1993			26		0
39.9	The Golf Range	Suisun City	Solano		2001			24		1,000
48.6	Montclair Golf Club	Oakland	Alameda		1940			60		1,000

in Planning/Under Construction

23.0 Langtry Estates and Vineyard Golf Club Middletown Lake
 This project includes an 18-hole golf course and 10,000 square-foot clubhouse, practice facility and a resort hotel. The facility is currently under construction with no projected opening date.



Appendix C: Comparable Courses

Comparable Courses Regulation

Course Name	City	County	Type	Dist	Drive	# Holes	Yr Built	Age	Architect
Bennett Valley Golf Course	Santa Rosa	Sonoma	MU	0.0		18	1970	43	Ben Harmon
Adobe Creek Golf Club	Petaluma	Sonoma	DF	12.8	26.0	18	1990	23	Robert Trent Jones Jr
Napa Golf Course	Napa	Napa	MU	23.4	48.0	18	1967	46	Bob Baldock/Jack Fleming
Blue Rock Springs East	Vallejo	Sonoma	MU	32.2	56.0	36	1941	72	Robert Muir Graves
Blue Rock Springs West									Joe Mortara Sr./Fleming/Robert Muir Graves
Rooseter Run Golf Club	Petaluma	Sonoma	MU	11.2	20.0	18	1998	15	Fred Bliss
Oakmont Golf Club West	Santa Rosa	Sonoma	DF	4.0	19.0	36	1963	50	Ted Robinson
Mare Island Golf Club	Mare Island	Sonoma	MU	31.9	58.0	18	1892	121	Robin Nelson
Foxtail Golf Club - North	Rohnert Park	Sonoma	MU	4.6	16.0	36	1963	50	Gary Roger Baird
Foxtail Golf Club - South									Bob Baldock
Windsor Golf Club	Windsor	Sonoma	MU	10.5	17.0	18	1989	24	Fred Bliss
TOTAL			9	14.5	32.5	216	1963.7	49.3	

Bennett Valley Golf Course Operations Review

Appendix C: Comparable Courses

Course Name	M Par	W Par	# Tees	Back Tees		Champ Tees		Regular Tees		Senior Tees		Forward Tees	
				Yard	Slp								
Bennett Valley Golf Course	72	75	3	6,545	120			6,196	117			5,774	118
Adobe Creek Golf Club	72	72	4	6,840	129			6,244	121	5,697	116	5,039	115
Napa Golf Course	72	73	4	6,704	130	6,338	128	6,035	126			5,442	128
Blue Rock Springs East	70	70	4	6,162				5,776		5,332		4,869	
Blue Rock Springs West	71	71	4	6,014				5,661		5,352		4,988	
Rooseiter Run Golf Club	72	72	4	7,001	136	6,464	129	5,889	120			5,139	118
Oakmont Golf Club West	72	72	4	6,379	126			6,059	122	5,573	118	3,719	
Mare Island Golf Club	70	71	6	6,150	124			5,788	122			4,862	113
Foxtail Golf Club - North	72	72	4	6,851	128	6,394	123	5,846	120			5,261	116
Foxtail Golf Club - South	71	71	5	6,492	124	6,224	122	5,830	120	5,343	117	4,818	111
Windsor Golf Club	72	72	4	6,621	133				127	5,591	123	5,050	119
TOTAL	71.5	71.9	4.2	6,524	127.8	6,355	125.5	5,932	121.7	5,481	118.5	4,996	117.3

Course Name	Driv Rng	Proshop	Sm #	Driving Range				
				Sm \$	\$/ball	Lrg #	Lg \$	\$/ball
Bennett Valley Golf Course	50	2,000	35	\$4.00	\$0.114	70	\$7.00	\$0.100
Adobe Creek Golf Club	25	700	35	\$4.00	\$0.114	105	\$10.00	\$0.095
Napa Golf Course	22	900	30	\$4.00	\$0.133	60	\$8.00	\$0.133
Blue Rock Springs East	28	800	35	\$3.50	\$0.100	105	\$10.00	\$0.095
Blue Rock Springs West								
Rooseiter Run Golf Club	50		35	\$4.00	\$0.114	105	\$10.00	\$0.095
Oakmont Golf Club West	50	1,000	30	\$5.00	\$0.167	60	\$7.00	\$0.117
Mare Island Golf Club	12	600	35	\$4.00	\$0.114			
Foxtail Golf Club - North	40	990	35	\$6.00	\$0.171	70	\$9.00	\$0.129
Foxtail Golf Club - South								
Windsor Golf Club	25	900	35	\$4.00	\$0.114	105	\$10.00	\$0.095
TOTAL	34	986	33.9	\$4.28	\$0.127	85.0	\$8.88	\$0.107

Course Name	Cart Fee	Weekday	Friday	Weekend	Res WD	Res WE	Weekday	Friday	Weekend
Bennett Valley Golf Course	\$14.00	\$24.00	\$24.00	\$38.00			\$38.00	\$38.00	\$52.00

Bennett Valley Golf Course Operations Review

Appendix C: Comparable Courses

Adobe Creek Golf Club	\$14.00	\$35.00	\$38.00	\$52.00	\$29.00	\$44.00	\$49.00	\$52.00	\$66.00
Napa Golf Course	\$14.00	\$38.00	\$38.00	\$45.00	\$29.00	\$38.00	\$52.00	\$52.00	\$59.00
Blue Rock Springs East	\$16.00	\$32.00	\$32.00	\$39.00	\$26.00	\$33.00	\$48.00	\$48.00	\$55.00
Blue Rock Springs West									
Rooseter Run Golf Club	\$14.00	\$38.00	\$42.00	\$58.00	\$29.00	\$44.00	\$52.00	\$56.00	\$72.00
Oakmont Golf Club West	\$16.00	\$34.00	\$39.00	\$52.00			\$50.00	\$55.00	\$68.00
Mare Island Golf Club	\$14.00	\$31.00	\$31.00	\$44.00			\$45.00	\$45.00	\$58.00
Foxtail Golf Club - North	\$15.00	\$35.00	\$35.00	\$49.00	\$25.00	\$34.00	\$50.00	\$50.00	\$64.00
Foxtail Golf Club - South	\$15.00	\$25.00	\$25.00	\$29.00	\$19.00	\$27.00	\$40.00	\$40.00	\$44.00
Windsor Golf Club	\$14.00	\$37.00	\$44.00	\$56.00	\$33.00	\$51.00	\$51.00	\$58.00	\$70.00
TOTAL	\$14.60	\$32.90	\$34.80	\$46.20	\$27.14	\$38.71	\$47.50	\$49.40	\$60.80

Peak Season Rates

Course Name	Sen WD	Sen WE	GN WD	% Disc	GN WE	% Disc	9 H wkd	9 H wkE
Bennett Valley Golf Course	\$19.00		\$24.00	0.0%	\$38.00	0.0%	\$17.00	\$21.00
Adobe Creek Golf Club	\$27.00		\$21.00	40.0%	\$38.00	26.9%		
Napa Golf Course	\$26.00		\$21.00	44.7%	\$35.00	22.2%	\$21.00	\$24.00
Blue Rock Springs East			\$24.00	25.0%	\$28.00	28.2%		
Blue Rock Springs West								
Rooseter Run Golf Club	\$27.00		\$24.00	36.8%	\$58.00	0.0%		
Oakmont Golf Club West	\$30.00	\$45.00	\$26.00	23.5%	\$41.00	21.2%	\$28.00	\$39.00
Mare Island Golf Club	\$20.00		\$26.00	16.1%	\$38.00	13.6%		
Foxtail Golf Club - North	\$25.00	\$34.00	\$24.00	31.4%	\$49.00	0.0%		
Foxtail Golf Club - South	\$19.00	\$27.00	\$14.00	44.0%	\$14.00	51.7%		
Windsor Golf Club	\$26.00	\$45.00						
TOTAL	\$24.33	\$37.75	\$22.67	29.1%	\$37.67	18.2%	\$22.00	\$28.00

Bennett Valley Golf Course Operations Review

Appendix C: Comparable Courses

Course Name	Peak Season Rates						Rounds	
	Twil Wday	Twil WE	Twil Start	STW WD	STW WE	STW Start	2011	2012
Bennett Valley Golf Course	\$17.00	\$21.00	12:00 PM	\$10.00	\$11.00	3:45 PM	64,925	70,266
Adobe Creek Golf Club	\$24.00	\$35.00	12:00 PM	\$24.00	\$35.00	2:00 PM		
Napa Golf Course	\$26.00	\$31.00	1:30 PM	\$18.00	\$21.00	3:30 PM	35,000	36,000
Blue Rock Springs East	\$21.00	\$23.00	1:00 PM			4:00 PM		
Blue Rock Springs West								
Roseter Run Golf Club	\$27.00	\$39.00	12:00 PM	\$27.00	\$33.00	2:00 PM	48,000	49,500
Oakmont Golf Club West	\$24.00	\$37.00	1:00 PM	\$19.00	\$19.00	4:00 PM	32,500	34,000
Mare Island Golf Club	\$22.00	\$25.00	2:00 PM	\$12.00	\$15.00	4:00 PM	41,000	41,000
Foxtail Golf Club - North	\$27.00	\$27.00	1:00 PM	\$15.00	\$15.00	4:00 PM	35,484	39,635
Foxtail Golf Club - South	\$15.00	\$15.00		\$9.00	\$9.00		35,484	39,635
Windsor Golf Club	\$26.00	\$39.00	12:00 PM	\$18.00	\$27.00	2:00 PM	52,000	50,500
TOTAL	\$22.90	\$29.20	12:43 PM	\$16.89	\$20.56	3:15 PM	43,049	45,067

Course Name	Percent of Play							
	% Memb	% Women	% Seniors	% Junior	% Tourn	% League	% Disc	% 9 hole
Bennett Valley Golf Course	19%	7%	33%	3%	8%	15%	4%	18%
Adobe Creek Golf Club	14%	10%	40%	2%	3%	0%	16%	0%
Napa Golf Course	5%	15%	50%		20%	10%	35%	20%
Blue Rock Springs East	37%	15%	40%		15%	10%	40%	0%
Blue Rock Springs West								
Roseter Run Golf Club	25%	10%	35%		7%	5%	10%	0%
Oakmont Golf Club West			90%					
Mare Island Golf Club	10%	5%	65%			12%		5%
Foxtail Golf Club - North	15%	5%	13%	1%	5%	3%	10%	3%
Foxtail Golf Club - South								
Windsor Golf Club	29%	10%	35%		12%	2%	10%	1%
TOTAL	19.2%	9.6%	44.6%	1.8%	9.9%	7.1%	17.9%	5.9%

Bennett Valley Golf Course Operations Review

Appendix C: Comparable Courses

Course Name	Init	Membership										Trail Fee	# Mem per 18	
		Single		Couple		Senior	Cart Single		Cart Couple					
		5 day	7 day	5 day	7 day	5 Day	5 day	7 day	5 day	7 day				
Bennett Valley Golf Course		\$865	\$1,400	\$998	\$2,100									
Adobe Creek Golf Club		\$2,069	\$2,646	\$2,804	\$3,288		\$656	\$882	\$761	\$1,102				40
Napa Golf Course														30
Blue Rock Springs East			\$1,050		\$1,890									325
Blue Rock Springs West														325
Rooseter Run Golf Club	\$115	\$2,069	\$2,646	\$2,804	\$3,288		\$656	\$882	\$761	\$1,102				130
Oakmont Golf Club West	\$500	\$2,220	\$2,520	\$3,540	\$3,840						\$495			300
Mare Island Golf Club	\$100	\$1,248	\$1,968			\$768								80
Foxtail Golf Club - North		\$1,625	\$2,225	\$2,125	\$2,975	\$1,425	\$800	\$900	\$1,000	\$1,200	\$750			
Foxtail Golf Club - South														
Windsor Golf Club	\$115	\$1,849	\$2,646	\$2,483	\$3,388		\$900	\$882	\$1,103	\$1,102				160
TOTAL	\$208	\$1,706	\$2,138	\$2,459	\$2,967	\$1,097	\$753	\$887	\$906	\$1,127	\$623			174

Final Report of Findings

for the

**Bennett Valley Golf Course,
Irrigation System
Evaluation Project**



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May 12, 2014

**Final Report of Findings
Golf Course Irrigation System Evaluation
Bennett Valley Golf Course
Santa Rosa, CA**

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**Final Report of Findings
Golf Course Irrigation System Evaluation
Bennett Valley Golf Course
Santa Rosa, CA**

1.0 Irrigation System Overview

The Bennett Valley Golf Course is located in the rural area outside the downtown area of Santa Rosa. This location provides a rural setting with gently rolling terrain that provides many different challenges for the golfing public. The golf course irrigation system lacks the improvements and features required to provide the maintenance staff with the management tools needed to maintain the golf course in top condition in an efficient manner.

A. Historical Summary: The existing irrigation system is a combination of the initial irrigation system installation and subsequent upgrades that have been completed. The original system was installed in 1969 with transite mainline pipe (asbestos cement pipe) and a “block style” system consisting of remote control valves and laterals with 75 ft to 90 ft sprinkler spacing’s. The original irrigation system also featured Griswold Electro-Mechanical controllers for automatic operation, Griswold brass remote control valves and Buckner brass impact sprinklers.

This type of irrigation system was fairly typical for the era of construction (1960’s) and was common in northern California, Oregon and Washington where irrigation systems are supplemented by rainfall during the irrigation season. Daytime watering and dry roughs were tolerated in the past.

In subsequent projects, the irrigation system has received targeted upgrades. The majority of the original system remains intact with the exception of the following improvements:

- 1) The original Buckner brass impact sprinklers were upgraded to the existing Toro plastic gear drive sprinklers in the late 1970’s.
- 2) New irrigation controllers were installed to replace the original Griswold controllers. This was completed in the 1990’s when the greens were rebuilt.
- 3) The greens were upgraded to valve in head (VIH) sprinklers during an eight year project in the 1990’s when the greens were rebuilt. The irrigation controller replacement happened during this same period of time as part of rebuilding the greens.

B. Water Source Summary: The current golf course irrigation water source is a pair of deep well pumps located on the golf course. The following comments have been identified regarding the existing water source:

- 1) Currently the two deep wells pump water into a small basin which discharges into a seasonal creek with a head gate so that water can be stored for the golf course irrigation system. The irrigation booster pump has an estimated capacity of 1,200 gpm and appears to be reaching the end of its useful life. The two supply wells have an estimated capacity (North – 536 gpm / South 413 gpm) of 950 gpm. Therefore, the creek does provide necessary storage for the irrigation system as the irrigation booster pump capacity exceeds the deep well capacity.
- 2) Back Up Water Source – there is no reliable backup water source for the irrigation system. In the event of a failure with one of the deep wells or pumping system (which happens from time to time), maintenance personnel would have the water supply cut in half and be forced to water in daytime hours to prevent infrastructure loss.

If a failure were to happen during the summer months, depending on the time duration of the failure, a loss of putting greens, tees, turf and trees may result.

C. Irrigation System Control Summary: The existing system uses remote control valves with five to six sprinklers operating on each valve. The sprinklers are seventy five to ninety five feet apart, so one valve can operate sprinklers spread over 400 feet or more. This introduces shade and sun problems. Areas in sunny areas require more water than areas in the shade. To keep the sunny areas green, shady areas are often too wet causing playability problems. This type of system is called a “block system”. Conversion to a “Valve in Head” system would increase the ability of maintenance personnel to customize the watering of smaller areas eliminating wet and dry spots on the golf course and save water too.

D. Sprinkler Spacing & Equipment Summary: Sprinkler spacing is one of the major problems on the golf course. Generally the fairway block sprinklers run across two fairways. The putting greens have been retro fit with valve in head sprinklers over the last several years with a more reasonable sixty to sixty five foot spacing. The large golf rotors capable of throwing water 75 feet to ninety feet generally require a recommended water pressure of 90 – 100 psi, but recorded water pressures during the field work in many areas were well below this recommended water pressure. Pressures as low as 59 – 60 psi were recorded and pressures of 65 – 75 psi were common. The older existing sprinklers are reaching the end of their useful life. Failure rates will continue to rise in the near future causing the sprinklers to be replaced which results in mismatched equipment resulting in poor efficiencies.

E. Water Window & Mainline Piping Summary: The existing mainline pipes remain from the 1969 and are transite or asbestos cement pipe. There are relatively few mainline failures and the pipe size appears to be reasonable in most areas for the pump station capacity (1,200 gpm), which is probably why they are holding up pretty well. However, the mainline pipes were installed in

1969 and are over 40 years old and are reaching the end of their useful life. In addition, the mainline pipes are undersized to have the capability to water the golf course during the night time hours. Currently some day time watering is required, because the existing pump station and mainline pipes do not have the capacity to water the golf course at night.

F. Irrigation Controllers and Electrical Power Supply Summary: The original electro mechanical Griswold controllers have been replaced with electronic Irritrol MC controllers. This controller is a good commercial grade controller, but not intended for a golf course application. There are currently 19 Irritrol MC controllers for the golf course. Programming is a time consuming and laborious chore. Also, most of these controllers have been installed inside the old Griswold enclosures which are rusting and falling into disrepair. A new central computer control system would help save water and labor and can often result in a 20% - 30% water savings immediately by adjusting the irrigation runtimes daily to reflect the actual weather conditions (active weather control).

G. Irrigation Improvement Summary: The critical aspects of the golf course irrigation system are the aging but stable mainline pipe system (that is undersized for night time watering), block system which limits control capabilities and the existing sprinkler spacings that often exceed ninety feet (90 ft) and some were measured at one hundred ten feet (110 ft) apart! Recommended sprinkler spacings would not exceed sixty five (65 ft) feet. The combination of these items would indicate that a new irrigation system should be considered or major renovations to achieve a long term solution. Other remedies are also possible, but yielding significantly shorter term solutions.

However, this irrigation system was never intended, nor does it have the capability to support a “wall to wall” finely manicured golf course throughout the growing season. The system is not capable of supplying the quantity of water required within the prescribed water window. Our office is extremely impressed with the amount and quality of turf the maintenance staff is able to produce with the tools (irrigation system) they have to work with.

The golf course property consists of 120 acres and has 90 - 100 acres of irrigated maintained turf. Of that several holes are links style with double or triple row irrigation surrounded by natural areas.

The irrigation system is in need of work as many components are beginning to reach the end of their useful life. This report details the strengths and weaknesses of the many components that comprise the irrigation system, with recommendations for future improvements.

2.0 Golf Course Water Source Analysis

- A. Primary Golf Course Water Source: The current golf course irrigation water source is a pair of deep well pumps located on the golf course. Brejle & Race, Consulting Civil Engineer prepared a detailed Technical Memorandum regarding the existing deep wells dated January 6, 2012. This document is contained in Appendix A of this report.

The two deep wells are located adjacent to one another (50 ft apart) between the 9th and 10th holes and are referred to as the “north well” and “south well”, respectively. Currently the two deep wells pump water into a small basin which discharges into a seasonal creek with a head gate so that water can be stored for the golf course irrigation system.

The irrigation booster pump has an estimated capacity of 1,200 gpm, but typically has an average demand of 950 – 1,050 gpm and appears to be reaching the end of its useful life. The irrigation booster pump typically operates between 8:00 pm to 6:00 am during the peak summer months (10 hrs).

The two supply wells have a maximum estimated capacity (North – 536 gpm / South 413 gpm) of 950 gpm. The deep water well pumps typically operate between 5:00 pm to 3:00 am during the peak summer months (10 hrs).

Currently the seasonal creek is being utilized as a pass through to allow the deep water wells to operate the same time as the irrigation booster pump station. However, the creek does provide necessary storage for the irrigation system as the irrigation booster pump capacity exceeds the deep well capacity and could be used in the future to shorten the irrigation water window. Also, the creek provides valuable water quality enhancement by allowing suspended solids to settle out prior to entering the irrigation system.

The irrigation water window (8 hrs maximum) is already too long and it would be desirable to add additional booster pump capacity to shorten the existing irrigation water window, which would require additional water storage to account for a larger difference between the irrigation booster pump capacity and the deep well pumping capacity.

- B. Water Quality (Summary): Currently, water quality appears to be acceptable for irrigation water and no apparent problems were noted. No water testing was completed or previous water test results evaluated during this project. If problems arise in the future, it is recommended to test the well water for evaluation.
- C. Emergency Back Up Golf Course Water Source: Currently, a reliable emergency back up water source could not be identified. In the event of a

failure with the primary wells or booster pumping system, maintenance personnel would be unable to provide adequate water for the golf course. If a failure were to happen during the summer months, depending on the time and duration of the failure, a loss of putting greens, tees, turf and trees may result.

There is one level of redundancy that exists with each of the water delivery components. 1) Deep Wells: there are two deep wells and it would be unlikely both would fail at the same time. If one fails, then the water window could be doubled (20 hrs) for a short time until repairs can be made. 2) Booster Pump: there are two 40 hp pumps and it would be unlikely both would fail at the same time. If one fails, then the water window could be doubled (20 hrs) for a short time until repairs can be made. This is not a desirable level of redundancy but falls within the “better than nothing” category.

It is recommended to identify potential water sources to serve as an emergency backup water source in the event of a failure. A third deep well could be drilled and developed to increase supply and serve as a backup water source. An adjacent potable water source (fire hydrant) could serve as a temporary water source, however to utilize this water, improvements would need to be installed to access and store the water in the event of an emergency.

D. Fire Protection: Fire protection of the golf course structures was not evaluated during this project. However, it is recommended for the local Fire Department to evaluate the existing fire protection infrastructure as planned irrigation improvements can often be designed to help bolster fire protection infrastructure should it be found to be deficient.

E. Water Storage: The only existing water storage facility on the golf course is the existing seasonal creek. During the irrigation season, a sliding gate structure is used to retain water to provide a flooded inlet for the irrigation booster pump station. Due to the irregular size and shape and heavy brush it is difficult to estimate the water storage capacity of the seasonal creek area. The sliding gate structure leaks and the area is not lined so additional water losses result from percolation and evaporation.

Currently the seasonal creek is being effectively used as a pass-through with limited draw down storage for the irrigation system, but it does serve some important water quality enhancement by helping to settle out unwanted suspended solids produced by the deep wells before entering the irrigation system.

The City desires to take the seasonal creek out of use for environmental reasons. However, it is recommended to have a water storage facility for the irrigation system in the future for the same reasons. Water storage facilities can add to the aesthetic value to the golf course and provide an

important buffer in the event of a well failure or other event preventing the temporary access to irrigation water. If environmental reasons preclude the development of an irrigation lake, then a water storage tank could be used to realize some of the benefits of a water storage facility on a smaller scale. It is recommended to develop water storage facility in the future improvement plans for the golf course.

3.0 Pumping System and Electrical Service Evaluation

- A. *Golf Course Irrigation Deep Well Pumps:* The current golf course irrigation water source is a pair of deep well pumps located on the golf course. Brejle & Race, Consulting Civil Engineer prepared a detailed Technical Memorandum regarding the existing deep wells dated January 6, 2012. This document is contained in Appendix A of this report.
- B. *Golf Course Irrigation Booster Pump:* The existing irrigation booster pump consists of two (2) 40 hp vertical turbine pumps, each installed in a thirty inch (30") diameter steel pipe wet well with inlet flume pipes to the nearby seasonal creek. Each pump is rated for 600 gpm flow rate at 90 psi discharge pressure. The combined pump station performance is estimated to be 1,200 gpm with a 90 psi discharge pressure.

Pumps are model #10RL, VertiLine Pumps with serial numbers #D24986A and #D24986B. Each pump has a dedicated welded steel screen filter manufactured by Mikes Welding Irrigation Equipment MFG, Escalon, CA, model #1005 with serial numbers #1996 and #2108. The pump station appears to be from the original installation in 1969, but has had periodic repairs made over time. The booster pump station is reaching the end of its useful life as corrosion and rust are visually evident with the major pump station components.

- C. *Electrical Service Evaluation:*
- 1) *Irrigation Booster Pump:* The electrical service for the irrigation booster pump station appears to be adequate, but shows signs of rust and corrosion. The weather stripping is missing and there are open penetrations on the electrical panel. Maintenance is required to remove corrosion and repaint the panel, seal all open holes and reinstall weather stripping to comply with current NEC codes. Pump #2 On / Off selector handle is broken and needs to be repaired.
 - 2) *Deep Well Pumps:* The electrical service for the deep well pumps appears to be adequate, but shows signs of rust and corrosion. The weather stripping is missing and there are open penetrations on the electrical panel. There is one broken conduit and the panel door locking mechanism is broken and the panel does not fully close and seal. Maintenance is required to clean the panel and remove corrosion

and repaint the panel, seal all open holes, replace lock and reinstall weather stripping to comply with current NEC codes.

- 3) Irrigation Controllers: The electrical power cable to the replacement irrigation controllers (Irritrol MC's) is the same that was originally installed for the Griswold controllers installed in 1969. The Irritrol MC controllers are wall mount controllers installed in the existing metal Griswold pedestals. The existing pedestals show extensive signs of corrosion and rust. Some of these pedestals have openings and possible electrical code violations. All controllers locations should be reviewed by a qualified electrician and all code violations should be repaired.

4.0 Hydraulic Analysis

The mainline piping system represents a mixed asset one of the irrigation system. The pipes are sized adequately for the existing irrigation system, but may be too small to distribute adequate amounts of water for a modern irrigation system. This would require the system to be "pushed" which would result in higher flow velocities, which directly translates into higher friction (pressure) losses. The low pressures due to friction losses cause poor performance from sprinklers in areas located remotely from the pump station. Targeted improvements could be successful in upgrading the overall capacity of the existing mainline piping system, if irrigation system replacement is simply not in the cards at this time.

- A. Pressure Zones: A pressure zone is a geographical area with the same source of pressure where the minimum and maximum pressures available within the zone are within the minimum and maximum operating pressures for the pipes, valves and sprinklers located within the zone. Pressure fluctuations within a pressure zone are only due to friction losses and pressure loss/gain due to changes in elevation.

A pressure zone will have a range of available pressure, with a minimum pressure required to operate the sprinklers and a maximum pressure that will not produce excess stress or failure to the piping system. Sprinklers also have a maximum pressure rating that cannot be exceeded without causing damage to the sprinkler. This range between the minimum and maximum sprinkler operating pressures represents the widest possible range for a given pressure zone.

There is one pressure zone within the existing irrigation system with a maximum pressure of 90 psi at the pump station and a desired minimum pressure of 75 psi at the point farthest from the pump station. The high side of the pressure zone could be increased to 100 psi which would improve sprinkler performance in the areas farthest from the pump station with a new irrigation booster pump station, appropriately sized.

The pressures recorded in the field ranged from a high recorded pressure of 95 psi at the quick coupler valve on 11th fairway (end of stub) with a recorded low pressure of 59 psi at the quick coupler on 5th green (high elevation point). The recorded pressures at the pump station ranged between 80 psi to 90 psi depending upon the flow rates. No flow meter was available so we were unable to log the flow / pressure relationship at the booster pump station.

Recorded pressures do not account for pressure losses in the remote control valve or lateral piping. It would not be uncommon to lose 2 psi through the valve and an additional 5 psi through the lateral pipes resulting in a low pressure of 52 psi worst case for the tested conditions. The flow rates present during the test were typical of a summer watering schedule and sometimes exceeded the pump station capacity which caused the discharge pressure to fall below 90 psi. Flow rates at the pump station capacity would increase the pressure losses due to friction as the volume of water increases. Pressures below 75 psi cause a significant decline in sprinkler performance. This would explain the difficulty maintenance personnel have regarding poor sprinkler performance on holes 5, 6 and 7, across the creek.

From the pressure data noted above, there are several instances where pressure losses exceed 20.0 psi, with a maximum pressure loss of over 30.0 psi. Some of the loss of pressure is due to an increase in elevation, however much of it is due to friction losses. The sprinklers have pressure regulators which require a minimum operating pressure of 10 psi higher than the sprinkler setting. Toro recommends a pressure regulation range of 65, 80 or 100 psi. Therefore, recorded pressures below 75 psi would cause sprinkler coverage and uniformity problems, if 65 psi regulators are used.

Simply stated, the existing mainline piping system (pipe sizes) is marginally adequate for the existing automatic irrigation system, but does not have additional capacity for expansion to upgrade to a modern wall to wall irrigation system at 65 ft sprinkler spacings.

- B. Hydraulic Programming: It is recommended to implement a hydraulic based model of the piping system in the proposed central computer program. Through trial and error, the allowable flow (gpm) per pipeline can be adjusted based upon some basic guidelines to allow for the operation of the irrigation system at the minimum required water pressures with the shortest possible water window. Remember, current industry standards do not recommend flow velocities above 5.0 feet per second, because flow velocities over 5.0 fps often cause forces in the pipe (water hammer) that can result in pipeline failure, or pipeline fatigue that would shorten the pipelines useable life. However in some instances the irrigation system can be pushed to operate at flow velocities approaching 7.5 feet per second.

TABLE 1:
Maximum Flow at
Recommended Flow Velocities

Flow Velocities	2" (gpm)	3" (gpm)	4" (gpm)	5" (gpm)	6" (gpm)	8" (gpm)	10" (gpm)
4.0 fps	45.0	90.0	160.0	250.0	350.0	600.0	1000.0
4.5 fps	50.0	100.0	180.0	275.0	375.0	675.0	1100.0
5.0 fps	55.0	115.0	200.0	300.0	425.0	750.0	1200.0
5.5 fps	60.0	125.0	215.0	335.0	460.0	840.0	1300.0
6.0 fps	70.0	130.0	230.0	370.0	500.0	900.0	1400.0
6.5 fps	75.0	140.0	260.0	400.0	550.0	975.0	1600.0
7.0 fps	80.0	150.0	275.0	420.0	600.0	1050.0	1700.0
7.5 fps	85.0	160.0	295.0	450.0	640.0	1125.0	1800.0

Therefore, recommendations to operate the system in excess of 5.0 feet per second are to try to shorten the water window to an acceptable time period in areas with excess pressure availability (close to pump station and lower elevation areas). The system should never be operated above 7.5 feet per second under any conditions. See Table 1 above.

1. Start with programming the areas with pressure problems (5 thru 7) at a maximum allowable flow rate at 4.0 feet per second. If this results in an unacceptable water window, increase the flow velocity to 4.5 feet per second or 5.0 feet per second. Try to stay under 5.0 feet per second (and as close to 4.0 feet per second), if possible to maximize available pressure. Remember, shortening the water window will result in lower operating pressures in the field. Monitor water pressures in the field to insure that a given water window is resulting in acceptable water pressures while the program is operating.
2. Program the areas between the pump station and the chronic low pressure areas at a maximum allowable flow rate at 5.0 feet per second. Higher flow rates will “scrub” off too much pressure for the low pressure areas, however, if lower flow rates can be tolerated (longer water window), it will result in even more pressure for the chronic low pressure areas.
3. Program the remaining areas without pressure problems at a maximum allowable flow rate of 6.0 feet per second. Therefore, the lower recommended flow velocities in problem areas should raise the recorded pressures that were unacceptable to an acceptable level and the higher flow velocities will result in higher friction losses where pressure is abundant and will not sacrifice sprinkler performance. Experiment a bit, and see what 5.5 feet per second does vs. 6.5 feet per second. If the water window is more attractive at 6.5 feet per second, then monitor field water pressures to insure that the minimum acceptable water pressure is achieved. In the short term, everything will be a trade off, pressure vs water window,

so play with the flow settings based upon velocity of flow and get a feel for how these will affect each other.

- C. **Pump Station and Mainline Piping Compatibility:** The pump station is capable of producing 1,200 gpm at a discharge pressure of 90 psi. The discharge pipeline is 10" in size rated for 1,200 gpm at 5.0 fps (See Table 1), which is acceptable and within current industry standards. However, in a very short distance the 10" mainline "tees" into two 8" mainline pipes located at the creek crossing by the pump station. Each of the 8" mainline pipes are rated at 750 gpm at 5.0 fps (See Table 1), which would total a combined flow of 1,500 gpm, above the pump station capacity of 1,200 gpm. A new booster pump station could utilize the full flow potential of the existing mainlines and reduce the irrigation water window by increasing the booster pump station capacity and discharge pressure.

There are also some opportunities to complete mainline loops to reduce friction losses and improve the irrigation system performance.

5.0 Sprinkler Spacing & Coverage Evaluation

The following is a summary of the findings from the sprinkler spacing and coverage evaluation that was conducted in the field. The as built irrigation plans and field observations were used as the basis for this analysis. Field observations randomly verified selected items as illustrated on the as built plans. Overall, the as built plans provide a good representation of the actual field conditions. Generally, the sprinkler spacing and coverage represents one of the major problems of this irrigation system.

- A. *General Description:* Generally the fairway block sprinklers run perpendicularly across two fairways. The putting greens have been retro fit with valve in head sprinklers over the last several years with a more reasonable sixty to sixty five foot spacing. The fairway sprinklers generally have a spacing of 75 feet to 90 feet. There are several problems with this configuration noted below:
- 1) The large fairway golf rotors capable of throwing water 75 feet to ninety feet generally require a recommended water pressure of 90 – 100 psi, but recorded water pressures during the field work in many areas were well below this recommended water pressure. Pressures as low as 59 – 60 psi were recorded and pressures of 65 – 75 psi were common. The low pressure results in reduced uniformity and poor system efficiencies.
 - 2) The variable nature of the sprinkler spacing destroys the uniformity that is required to have good system efficiencies.
 - 3) The cross fairway piping introduces shade and sun problems. Sprinklers in sunny areas require more water than sprinklers in the shade. To keep the sunny areas green, shady areas are often too wet causing playability problems. This condition also results in poor system efficiencies.

- 4) The older existing sprinklers are reaching the end of their useful life. Failure rates will continue to rise in the near future causing the sprinklers to be replaced which results in mismatched equipment resulting in poor efficiencies.

The variable nature of the sprinkler spacings noted in the field and the low water pressures make the calculations of precipitation rates, distribution uniformity and estimated irrigation system efficiency an exercise in futility, as any result would be valid for a particular spot on the golf course and not an overall average or representative of any particular area. Suffice it to note that the existing irrigation system efficiencies are low, most likely below fifty percent (50%).

Fairway Sprinkler – Field Measurements

<u>Fairway</u>	<u>Field Spacing #1 (feet)</u>	<u>Field Spacing #2 (feet)</u>	<u>Field Spacing #3 (feet)</u>
01	88 feet	90 feet	74 feet
02	75 feet	93 feet	90 feet
03	77 feet	88 feet	91 feet
04	79 feet	87 feet	95 feet
05	82 feet	89 feet	90 feet
06	78 feet	79 feet	99 feet
07	75 feet	76 feet	91 feet
08	90 feet	89 feet	86 feet
09	88 feet	81 feet	84 feet
10	89 feet	83 feet	85 feet
11	74 feet	109 feet	73 feet
12	83 feet	85 feet	79 feet
13	85 feet	82 feet	79 feet
14	85 feet	88 feet	79 feet
15	N/A	N/A	N/A
16	89 feet	80 feet	90 feet
17	88 feet	82 feet	80 feet
18	84 feet	85 feet	80 feet

B. Tee Sprinkler Spacing: Sprinkler spacing on tees is somewhat irregular depending upon the spacing pattern. Tees with a single row of sprinklers, spacings range from between 40 ft – 60 ft apart. Single row sprinkler spacings are too erratic, being customized to each individual tee to calculate an average precipitation rate. Tees generally feature a Toro 630, 730 or 830 rotor sprinkler with a #33 or #34 nozzle, depending upon the spacing.

- C. Fairway Sprinkler Spacing: Sprinkler spacing in the fairways is remarkable inconsistent, with a spacing range of 75 ft – 90 ft. Sprinkler spacings are too erratic to calculate an average precipitation rate. Fairways generally feature a Toro 670 sprinkler with a #70 nozzle, 78 ft radius, 36.9 gpm @ 65 psi.
- D. Green Sprinkler Spacing: Sprinkler spacing on the greens is fairly uniform, with a spacing range of 60 ft – 65 ft. Spacings across the putting greens vary significantly depending upon the size and shape of the putting green. Putting green sprinkler spacings are too erratic, being customized to each individual green to calculate an average precipitation rate. Greens generally feature a Toro 730 or 830 rotor sprinkler with a #33 or #34 nozzle.

6.0 Irrigation Equipment Evaluation

- A. Sprinkler Heads: The majority of existing sprinklers are Toro brand rotor sprinklers specifically manufactured for use on golf courses. Toro 630, 670, 730 & 830 series sprinklers represent the vast majority of sprinklers on the golf course. The Buckner impact sprinklers installed in 1969 have all been replaced and some of the older Toro sprinklers are beginning to reach the end of their useful life.
- B. Sprinkler Swing Joints: The sprinklers are installed on 1 ¼" galvanized swing joints that are reaching the end of their useful life. Due to corrosion the galvanized swing joints are frozen and no longer have the "swing" action. More recent replacement sprinklers have replaced the galvanized swing joints with field assembled swing joints with PVC schedule 80 nipples with PVC schedule 40 threaded ell's. Going to PVC is an improvement over the galvanized swing joints, however future replacements are recommended to use PVC unitized swing joints with o-ring seals. Also, the large fairway rotor sprinklers have 1 ½" inlets and it is recommended to upgrade to 1 ½" swing joints in the future to reduce friction losses.
- C. Electric Remote Control Valves: The electric remote control valves were installed as part of the original 1969 installation. The valves are 1 ¼", 1 ½", 2" and 2 ½" brass Griswold heavy duty valves for commercial use. There have been relatively few problems with the valves to date. Typically the useful life of an electric remote control valve would be between 20 – 25 years. Many of these valves have been in service for more than 40 years. Valves are typically installed on galvanized nipples that connect to a saddle on the mainline pipe. The most common problem associated with the remote control valves is the galvanized nipple on the inlet side will rust out causing a leak. These have been repaired as they are discovered by the golf course maintenance staff. These valves have reached the end of their useful life and are on borrowed time.

- D. Mainline and Lateral Piping: As discussed in the Hydraulic Analysis section of this report, the mainline pipe sizing is adequate to take advantage of the full flow capabilities of the pump station. The mainline pipe, 3" thru 10", is Asbestos-Cement pipe, also referred to as "AC pipe" or "Transite pipe" and was installed in 1969. This pipe is no longer used in the industry due to the asbestos content and technology and price improvements with PVC pipe.

Transite pipe tends to be very rigid and gets brittle when fatigued. The existing pump station does not have a modern pressure control system (variable frequency drive, VFD) which allowed significant pressure fluctuations to enter the mainline piping system. This cycle of high pressure then lower pressure (water hammer) acts to fatigue the mainline pipe over time, which will typically manifest itself as cracks (leaks) adjacent to the ductile iron saddle connections where the remote control valves are installed. This becomes a natural shear point where the saddle forms a rigid connection around the pipe.

The golf course maintenance staff have indicated that there have been relatively few failures each irrigation season for the past few years. The mainline failures may increase with time as the transite mainline pipe is reaching the end of its useful life. It has been in service for approximately 44 years. It would be possible to make repairs and keep the irrigation system operational for some years, but it is not recommended to make long term plans that rely on the use of the existing mainline pipes into the future. Eventually repair costs and loss of infrastructure will exceed the cost to install a new mainline piping system.

In addition, the transite mainline pipes contain asbestos, as noted above, and is considered to be a hazardous material. Golf course maintenance staff should follow OSHA standards for handling and disposal of transite pipe sections.

The lateral pipes are PVC class 200 solvent weld pipe installed in 1969. There are no reported problems with the lateral piping at this time. Occasional repairs are required and made by the golf course maintenance staff.

- E. Valve Boxes: Most of the valve boxes on the golf course remain from the original installation in 1969 and are concrete valve boxes with concrete lids. Some of the valve box covers are cracked and in disrepair. Valve boxes that have been replaced have used plastic valve boxes.
- F. Mainline Gate Valves: There are not an adequate number of gate valves to easily isolate the irrigation mainline for repairs. There are six (6) existing mainline gate valves. All existing mainline gate valves are non functional and need to be replaced.

- G. Mainline Pressure Relief Valve, (PRV): There is one mainline pressure relief valve shown on the as built plans (at stream crossing between 15 green and 16 tee), however this valve could not be located during the field work site visit. It is assumed this valve is not a functional pressure relief valve.
- H. Mainline Air Relief Valves: There appears to be no air relief valves located on the mainline piping system. This is one of the problems that could cause additional fatigue to the mainline piping system. Air inside the mainline piping system is one of the major causes of water hammer, which is a major contributing factor causing mainline pipe fatigue and failure. It is recommended to add air relief valves if this mainline piping system is to remain in service for more than a few years. Air relief valves should be installed at high elevation points and dead end runs in the mainline piping system.
- I. Quick Coupler Valves: The quick coupler valves have been installed in a direct burial manner and many of the less used quick couplers are difficult to find. It is recommended to locate all existing quick coupler valves and install 10" round valve boxes to insure they can be maintained by maintenance personnel. Quick couplers should be stabilized to insure they will not unthread during use potentially causing injury to maintenance personnel.
- J. Irrigation Controllers: The original electro mechanical Griswold controllers have been replaced with electronic Irritrol MC Plus B controllers. This controller is a good commercial grade controller, but not intended for a golf course application. There are currently 19 Irritrol MC controllers for the golf course. Programming is a time consuming and laborious chore. Also, most of these controllers have been installed inside the old Griswold enclosures which are rusting and falling into disrepair.
- There are 5 controller groupings, Group 1 (1, 2 & 3), Group 2 (4 & 5), Group 3 (6, 7 & 8), Group 4 (9, 10, 11 & 12) and Group 5 (13, 14, 15, 16, 17, 18 & 19). There are nine 24 station controllers (1, 2, 5, 8, 11, 12, 17, 18 & 19) and ten 12 station controllers (3, 4, 6, 7, 9, 10, 13, 14, 15 & 16). Valve in head (VIH) greens sprinklers have 2-3 sprinklers per station, however it is recommended to have individual head control on the putting greens, so additional stations should be provided as part of an irrigation control system upgrade project.
- K. Central Computer Controller: There is no central computer system. A new central computer control system would help save water and labor and can often result in a 20% - 30% water savings immediately by adjusting the irrigation runtimes daily to reflect the actual weather conditions (active weather control). Upgrading the irrigation control system with a central computer controller is recommended to be a high priority.

7.0 Irrigation Improvement Options

The following recommendations are based upon the field work, calculations and discussions with the Golf Course Maintenance Staff with input from City Staff. The following improvement options were identified for consideration.

The budget estimates are preliminary and are made without the benefit of a design drawing. The estimated costs are to be used for budgetary purposes only and may not reflect actual construction costs. See appendix for back up cost estimating information for selected items. Costs estimated are for a golf course irrigation Contractor to complete the work with prevailing wage rates. Value engineering savings would be possible during a design phase of work in some instances. Additional saving could be realized if it is possible to install some improvements “in house” by Golf Course Maintenance personnel.

A. Irrigation System Replacement – (\$1,750,000.00 - \$2,250,000.00)

This option is not feasible now due to budgetary constraints, but the Golf Course due to the age and type of materials of the mainline piping system and the poor inefficient sprinkler spacing the planning for an irrigation system renovation project should begin now, even if the project cannot be started for five or ten years.

B. Irrigation Booster Pump & Storage Tank Improvements – (\$450,800.00)

This option would contribute towards a future renovation project, but would help the Golf Course take the seasonal creek out of service for the irrigation system and replace the existing irrigation booster pump which is reaching the end of its useful life.

Well pumps (2 existing wells only) would pump water into a new water storage tank with a new irrigation booster pump. The new irrigation booster pump would feature a control system to regulate the filling of the water storage tank (smart fill manifold) and be located in the vicinity of the existing irrigation booster pump station. Sand separators would remove suspended solids between the wells and water storage tank. The water storage tank would also act as a settling basin to remove other suspended solids and the new irrigation booster pump would have a screen filter to remove any remaining suspended solids (treatment train or stepped treatment process) to keep the irrigation system clean to extend equipment life and reduce maintenance.

Irrigation Booster Pump & Storage Tank Improvements

1) 100,000 gallon coated water storage tank installed on gravel ring with overflow pipe	\$ 115,000.00
2) Irrigation Booster Pump, installation & site work	\$ 125,000.00
3) Filter Station (Irrigation Booster Pump)	\$ 30,000.00
4) Irrigation Booster Pump Canopy	\$ 20,000.00
5) Tank "smart fill" manifold	\$ 8,000.00
6) 1,200 feet 10" tank fill pipe, valves, landscape and irrigation repair	\$ 40,000.00
7) Two (2) sand separators, automatic flush and waste stream infiltration swales	\$ 20,000.00
8) Stream channel work / restoration	\$ 10,000.00
9) Electrical work / upgrades	\$ 20,000.00
10) Existing Irrigation Pump Demolition	\$ 4,000.00

Sub Total	\$ 392,000.00
15% Contingency	\$ 58,800.00

Total Preliminary Estimate	\$ 450,800.00

C. New Deep Water Well – (\$148,350.00)

This option would contribute towards a future renovation project and helps reduce the deficit pumping to reduce the required water storage tank size (100,000 gallon recommended size). Without a new deep water well the recommended water storage tank would be larger (200,000 – 250,000 gallon). It also helps to distribute the water supply over three deep wells, so in the event of a failure of one deep well, two deep wells would still be in service. Estimate includes drilling a new well, well pump and motor, up to 500 ft of tank fill pipe and valves, sand separator and waste stream infiltration swales and electrical improvements’.

1) New Deep Water Well	\$ 55,000.00
2) Submersible Pump/Motor	\$ 35,000.00
3) 500 ft 6" tank fill pipe, valves, landscape and Irrigation repair	\$ 14,000.00
4) Sand separator, automatic flush and waste stream infiltration swale	\$ 10,000.00
5) Electrical Work	\$ 15,000.00

Sub Total	\$ 129,000.00
15% Contingency	\$ 19,350.00

Total Preliminary Estimate	\$ 148,350.00

D. Spare Deep Water Well Pump / Motor – (\$12,000.00)

This option would provide an emergency contingency in the event of a deep well pump or motor failure to expedite the repair process.

E. Irrigation Control System Replacement – (\$161,575.00)

This option would contribute towards a future renovation project, but only replaces the existing irrigation controllers with some expansion to convert greens sprinklers to individual head control as recommended above. Additional controllers would be required as part of an overall irrigation renovation project. Communication is via radio between controller groups and the central computer and communication cable within controller groups. Central computer programming and data input to be done by golf course Maintenance personnel (additional fee required for programming and data input by others). Controllers are expandable to 64 stations each to facilitate a future irrigation renovation project.

1) Replace Group 1 Controllers with one 48 station Controller and one 32 station controller	\$ 14,000.00
2) Replace Group 2 Controllers with one 48 station Controller	\$ 8,000.00
3) Replace Group 3 Controllers with one 64 station Controller	\$ 10,000.00
4) Replace Group 4 Controllers with two 48 station Controllers	\$ 15,000.00
5) Replace Group 5 Controllers with one 48 station Controller and three 40 station controllers	\$ 25,000.00
6) Weather Station	\$ 16,000.00
7) Handheld Maintenance Radio System, includes Base station, radios, antenna, FCC license and Site survey	\$ 12,500.00
8) Central Computer Control System, includes PC Computer, radio, antenna and software	\$ 40,000.00

Sub Total	\$ 140,500.00
15% Contingency	\$ 21,075.00

Total Preliminary Estimate	\$ 161,575.00

F. Retro-fit Holes with 64' VIH Sprinkler Grid – (\$800.00 / sprinkler)

This option would contribute towards a future renovation project, but only replaces the existing sprinklers and submain pipe to a new 64' triangular sprinkler grid. The existing mainline pipe would remain. Existing remote control valves would be replaced with brass isolation angle valves where new 2" submain piping, VIH sprinklers and low voltage control wiring would be installed to establish the new spacing grid. It would be recommended to do

two holes at a time where there is a common mainline pipe between the golf holes. It is estimated a typical Par 4 hole would require 95 sprinklers as the putting greens already have been retro-fit with VIH sprinklers. Therefore the estimated cost per average Par 4 hole would be \$76,000.00 dollars, or \$152,000.00 dollars for two adjacent average Par 4 holes with 190 sprinklers total.

End of Report

**Final Report of Findings
Golf Course Irrigation System Evaluation
Bennett Valley Golf Course
Santa Rosa, CA**

APPENDIX A

Deep Well Technical Memorandum

TECHNICAL MEMORANDUM

TO: Norman Amidon, City of Santa Rosa

FROM: David Long
Rich DiTommaso
Dyanna Becker

SUBJECT: Bennett Valley Golf Course Well Testing
B&R File No. 3578.00

DATE: January 6, 2012

The Bennett Valley Golf Course would like to use two existing wells, the North Well and the South Well, to pump directly into the golf course irrigation system. The locations of the wells are shown in Appendix A. Currently, the wells discharge to Matanzas Creek and the water flows downstream to a reservoir, from which an existing vertical turbine pump station draws to irrigate the golf course. Pumping water directly from the wells to the irrigation system would eliminate the need to discharge well water to Matanzas Creek and allow the existing vertical turbine pump station to be abandoned. The viability of this direct-to-irrigation scheme depends upon the ability of the aquifer to support all instantaneous irrigation demands. In order to assess aquifer and pumping capabilities, a 12-hour constant-rate pump test was performed by Pump Efficiency Testing Service (PETS). The following sections summarize the results of this test and present additional information regarding the physical characteristics of the wells. All depths indicated are measured in feet below ground surface.

Well History and Geometry

Based upon information provided by City of Santa Rosa staff and subsequent conversation with Bartley Pump, Inc., we understand that there were originally two wells constructed at the current site on what was formally the Arrigoni Ranch. Construction records are not available for either of these original wells. Appendix B contains several historical documents associated with the wells that were provided by the City of Santa Rosa.

The original North Well (identified as Well No. 2 on an undated Well Test Report by Bartley Pump, circa 1964 [Appendix B]), was abandoned in 1993 because its crooked alignment made incapable of being retrofitted with a new pump. A new North Well (Well No. 3) was drilled at this time and outfitted with a new submersible pump. The North Well (Well No. 3) has a 10-inch diameter casing and is 315 feet deep. The screen sections are positioned from 65 to 145 feet, 165 to 185 feet, 205 to 265 feet, and 295 to 315 feet. This information was obtained from a Well Completion Report by Weeks Drilling Co. (Appendix B).

The original South Well (Well No. 1) is still in service and according to the aforementioned undated report by Bartley Pump, has a 12-inch diameter casing and is 358 feet deep. The placement and lengths of screen sections in this well are not known.

Well Pump Characteristics

A report from a prior pump efficiency tests performed by PETS in 2008 (Appendix B) states that the submersible pumps in both the North Well and the South Well have rated capacities of 25 hp.

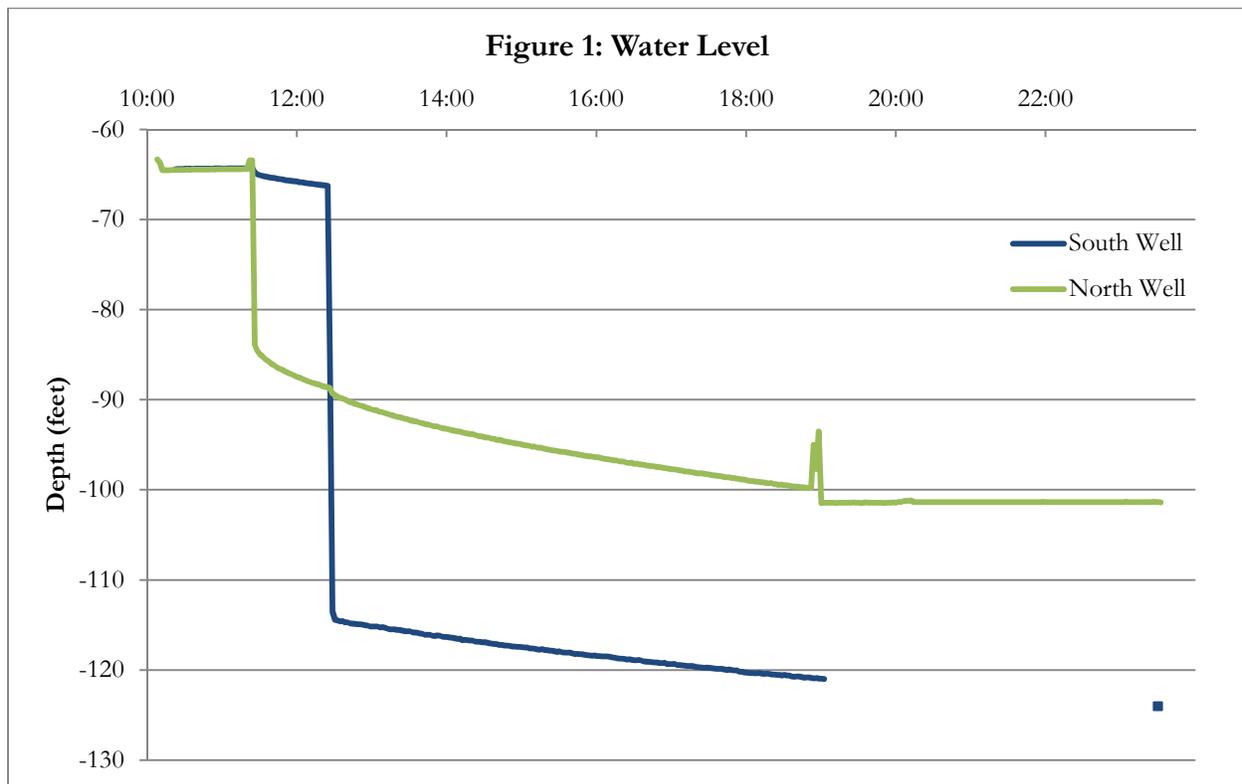
A pump cut-sheet and performance curve provided by Bartley Pump and dated 1964 (Appendix B), presents information for a Layne & Bowler submersible pump. A photo of the existing South Well pump head (Appendix C) shows it to be similar to that represented on the cut-sheet, which also indicates a pump set depth of approximately 203 feet and a 6-inch diameter discharge column.

Summary of Data

PETS performed a 12-hour constant-rate pumping test on each well on October 7, 2011. The tests were conducted concurrent with one another and the pumping rates, water surface levels and motor electrical characteristics were continuously recorded. The North Well test began first at 11:25 AM, followed by commencement of the South Well test at 12:25 PM. Testing concluded at 11:32 PM. Throughout the test period, the North Well discharged approximately 460 gpm and the South Well discharged approximately 400 gpm.

Both wells exhibited more or less constant voltage and amperage draw throughout the test period – nominally 480-490 volts and 31-33 amps. Power factors were also relatively constant at 76-78.

Water surface level data obtained for each well over the course of the testing has been plotted and is shown in Figure 1 below.



The initial static water level in both wells was approximately 64 feet below ground level. The minimum water level depth produced in the North Well was approximately 101 feet below ground level, which was reached after approximately 7.5 hours and held steady to the end of the test – a drawdown of 37 feet. At 460 gpm, this drawdown indicates a specific capacity of 12.4 gpm/ft.

When the South Well pump was turned on, a small, temporary increase in the rate of water level drop in the North Well was observed. There was a problem with the recording instrumentation for the South Well (cause unknown) that resulted in no water level data being collected after 7:02 PM, except for the final reading at 11:30 PM. At the conclusion of the test the water level was 124 feet below ground level. Extrapolating the drawdown curve across the blank data period; it appears that the water level was still dropping, but at a gradually declining rate; therefore the indicated drawdown of 60 feet appears viable for use in calculating an approximate specific capacity. Using 400 gpm and 60 feet of drawdown produces a specific capacity of 6.7 gpm/ft.

A summary of the test results is shown in the table below.

Summary of 12-hour Pump Test Results		
	North Well	South Well
Year Constructed	1993	Unknown
Flow Rate	460 gpm	400 gpm
Drawdown	37 ft	60 ft
Specific Capacity	12.4 gpm/ft	6.7 gpm/ft

It is instructive to note that the 2008 PETS pump efficiency test report (Appendix B) also contained water level drawdown and specific capacity data. For the North Well, a specific capacity of 22.0 gpm/ft. was noted and appears to have been calculated using a drawdown of just 20 feet. Although this specific capacity is more than 40% higher than the specific capacity of 12.4 gpm/ft calculated from the recent test, the duration of the 2008 test is not included in the report. We suspect that the 2008 test was of a much shorter duration than 12 hours, did not allow the water level in the well to stabilize and therefore produced data that is not viable for accurate specific capacity calculations.

Conclusions and Recommendations

Test results from the simultaneous 12-hour pumping of the North and South Wells during the time of year when groundwater levels would be expected to be near their lowest, indicates that the aquifer can support a minimum sustained withdrawal of 860 gpm. This flow rate and duration are adequate to run through an entire daily irrigation cycle.

The young age (19 years) and stabilized water level condition of the North Well indicate that it is likely suitable for being retrofit with a new pump that could perform the desired direct-to-irrigation duty.

Due to the age (over 50 years) and lack of knowledge of the South Well's construction, we recommend that the South Well pump be pulled and a video conducted of the well in order to assess its condition and screen section locations. This information will be instrumental in deciding the role that this well will (or will not) play in the conversion to the direct-to-irrigation scheme.

**Final Report of Findings
Golf Course Irrigation System Evaluation
Bennett Valley Golf Course
Santa Rosa, CA**

APPENDIX B

Existing Deep Well Locations





**Final Report of Findings
Golf Course Irrigation System Evaluation
Bennett Valley Golf Course
Santa Rosa, CA**

APPENDIX C

Historical Well Data

Bartley Pump Inc.

4000 SOUTH MOORLAND AVENUE
SANTA ROSA, CALIF. 95401

TELEPHONE: (707)
542-2681 OR 542-2554

WELL TEST REPORT

The two wells on the former Arrigoni Ranch were tested by this firm. The results of the tests are outlined below.

The two wells - numbered 1 and 2 - are very close together and questions could be raised as to whether one well affects the capacity of the other. We did pump both wells at the same time for a period of two hours during the course of our tests and no apparent connection between the two wells was noticed. Both wells were pumped without stopping for the time indicated.

WELL NO. 1 - 12" well
Depth 358'

Standing level of water 24'

We removed existing 20 H.P. turbine pump and installed 19" bowls and 8" column at 190' level. Test was continued for a period of 36 hours with the following results: Well produced 175 gallons per minute at 130' pumping level.

WELL NO. 2 - 10" well
Depth 281'

Standing level of water 30'

We removed existing 15 H.P. turbine pump and tried to install the same test pump we used in Well No. 1 but got it down only 50' before getting it stuck. This well is a crooked well. We removed the test pump and returned it to our shop. Returned and installed smaller test pump, one with 8" bowls and 6" column at the 190' level. Pump was run for 32 hours with the following results: Well produced 350 gallons per minute at 130'.

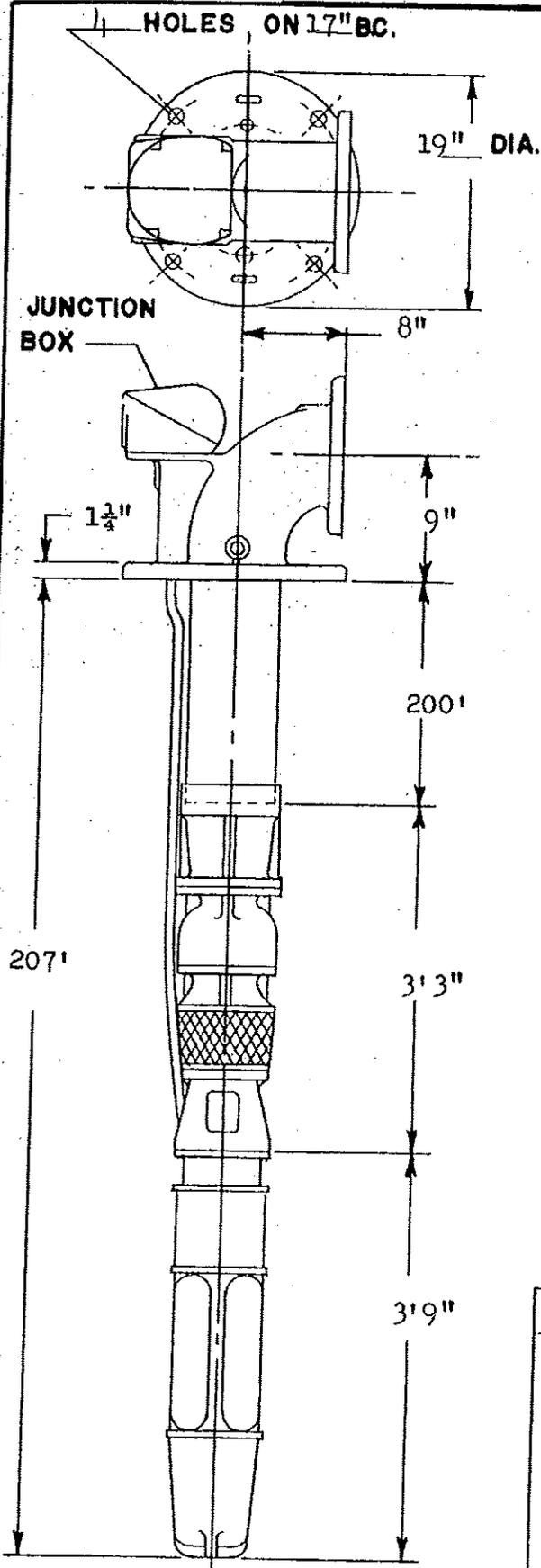
SOUTH
~~WELL~~ WELL?

OLD NORTH
~~SOUTH~~ WELL?
ABAND?

Charles R. Bartley



Verti-Line SUBMERSIBLE PUMP



PUMP PERFORMANCE

475 G.P.M. 180 FEET
 PER CURVE S-92-7

DISCHARGE FLANGE DRILLED FOR
6" STD. 125 LB. A.S.A.
90° 6" STD. CAST IRON ELBOW
6" STD. COLUMN PIPE
1-3/16" DIA. BOWL SHAFT

3 STAGE 8 ROW BOWL ASSEMBLY
 MAX. O.D. 8-3/4"

30 H.P. 3420 R.P.M. 3 PH. 60 CY. 440 V.
Franklin SUBMERSIBLE MOTOR
 WITH SUBMERSIBLE CABLE NO. 6

FORM NO. HA 5413

LAYNE & BOWLER PUMP CO.	
PROPOSAL FOR _____	
City Of Santa Rosa, California	
SPEC. _____	ITEM Well No 2
CERTIFIED _____	
BY <u>F.G.W.</u>	L.&B. NO. <u>S-92-7</u>

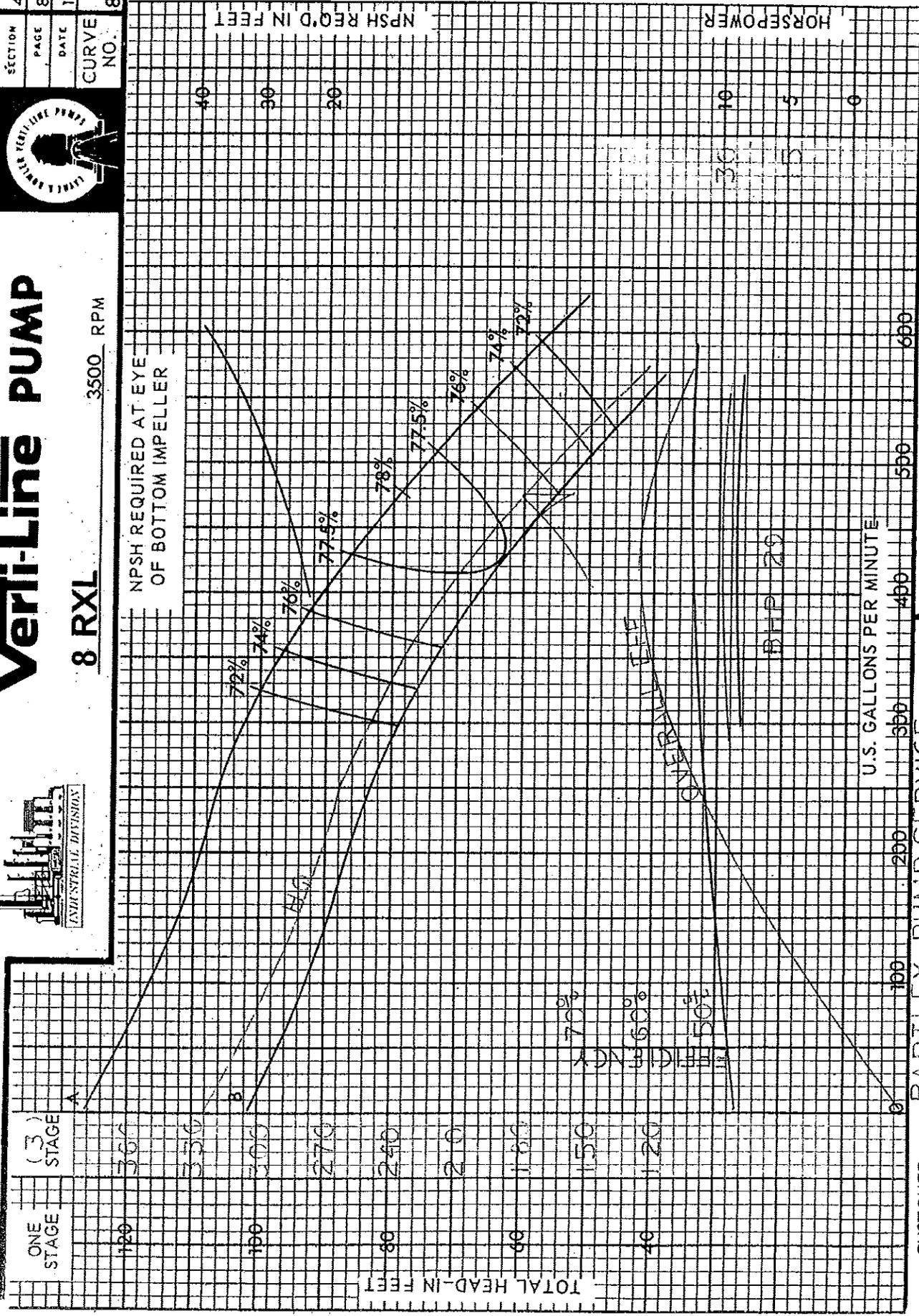


Verti-Line PUMP

8 RXL

3500 RPM

SECTION 40
PAGE 831
DATE 11-15-64
CURVE NO. 821

CUSTOMER BARTLEY PUMP SERVICE
 ADDRESS CITY OF SANTA ROSA
 JOB CITY OF SANTA ROSA
 PROPOSAL # S-927

LAYNE & BOWLER PUMP CO.

CITY OF INDUSTRY, CALIFORNIA - LOS ANGELES AREA
 SEE REVERSE SIDE FOR DETAILED INFORMATION

DUPLICATE
Driller's Copy

STATE OF CALIFORNIA
WELL COMPLETION REPORT
Refer to Instruction Pamphlet

DWR USE ONLY - DO NOT FILL IN

STATE WELL NO./STATION NO.

LATITUDE LONGITUDE

APN/TRS/OTHER

Page _____ of _____

Owner's Well No. _____ No. **410397**

Date Work Began **7-15-93**, Ended **7-29-93**

Local Permit Agency **Sonoma County Health Dept.**

Permit No. **93-5842, ID#13768** Permit Date **6-28-93**

GEOLOGIC LOG

ORIENTATION (°)		DEPTH	DEPTH	DEPTH	DESCRIPTION
<input checked="" type="checkbox"/> VERTICAL <input type="checkbox"/> HORIZONTAL		ANGLE (SPECIFY)	WATER	(Ft)	BELOW SURFACE
DEPTH FROM SURFACE		Describe material, grain size, color, etc.			
Fl.	to	Fl.			
0	2				Adobe
2	12				Brown clay with embedded gravel
12	52				Very hard volcanic rock
52	64				Tan clay
64	101				Very hard volcanic rock
101	142				Pumice rock
142	162				Very hard volcanic rock
162	280				Pumice rock
280	295				Wood
295	332				Very hard volcanic rock

WELL OWNER

Name: **City Of Santa Rosa**

Mailing Address: **415 Steel Lane**

City: **Santa Rosa, CA 95403** STATE: _____ ZIP: _____

WELL LOCATION

Address: **Bennett Valley Golf Course**

City: **3330 Yulupa Ave.**

County: **Santa Rosa, Sonoma County**

APN Book **147** Page **150** Parcel **01**

Township _____ Range _____ Section _____

Latitude _____ Longitude _____

DEG. MIN. SEC. NORTH Longitude DEG. MIN. SEC. WEST

LOCATION SKETCH

NORTH

WEST

EAST

NEW SOUTH WELL

(3)

ACTIVITY (✓)

NEW WELL

MODIFICATION/REPAIR

_____ Deepen

_____ Other (Specify) _____

DESTROY (Describe Procedures and Materials Under "GEOLOGIC LOG")

PLANNED USE(S)

(✓)

MONITORING

WATER SUPPLY

_____ Domestic

_____ Public

Irrigation

_____ Industrial

_____ "TEST WELL"

_____ CATHODIC PROTECTION

_____ OTHER (Specify) _____

Post-It™ brand fax transmittal memo 7671 # of pages >

To Chuck	From Bruce
Co.	Co.
Dept.	Phone #
Fax #	Fax #

TOTAL DEPTH OF BORING **332** (Feet)

TOTAL DEPTH OF COMPLETED WELL **315** (Feet)

DRILLING METHOD **Rotary** FLUID **Bentonite**

WATER LEVEL & YIELD OF COMPLETED WELL

DEPTH OF STATIC WATER LEVEL **7** (Ft.) & DATE MEASURED **7-29-93**

ESTIMATED YIELD **2007** (GPM) & TEST TYPE **Air Lift**

TEST LENGTH **5** (Hrs.) TOTAL DRAWDOWN **2** (Ft.)

* May not be representative of a well's long-term yield.

DEPTH FROM SURFACE	BORE-HOLE DIA. (Inches)	CASING(S)						DEPTH FROM SURFACE	ANNULAR MATERIAL				
		TYPE (✓)	MATERIAL/ GRADE	INTERNAL DIAMETER (Inches)	GAUGE OR WALL THICKNESS	SLOT SIZE IF ANY (Inches)	FL. to FL.		CE-MENT (✓)	BEN-TONITE (✓)	FILL (✓)	FILTER PACK (TYPE/SIZE)	
+2	65	17 1/2	✓	E-480PVC	10"	CL200		0	20	✓			
65	145	17 1/2	✓	E-480PVC	10"	CL200	.064	20	330			✓	1/8" x 1/4"
145	165	17 1/2	✓	E-480PVC	10"	CL200							
165	185	17 1/2	✓	E-480PVC	10"	CL200	.064						
185	205	17 1/2	✓	E-480PVC	10"	CL200							
205	265	17 1/2	✓	E-480PVC	10"	CL200	.064						
265	295	17 1/2	✓	E-480PVC	10"	CL200	.064						
295	315	17 1/2	✓	E-480PVC	10"	CL200	.064						

CERTIFICATION STATEMENT

I, the undersigned, certify that this report is complete and accurate to the best of my knowledge and belief.

NAME **Ward Thompson** **Weeks Drilling & Pump Co.**

ADDRESS **POB176, Sebastopol, CA** CITY **95473** STATE _____ ZIP _____

Signed **Ward Thompson** DATE SIGNED **8-2-93** 177681

WELL DRILLER/AUTHORIZED REPRESENTATIVE DATE, SIGNED C-57 LICENSE NUMBER

WELL

**CONFIDENTIAL/PROPRIETARY INFORMATION
PUMPING COST ANALYSIS**

DON BALLARD
BENNETT VALLEY GOLF COURSE
3330 YULUPA AVE
SANTA ROSA, CA 95405

Test Date - 11/26/2008
Analysis Date - 11/26/2008

Pump: NORTH WELL HP: 25.0
PUMP TEST REFERENCE NUMBER: 102528

The following Pumping Cost Analysis is presented as an aid to your cost accounting. This analysis is an estimate prepared from data acquired from the pump test performed 11/26/2008 and information provided by you.

Please pay careful attention to the assumptions. The estimated savings are only valid for the assumptions made and conditions measured during the pump test.

	EXISTING CONDITIONS	ASSUMED IMPROVED EFFICIENCY	
1. Overall pumping efficiency:	32%	57%	
2. Motor loaded at:	107%	78%	
3. Flow rate (gpm):	441	542	
Pumping Level (ft):	86	91	
Discharge Pressure (psi):	0	0	
4. Total Dynamic Head (feet):	87	91	
5. Acre-feet Pumped/yr:	81.20	81.20	
6. Hours of Operation/yr:	1,000	814	
			ESTIMATED SAVINGS FROM IMPROVED EFFICIENCY
7. Kilowatt-hours per Acre-foot:	275	164	111
8. Estimated Total kWh per Year:	22,324	13,336	8,989
9. Average Cost per kWh:	\$0.150		
10. Average Cost per hour:	\$3.35	\$2.46	\$0.89
11. Average Cost Per Acre Ft:	\$41.24	\$24.64	\$16.61
12. Estimated Acre Ft. per Year :	81	81	
13. Operating Hours per Year:	1,000	814	186
14. Overall Pumping Efficiency:	32%	57%	
15. Estimated Total Annual Cost:	<u>\$3,349</u>	<u>\$2,000</u>	<u>\$1,348</u>

It is sincerely hoped that this information will prove helpful to you, and that your concerns over maintaining optimum pumping efficiency will continue.

If you have any questions, please contact Bob Fraker at 7078293127.

Regards,

Bob Fraker

WELL

Pumping Efficiency Testing Services
(707) 829-3127
Pump Test Report

v.4.0

Pump/Location: North Well/3330 Yulupa Ave
GPS Coord.: Long 122.6587 Lat 38.4211
Motor Make: No Name Plate **Type:** Submersible
Customer Addr: Bennett Valley Golf Course
3330 Yulupa Ave
Santa Rosa, CA 95405
Contact: Don Ballard
Phone: (707) 527-8373 **Fax:** (707) 528-1762

HP: 25 **Utility:** PG & E
Pump Make: No Name Plate
Meter Number: R93646
Serial Number: SA-10-6314241856 50HP
Voltage: 0 **Amps:** 0

Our Test #: 1

Cell: (707) 484-9153

Test Date: 11/26/200

Tester: Bob Fraker

- Run Number ('E' = used for cost anal):** E-1
- 1. Pumping Water Level (Ft):** 86
- 2. Standing Water Level (Ft):** 66
- 3. Draw Down (Ft):** 20
- 4. Recovered Water Level (Ft):** 66
- 5. Discharge Pressure at Gauge (PSI):** 0
- 6. Total Lift (Ft):** 87
- 7. Flow Velocity (Ft/Sec):** 11.3
- 8. Measured Flow Rate (GPM):** 441
- 9. Customer Flow Rate (GPM):** 0
- 10. Specific Capacity (GPM/Ft draw):** 22.0
- 11. Acre Feet per 24 Million Gallons per 24 Hr:** 1.9
0.635
- 12. Cubic Feet per Second (CFS):** 1.0
- 13. Horsepower Input to Motor:** 30
- 14. Percent of Rated Motor Load (%):** 107
- 15. Kilowatt Input to Motor:** 22
- 16. Kilowatt Hours per Acre Foot:** 275
- 17. Cost to Pump an Acre Foot:** \$41.24
- 18. Energy Cost (\$/Hour)** \$3.35
- 19. Base Cost per Kwh:** \$0.150
- 20. NamePlate RPM:** 0
- 21. RPM at GearHead:** 0
- 22. Overall Pumping Efficiency (%):** 32

If a Flow Velocity (line 7) is less than 1 ft/second, the accuracy of the test is suspect.

Note any major difference between the "Measured" flow rate and the "Customer's" (lines 8,9).

All results are based on conditions during the time of the test. If these conditions vary from the normal operation of your pump, the results shown may not describe the pump's normal performance.
Overall efficiency of this plant is considered to be very low assuming this run represents plant's normal operating condition.

Estimated savings of 111 kWh/AF and \$1,348.33 annual energy costs from a retrofit
Current OPE of 32% and estimated potential OPE of 57%

WELL

Agricultural Pumping Efficiency Program
CONFIDENTIAL/PROPRIETARY INFORMATION
PUMPING COST ANALYSIS

DON BALLARD
BENNETT VALLEY GOLF COURSE
3330 YULUPA AVE
SANTA ROSA, CA 95405

Test Date - 11/26/2008
Analysis Date - 11/26/2008

Pump: SOUTH WELL HP: 25.0
PUMP TEST REFERENCE NUMBER: 102529

The following Pumping Cost Analysis is presented as an aid to your cost accounting. This analysis is an estimate prepared from data acquired from the pump test performed 11/26/2008 and information provided by you.

Please pay careful attention to the assumptions. The estimated savings are only valid for the assumptions made and conditions measured during the pump test.

	EXISTING CONDITIONS	ASSUMED IMPROVED EFFICIENCY	
1. Overall pumping efficiency:	24%	62%	
2. Motor loaded at:	107%	50%	
3. Flow rate (gpm):	426	554	
Pumping Level (ft):	66	61	
Discharge Pressure (psi):	0	0	
4. Total Dynamic Head (feet):	67	62	
5. Acre-feet Pumped/yr:	78.44	78.44	
6. Hours of Operation/yr:	1,000	769	
			ESTIMATED SAVINGS FROM IMPROVED EFFICIENCY
7. Kilowatt-hours per Acre-foot:	285	102	183
8. Estimated Total kWh per Year:	22,332	8,002	14,330
9. Average Cost per kWh:	\$0.150		
10. Average Cost per hour:	\$3.35	\$1.56	\$1.79
11. Average Cost Per Acre Ft:	\$42.71	\$15.30	\$27.40
12. Estimated Acre Ft. per Year :	78	78	
13. Operating Hours per Year:	1,000	769	231
14. Overall Pumping Efficiency:	24%	62%	
15. Estimated Total Annual Cost:	<u>\$3,350</u>	<u>\$1,200</u>	<u>\$2,150</u>

It is sincerely hoped that this information will prove helpful to you, and that your concerns over maintaining optimum pumping efficiency will continue.

If you have any questions, please contact Bob Fraker at 7078293127.

Regards,

Bob Fraker

WELL

Pumping Efficiency Testing Services
(707) 829-3127
Pump Test Report

v.4.0

Pump/Location: South Well/3330 Yulupa Ave
GPS Coord.: Long 122.6586 Lat 38.42095
Motor Make: No Name Plate **Type:** Submersible
Customer Addr: Bennett Valley Golf Course
3330 Yulupa Ave
Santa Rosa, CA 95405
Contact: Don Ballard
Phone: (707) 527-8373 **Fax:** (707) 528-1762

HP: 25 **Utility:** PG & E
Pump Make: No Name Plate
Meter Number: R93646
Serial Number: NA
Voltage: 0 **Amps:** 0
Our Test #: 2
Cell: (707) 484-9153

Test Date: 11/26/200

Tester: Bob Fraker

- Run Number ('E' = used for cost anal):** E-1
- 1. Pumping Water Level (Ft):** 66
- 2. Standing Water Level (Ft):** 83
- 3. Draw Down (Ft):**
- 4. Recovered Water Level (Ft):** 83
- 5. Discharge Pressure at Gauge (PSI):** 0
- 6. Total Lift (Ft):** 67
- 7. Flow Velocity (Ft/Sec):** 4.8
- 8. Measured Flow Rate (GPM):** 426
- 9. Customer Flow Rate (GPM):** 0

If a Flow Velocity (line 7) is less than 1 ft/second, the accuracy of the test is suspect.

- 10. Specific Capacity (GPM/Ft draw):**
- 11. Acre Feet per 24 Million Gallons per 24 Hr:** 1.9
0.613
- 12. Cubic Feet per Second (CFS):** 0.9
- 13. Horsepower Input to Motor:** 30
- 14. Percent of Rated Motor Load (%):** 107
- 15. Kilowatt Input to Motor:** 22
- 16. Kilowatt Hours per Acre Foot:** 285
- 17. Cost to Pump an Acre Foot:** \$42.71
- 18. Energy Cost (\$/Hour):** \$3.35
- 19. Base Cost per Kwh:** \$0.150
- 20. NamePlate RPM:** 0
- 21. RPM at GearHead:** 0
- 22. Overall Pumping Efficiency (%):** 24

Note any major difference between the "Measured" flow rate and the "Customer's" (lines 8,9).

All results are based on conditions during the time of the test. If these conditions vary from the normal operation of your pump, the results shown may not describe the pump's normal performance.
Overall efficiency of this plant is considered to be very low assuming this run represents plant's normal operating condition.

Estimated savings of 183 kWh/AF and \$2,149.52 annual energy costs from a retrofit
Current OPE of 24% and estimated potential OPE of 62%

180 gpm @ 180'

~~180~~

**Final Report of Findings
Golf Course Irrigation System Evaluation
Bennett Valley Golf Course
Santa Rosa, CA**

APPENDIX D

South Well Discharge Head Photo



**Final Report of Findings
Golf Course Irrigation System Evaluation
Bennett Valley Golf Course
Santa Rosa, CA**

APPENDIX E

Cost Estimate Documents

MEMORANDUM

TO: Dave Bigler

FROM: David Long
Dyanna Becker

SUBJECT: Bennett Valley Golf Course Irrigation: New Well Cost Estimate
B&R File No. 3578.00

DATE: March 3, 2014

Estimated construction costs for the items described in the Bennett Valley Golf Course Irrigation Report are as follows:

DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
Back-up Well	1 LS	\$55,000	\$55,000
Submersible Pump - Installed	1 EA	\$35,000	\$35,000
Submersible Pump - Spare	1 EA	\$10,000	\$10,000
Bolted Steel Tank	40,000 - 100,000 GAL	\$1.60 - \$0.90	\$65,000 - \$90,000
Gravel Ring Foundation	1 LS	\$5,000	\$5,000

It was assumed that the proposed well would be similar in depth to the existing wells. The existing North Well is 315 feet deep and the existing South Well is 358 feet deep. The cost for the back-up well includes the costs for drilling an approximately 350 feet deep well, installation of a 10-inch diameter casing, installation of gravel, sanitary seal, and well head at an estimated cost of \$150 per foot of well depth. The submersible pump was assumed to be the same size as the existing 25HP submersible pump in the north well. The cost of the installed pump includes the cost of approximately 350 feet of 6-inch diameter drop pipe, cable to power and control the pump, appurtenances needed at the well head, and the labor to install and test the pump.

The required capacity of the bolted steel tank is not known at this time. The cost estimate for the tank – which includes manufacturing, delivery, and assembly on site – is given for a range of tank capacities from 40,000 gallons to 100,000 gallons. Due to economies of scale, the price per gallon ranges from \$0.90 for a 100,000 gallon tank to \$1.60 for a 40,000 gallon tank. The tank could be installed on a gravel ring foundation. The cost estimate for the foundation includes excavation, soil preparation, steel grade band, and 10-15 cubic yards of gravel. The size of the foundation would change with the size of the tank, but the cost of the foundation would not change significantly.



Watertronics, Inc.
 P.O. Box 530
 Hartland, WI 53029
 262-367-5000 PH
 262-367-5551 FX

HORIZONTAL CENTRIFUGAL (HCFV) PROPOSAL
Flooded Suction Variable Speed Virtual Vision III Pumping System
U. L. Approved Package Pumping System Suitable For Three Phase Power

All Watertronics control panels meet or exceed the Federal Communications Commission (FCC)
 Standard #15 for emitted and conducted noise

Customer:	Dave Bigler	Date:	May 9, 2014
Attn:	BUDGET PRICING	Quotation #:	050914JNHCFV-1-60x2
Phone #:		Project Name:	Bennett Valley Golf Course
Fax #:		Location:	CA
Email:		Quoted By:	Bob Sylvester/rwe

STATION PERFORMANCE: 1200 GPM @ 100 PSI Boost Flooded Pressure = 5 TDH

POWER REQUIREMENT: Power shall be 460 volt, 3 phase, 60 hertz.

Note: See Power Supply in the Terms and Conditions Section below for further information

MODEL DESCRIPTION: HCFV-1-60x2-5VC-460-3-1200-100

Project Scope: Variable speed (VFD) flooded suction horizontal end suction centrifugal pump station with piping, valves and base painted. Pump station will incorporate 2 mains and one pressure maintenance pump. Station is proposed to be installed under a composite canopy supplied by the pump station manufacturer. Controls will be an industrial grade PLC incorporating a color touch screen operator interface device with software programming written specifically for this project—with information given at time of design or order. A formed and reinforced base platform supports all manifolding, pumps, motors and control panels to provide an integral unit ready to allow quick install at the job site.

Note!! This Proposal was formulated to meet the customer supplied design specification identified by: Any differences in the specifications from the equipment outline within this proposal should be brought to the immediate attention of Watertronics for clarification

STANDARD FEATURES INCLUDE:

- U.L. listed NEMA 4 control panel assembly with 200 AMP main disconnect and interior lighting package
- **Air conditioner cooling** for control panel
- Microprocessor controls with AccuWare station software to maintain constant pressure at variable flow
- VirtualVision II Color Touchscreen operator interface device with active matrix LCD display featuring:
 - Digital flow (GPM) and pressure (PSI) display
 - Both cumulative and resettable gallons pumped indicators
 - Pump ready/running status with elapsed run time display per pump
 - Flow-based pressure regulation to match discharge pressure with irrigation demand
 - Individual motor overload reporting
 - Minute by minute data logging saved to a removable flash RAM card
 - 32MB card to store approximately 12 months of data
 - Historic & real time X-Y plotting of pump station operation
 - Filter controls

- 8" FL x 12" FL fabricated steel discharge drop pipe with swivel connection and 2" diameter blowout port \$ 2,036.00
- 8" FL x 12" FL fabricated steel inlet drop pipe with swivel connection \$ 1,873.00
- Patented Electronic Butterfly Valve (EBV) system that provides the following Features: \$ 3,491.00
Pressure regulates even if the VFD fails or faults - activates immediately without loss of irrigation
Purge air from VT column pipe,
Eliminates water hammer and check valve slam,
Provides superior slow fill or surge
- 5 KVA, 120V single phase power supply with load center & GFCI convenience receptacle (un-regulated power supply) \$ 2,294.00
- 8" VAF Model **V1500** all stainless steel suction scanner filter with 300 Micron screen. Includes inlet and outlet isolation valves and full flow by-pass line with isolation valve plus Watertronics designed controls that enable filter flush via 1) pressure drop, 2) time or 3) total flow—improving filter performance and life by eliminating unnecessary flushes. \$ 25,464.00
- Pump station canopy constructed of fiberglass composite painted, removable roof assembly, interior lighting, fusible control panel main disconnect, pull box for incoming power lead wires & external mounted communication junction box. \$ 18,643.00
- Painted steel manifold with three inlets for the remote well pumps, a single outlet with a data Industrial IR 220B flow sensor and 6" EBV. This manifold will be located near the pump station and used to flow match the tank refill GPM with the pump station outflow. Custom logic in the pump station to modulate the fill pipe EBV is included. \$ 6,267.00
- For Reference Only: One 30 HP submersible well pump & motor with 460v/3/60. Simple NEMA 4 Dead Front control panel. Approximate specs: 375 GPM at 230' TDH. \$ 10,750.00

Terms and Conditions

DELIVERY AND SET-UP:

1. All reasonable efforts will be made to meet the requested delivery date after the receipt of a signed contract however; Watertronics will not be liable for delays in delivery.
2. Pump station components shipped separately from the station, at the Customer's request, may incur additional freight charges, payable by the Customer.
3. Customer will be responsible for having job site readily accessible for station delivery via flat bed truck.
4. Customer will provide the equipment and personnel required to unload and/or set the pump station.
5. DOMESTIC (USA): Station Set-up charges include one day on site. If more than one day is required, additional charges of \$950.00 per day will be assessed if the customer caused the delay. Travel time not included if separate service call is required.
INTERNATIONAL DESTINATIONS: It is the responsibility of the owner's representative (contractor) to offload the station and place the skid in position on the concrete slab. Vertical Turbines may be set in place on the skid for final assembly by an authorized service agent at time of technical startup.
6. Customer will be responsible for electrical permit if required.
7. Customer will be responsible for primary electrical hookup to pump station.
8. Customer will be responsible for making all piping connections.
9. Customer will be responsible for building modifications (roof removal & installation) if required.
10. Customer will be responsible for wet well, slab, and concrete work.
11. Customer will be responsible for piping wye strainer / filter flush line back to supply lake

START-UP:

1. DOMESTIC (USA): Start-up charges include one day on site. If more than one day is required, additional charges of \$950.00 per day will be assessed if the customer caused the delay.
INTERNATIONAL DESTINATIONS: Final assembly and startup will be completed under the terms listed above. If the site is ready for startup i.e. power in place, site and infrastructure ready to run water the time allotted is adequate. Any delays due

to events out of our control may incur additional charges. Charges include technician's time (\$950/day), travel fees, airline penalties, hotel, and meals.

2. Purchaser will notify Watertronics two weeks in advance of the desired start-up date.

WARRANTY:

1. Watertronics warrants its pump station products to be free of defects in materials and workmanship for a period of one (1) year from the date of startup, but not later than fifteen (15) months from the date of invoice, unless modified by customer with the selection of the extended warranty option. Stations deemed delivery complete and invoiced accordingly, at Watertronics' factory and stored there, shall have the warranty period commence as of the invoice date.
2. This warranty is limited to replacing or repairing any defective component at the sole option of Watertronics and does not apply to equipment that has been damaged, misapplied or has been modified in any way.
3. Regular scheduled maintenance is required to keep the pump station running in top condition. A minimum of two (2) scheduled preventative maintenance service calls must be performed during the warranty period for the warranty to remain in force. Scheduling and payment for maintenance shall be the responsibility of the owner. Any work performed on the pump station must be provided by a Watertronics recognized PSN (Pump Service Network) service provider and documentation of all work performed within the warranty period must be on file at the factory. Any maintenance or repairs done without the pre-authorization of Watertronics or its recognized service providers shall void this warranty.
4. This warranty does not cover damages under the following conditions, unless otherwise specified in writing: (1) Lightning strikes, misapplied or inappropriate in-coming power, improper grounding, vandalism, or any incidental, consequential, or acts of God, (2) repairs or replacements made without the pre-authorization of Watertronics or its recognized service providers, (3) exposure to destructive gaseous or chemical solutions, (4) exposure to water pH levels of less than 6.0 which is typically the result of SO2 burner or sulfuric acid injection, (5) water salinity levels greater than 2000 parts per million, (6) water from a reverse osmosis process plant, (7) unusually high dirt load or abrasives in the water, or (8) pumping water not suitable for turf irrigation.
5. Watertronics will not accept liability for any costs associated with the removal or replacement of equipment in difficult to access locations. This includes, but is not limited to, the use of cranes larger than 15 tons, scuba divers, barges, helicopters, or other unusual means. These extraordinary costs shall be borne by the owner, regardless of the reason necessitating removal of the product from service.
6. THIS WARRANTY IS ABSOLUTELY IN LIEU OF ANY OTHER EXPRESS OR IMPLIED WARRANTIES. THIS INCLUDES ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND OF ANY OTHER OBLIGATION ON THE PART OF WATERTRONICS.

NO AGENT, EMPLOYEE OR REPRESENTATIVE OF WATERTRONICS HAS ANY AUTHORITY TO BIND WATERTRONICS TO AN AFFIRMATION, REPRESENTATION OR WARRANTY CONCERNING THE PRODUCT SOLD UNDER THIS WARRANTY. THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF.

POWER SUPPLY:

1. **The pump station proposed herein is designed for 480 volt, WYE configured or closed delta balanced 3 phase power. The acceptable range of voltage is 455 volts (min) – 495 volts (max). Unless specifically stated under Optional Equipment, open delta, phase converter, or other forms of unbalanced three phase power are not acceptable.**
2. If the supply voltage is not within this acceptable range, the purchaser is responsible for making the necessary corrections. This may include re-tapping or replacing the primary transformer. If the supply voltage is outside the stated range, electrical components such as VFD's, fuses, breakers, overloads, motors, power supplies may intermittently trip or prematurely fail and will not be considered for warranty coverage.
3. The use of generator power is not recommended. If a generator is required as a temporary power supply, the pump station will be covered under Watertronics' limited warranty provided that their "Engine Driven Generator Power Warranty Policy and Operation Guidelines" document is strictly adhered to.
4. Proper electrical grounding of the pump station is a requirement. Station will not operate properly and could pose a health hazard if not properly grounded. Failures of any magnitude due to improper grounding will not be covered under warranty.

Payment Terms:

U. S Dollars Only

1. All purchase orders are subject to acceptance at factory in Hartland, Wisconsin. Receipt of Production deposit, verification of acceptable credit and confirmation of order are required before production. On domestic orders of \$100,000 or less, a 25% production deposit is required to initiate the order with the balance due net 30 days from date of final invoice. Orders over \$100,000 require a 50% production deposit. For international orders, either an Irrevocable Letter of Credit (ILC) drawn on a U.S. Bank, with all costs of the ILC borne by the purchaser, is required for the full amount of purchase at time of order, or a 50% cash deposit with order and the remainder paid in cash when product is stated ready for shipment.
2. Late fee of 1.5% per month will be added to any balance due after thirty (30) days from the date of invoice. All payments and/or credits are applied to the outstanding balance before computing a finance charge.
3. In the event the customer cannot take delivery on the requested date, delivery shall be deemed completed, and the warranty period shall commence, at Watertronics' factory with storage for future shipment. For the purpose of payment, eighty (80) percent of the contract price will be due, payable net 30 days from invoice. The customer will be responsible for storage

and handling charges at the factory. A minimum charge of \$200 per week will apply, with total storage charges added to the final invoice.

OTHER INFORMATION:

1. Prices valid for sixty (60) days from the date of this proposal.
2. State and local sales taxes are not included in these prices.
3. Seller retains a security interest in the above mentioned equipment as provided by the UNIFORM COMMERCIAL CODE, until payment is received in full.
4. All claims for incorrect deliveries must be submitted in writing to Watertronics Customer Service within 15 days after receipt of goods.
5. All claims for price discrepancy must be submitted in writing to Watertronics Customer Service within 60 days after receipt of goods.
6. A completed pump station may not be returned to Watertronics for credit.

CHANGE ORDERS:

1. Change Orders initiated by parties outside of Watertronics, after an order has been entered, may require additional charges to the purchaser regardless of the reason or initiating party. A minimum administrative fee of \$ 150.00 will be charged.
 - a. Lost engineering and order administration time will be charged to the purchaser at \$150.00 per hour.
 - b. Purchase orders to vendors perfected by Watertronics made invalid by the Change Order will incur charges against the purchaser equal to any penalties levied against Watertronics. To include, re-stocking charges, lost freight charges or return goods freight charges and any vendor administrative costs.
 - c. Watertronics lost manufacturing time will be charged to the purchaser at \$100.00 per hour. Additional labor to satisfy the Change Order will be estimated at \$100.00 per hour and added to the total Change Order amount.
 - d. Materials made unusable or scrapped because of the Change Order will be charged to the purchaser at actual sale value as originally assigned to the job.
Replacement materials or goods will be valued as required by the Change Order and be shown in its total.

Acceptance Terms:

1. Purchaser hereby agrees that in the event of default in the payment of any amount due, that if this account is placed in the hands of an attorney, or agency for collection or legal action, to pay any and all related attorneys fees, costs of collection including agency, private process servers fees, court costs, etc., incurred and any other costs of collection permitted by the laws governing these transactions.
2. Equipment cancelled before completion will incur restocking charges that will be calculated at time of cancellation. Restocking fees may be the full cost of the pump station depending on the nature of the pump station that is cancelled.
3. Equipment shipped separately from the station, at Purchaser's request, may incur additional freight charges, payable by Purchaser.
4. Delayed deliveries by the customer once equipment is ready to ship, will incur minimum storage charges of \$200 per week, added to the final invoice.

ACCEPTED BY:

Company Name: _____ By: _____

Print Name: _____ Title: _____

Signature Date: _____ Requested Delivery Date: _____

Is this sale taxable? (circle one) Yes No (If the order is non-taxable, a tax exempt certificate for the "ship to" state must be submitted with this order).

Please Return One Signed Copy of This Quotation On Acceptance. Merchandise delivered or shipped is due and payable to: Watertronics LLC, 525 Industrial Drive, P.O. Box 530, Hartland, WI 53029-0530.
Fax number: 262-367-5551 Phone 262-367-5000.

BILL TO INFORMATION:

Company Name: _____ Phone: _____ Fax: _____ Email Address _____

Billing Address: _____ City: _____ State: _____ Zip Code: _____

Contact Name (Print): _____ Title: _____

SHIP TO INFORMATION:

Company Name: _____ Phone: _____ Fax: _____

Shipping Address: _____ City: _____ State: _____ Zip Code: _____

Contact Name (Print): _____ Title: _____ Phone : _____

Thank you for the opportunity to quote on your pump station needs. If you have any questions or require further information, please call us at 262-367-5000.

Subj: **Bennett Valley**
 Date: 5/12/2014 12:37:23 P.M. Pacific Daylight Time
 From: Ryan.Wilson@TurfStar.com
 To: DaveBigler@aol.com

201-16P6M3	\$2505	Wireline
201-24P6M3	\$2970	
201-32P6M3	\$3435	
201-40P6M3	\$3900	
201-48P6M3	\$4365	
201-56P6M3	\$4830	
201-64P6M3	\$5295	
201-24P6R3	\$3990	Radio
201-32P6R3	\$4455	
201-40P6R3	\$4920	
201-48P6R3	\$5385	
201-56P6R3	\$5850	
201-64P6R3	\$6315	

Weather Station Wireless and Solar \$13,500

Handheld Radio: Base Station, Radios, Antennae, Cables, FCC License, and Site Survey \$11,000

Lynx Central Computer: \$40,000

Let me know if you have any questions

Ryan Wilson, SCPS

Turf Star, Inc.

Irrigation Sales & Service

Direct: 510-266-4824

Office: 800-585-8001 x4824

Fax: 510-785-3576

ryanw@turfstar.com

Exhibit I**RESTAURANT INVENTORY**

Item		Quantity
1	Mobile Dry Storage Shelving	1
2	Two Compartment Walk-in Refrigerator	1
3	Mobile Freezer Storage Shelving	1
4	Mobile Refrigerator Storage Shelving	1
5	Cube Ice Machine	1
6	Handsink	2
7	Mobile Slicer Stand	1
8	Food Slicer	1
9	Mobile Mixer Stand	1
10	20 Quart Mixer	1
11	Work Table with Prep Sinks	1
12	Wall Mounted Shelf and Utensil Rack	1
13	Mobile Dish Dolly	2
14	Clean Dish Table/Utensil Sinks and Drain Boards	1
15	Single Tank Door Type High Temp Dishwasher	1
16	Scrap Collection System	1
17	Wall Mounted Hose Reel	1
18	Table Mounted Cup/Glass Rack Shelf	1
19	Twin Deep Fat Fryer with Base Cabinet	1
20	Griddle Top Range with Convection Oven	1
21	Salamander Broiler	1
22	Under Fired Broiler with Convection Oven	1
23	Open Burner Range with Convection Oven	2

	Item	Quantity
24	Refrigerated Work Counter with Cold Rail	2
25	12" x 20" hot food well unit with drain	2
26	Microwave Oven	1
27	Wall Mounted Shelf and Cabinet	1
28	Waitress Counter with Sink	1
29	Dipper Well	1
30	Ice Cream Cabinet	1
31	Single Section Reach-In Refrigerator	1
32	Hot Dog Grill and Bun Warmer	1
33	Two Section Under Counter Refrigerator	2
34	Three Section Back Bar Refrigerator	1
35	Wall Mounted Shelf	1
36	Two Section Back Bar Refrigerator	1
37	Rational Oven Model SCC GIG 1/2008	1
38	Prep table	1
39	6 burner oven	1
40	2 compartment Fridge	1
41	Freezer	1
42	heated Banquet Cabinets	2
43	Tents	3
44	Rolling Stand	1
48	Glass shelves (in bar)	1
49	String lights (Restaurant Area)	1
50	Wall mounted AC Unit (Office near Kitchen)	1
51	Small Conex Box with roll up doors (area next to cell equipment)	1
52	Artwork	8
53	Banquet Centerpieces	24
54	Banquet Chairs	170

	Item	Quantity
55	Banquet Tables	28
56	Bar Stools	46
57	Copper Foyer Tables 60"	2
58	Copper Foyer Tables 30"	2
59	Copper Foyer Table 42"	1
60	Copper Mirrors	2
61	Hat Rack	1
62	Dance Floor	1
63	Draft Tower	1
64	Foyer chairs	8
65	Grill Chairs	96
66	Grill Tables	32
67	Iron Console	1
68	Iron Mirror	1
69	Legends at BV sign	1
70	Liquor Cage	1
71	Live Plants and Pots	1
72	Office Desk	1
73	Office Chairs	6
74	Office Hutch	1
75	Office Filing Cabinet	2
76	Office Built-ins	1
77	Patio Cushions	90
78	Patio chairs	90
79	Patio seating groups	3
80	Patio Heaters and Propane Tanks	8
81	Patio Tables	28
82	Patio Umbrellas and Bases	12
83	Portable Bar	1
84	Safe	1
85	Satellite TV HD receivers	12
86	Satellite TV equipment	1
87	TV-42"	5

	Item	Quantity
88	TV-52"	7
89	TV-15"	1
90	Banquet Buffet Table Décor	1
91	BBQ	1
92	Beverage Cart	1
93	China	1
94	Cigar Humidor	1
95	Glassware	1
96	Hot Dog Machine	1
97	Office Computers	5
98	Office Copier	1
99	Office Fax/Printers	3
100	Patio Umbrella Lights	12
101	Phones system	1
102	Plateware	1
103	POS System- Stations	4
104	POS System- Handhelds	3
105	Silverwear	1
106	Small equipment and furniture	1
107	Special Boards and Banquet Easels	1
108	Utensils (pots, pans, bar equip)	1
109	Banquet Table Skirting	1
110	Hand Truck	1
111	Ladders	1
112	Reserve Banquet Software	1
113	Server Pagers	1
114	Tool Box and Tools	1
115	US & California flags and stands	1

ASSET ID	FINANCIAL REFERENCE NUMBER	YEAR-MAKE-MODEL	SERIAL NUMBER	LICENSE	DEPARTMENT	STATUS	ACQUIRE DATE	LIFE CURRENT	LIFE REMAINING	
CLASS: Sprayer, Turf Care, Self-Powered - E33										
33509	11867	2005 SMITHCO Spray Star 1600P	SS1107	n/a	Municipal Golf Course [390002]	A	04/15/2005	203	-107	
33902	11872	1999 SMITHCO Spray Star 1600	868	n/a	Municipal Golf Course [390002]	A	06/30/1999	273	-177	
CLASS TOTALS: Sprayer, Turf Care, Self-Powered - E33							ASSET ID COUNT: 2	TOTALS:	238	-142
CLASS: Motorized Cart, 1-2 Passenger - E3A										
33111	12259	2011 JOHN DEERE GATOR	1M04X2XCTBM070052	N/A	Municipal Golf Course [390002]	A	01/31/2012	122	-26	
33314	11850	2003 TORO Workman 3200	230000219	N/A	Municipal Golf Course [390002]	A	06/30/2003	225	-129	
33609	11849	2006 TORO Workman 3200	07361-260000312	N/A	Municipal Golf Course [390002]	A	04/28/2006	191	-95	
33703	11852	2007 TORO Workman	07277270000925	N/A	Municipal Golf Course [390002]	A	08/03/2007	175	-79	
33802	11853	2008 TORO Workman	280000128	N/A	Municipal Golf Course [390002]	A	01/22/2009	158	-62	
33803	11861	2008 TORO Workman	280000129	N/A	Municipal Golf Course [390002]	A	01/22/2009	158	-62	
CLASS TOTALS: Motorized Cart, 1-2 Passenger - E3A							ASSET ID COUNT: 6	TOTALS:	172	-76
CLASS: Trailer, Util Bdy - FP0										
28707		2007 IRON EAGLE TRAILER (IRON EAGLE)	5L6FC10A97F001459	1356770	Municipal Golf Course [390002]	A	01/01/2007	182	-182	
CLASS TOTALS: Trailer, Util Bdy - FP0							ASSET ID COUNT: 1	TOTALS:	182	-182
CLASS: Farm Tractor - J10										
27101	12262	2011 KIOTI DK45SE	LT6600010	N/A	Municipal Golf Course [390002]	A	02/09/2012	121	-25	
27103	12262	2011 KIOTI DK45SE	LT6600010	EIN RW8A77	Municipal Golf Course [390002]	A	01/01/2011	134	-134	
27404	11868	2004 KIOTI LK3054	D26500097	EIN XH7B85	Municipal Golf Course [390002]	A	06/11/2004	213	-117	
27602	11856	1996 KUBOTA M4700	10743	EIN HU3N37	Municipal Golf Course [390002]	A	07/16/1996	308	-212	
27705	11864	2007 JOHN DEERE 2520	LV2520H307936	EIN KH6W65	Municipal Golf Course [390002]	A	09/28/2007	174	-78	
27802	11857	1986 KUBOTA L3350HDT	50386	EIN DF3P38	Municipal Golf Course [390002]	A	08/12/1986	427	-331	
CLASS TOTALS: Farm Tractor - J10							ASSET ID COUNT: 6	TOTALS:	230	-150
CLASS: Rake, Sand, Riding - J60										
33102	11871	2001 SMITHCO Super Star	4574	N/A	Municipal Golf Course [390002]	A	08/17/2001	247	-151	
33706	11851	2007 JOHN DEERE 1200	TC1200H035540	n/a	Municipal Golf Course [390002]	A	05/07/2009	154	-58	
CLASS TOTALS: Rake, Sand, Riding - J60							ASSET ID COUNT: 2	TOTALS:	201	-105
CLASS: Mower, Deck, Riding - K11										
33511	13042	2015 KUBOTA GHZ-534157	6420660	n/a	Municipal Golf Course [390002]	A	05/07/2015	82	14	
33605	151073	2006 JOHN DEERE 1435 SERIES II	TC1435D060127	EIN EJ4R64	Municipal Golf Course [390002]	G	05/31/2006	190	-122	
CLASS TOTALS: Mower, Deck, Riding - K11							ASSET ID COUNT: 2	TOTALS:	136	-54
CLASS: Mower, Deck, Pull Behind - K12										
37200	12274	2012 LASTEC 721XR	41511111	n/a	Municipal Golf Course [390002]	A	02/17/2012	121	23	
CLASS TOTALS: Mower, Deck, Pull Behind - K12							ASSET ID COUNT: 1	TOTALS:	121	23
CLASS: Mower, Fairway, Self-propelled, Lightweight - K16										
33001	14271	2020 Ventrac 4500Y	AN13281	None	Municipal Golf Course [390002]	A	11/24/2020	16	80	
33407	11855	2004 NATIONAL Triplex	8208	n/a	Municipal Golf Course [390002]	A	09/03/2004	210	-114	
33409	138693	1994 NATIONAL Triplex	3120	N/A	Municipal Golf Course [390002]	A	05/06/1994	334	-238	
CLASS TOTALS: Mower, Fairway, Self-propelled, Lightweight - K16							ASSET ID COUNT: 3	TOTALS:	187	-91
CLASS: Mower, Fairway, Self-Propelled - K17										
33510	13041	2015 JACOBSEN Tri-King	6714601711	N/A	Municipal Golf Course [390002]	A	05/31/2015	82	14	

Fleet Services
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ASSET ID	FINANCIAL REFERENCE NUMBER	YEAR-MAKE-MODEL	SERIAL NUMBER	LICENSE	DEPARTMENT	STATUS	ACQUIRE DATE	LIFE CURRENT	LIFE REMAINING	
CLASS: Mower, Fairway, Self-Propelled - K17										
33709	11863	2007 TORO 5610	270001040	EIN AT9P95	Municipal Golf Course [390002]	A	11/30/2007	172	-76	
33901	11862	2009 JOHN DEERE 757 2TR	TC0757A040551	n/a	Municipal Golf Course [390002]	A	06/09/2006	189	-93	
33906	11858	2009 JACOBSEN LF3800	679591676	EIN MD3X88	Municipal Golf Course [390002]	A	10/08/2009	149	-53	
CLASS TOTALS: Mower, Fairway, Self-Propelled - K17							ASSET ID COUNT: 4	TOTALS:	148	-52
CLASS: Mower, Golf Green, Riding - K19										
33201	138027	1992 JACOBSEN T422D	66132-4600	NO TAG	Municipal Golf Course [390002]	A	02/14/1992	361	-217	
33205	12283	2012 JOHN DEERE 2500E Hybrid	1TC24EHGHCT060060	N/A	Municipal Golf Course [390002]	A	01/31/2012	122	-26	
33206	12284	2012 JOHN DEERE 2500E Hybrid	1TC25EHGCBT060004	N/A	Municipal Golf Course [390002]	A	01/31/2012	122	-26	
33302	11846	2003 JACOBSEN Greens Mower	DN000356	N/A	Municipal Golf Course [390002]	A	06/30/2003	225	-129	
33303	11847	2003 JACOBSEN Greens Mower	DN000355	N/a	Municipal Golf Course [390002]	A	06/30/2003	225	-129	
33701	11865	2007 JOHN DEERE 2500B	TC250BG010257	N/A	Municipal Golf Course [390002]	A	09/28/2007	174	-78	
33801	11859	2008 JOHN DEERE 2500B	C250BG020415	N/A	Municipal Golf Course [390002]	A	02/05/2009	157	-61	
CLASS TOTALS: Mower, Golf Green, Riding - K19							ASSET ID COUNT: 7	TOTALS:	198	-95
CLASS: Mower, Reel, Tee, Riding - K31										
33204	12273	2012 JOHN DEERE 2500E Hybrid	1TC25EHGLBT060024	n/a	Municipal Golf Course [390002]	A	01/31/2012	122	-26	
33601	11866	2006 JOHN DEERE 2500A	TC250AG040025	N/A	Municipal Golf Course [390002]	A	04/04/2006	191	-95	
CLASS TOTALS: Mower, Reel, Tee, Riding - K31							ASSET ID COUNT: 2	TOTALS:	157	-61
CLASS: Mower, Golf Green, Self-Propelled, Walk Behind - K42										
33101	11854	2001 JACOBSEN Greens Mower	62280	N/A	Municipal Golf Course [390002]	A	08/17/2001	247	-151	
CLASS TOTALS: Mower, Golf Green, Self-Propelled, Walk Behind - K42							ASSET ID COUNT: 1	TOTALS:	247	-151
CLASS: Attachment, Mower, Reel, Vertical Cut - K45										
37507	13043	2015 JOHN DEERE Verticut JD2500	TA3J0252722-23-24	n/a	Municipal Golf Course [390002]	A	05/07/2015	82	14	
CLASS TOTALS: Attachment, Mower, Reel, Vertical Cut - K45							ASSET ID COUNT: 1	TOTALS:	82	14
CLASS: Aerator, Pull - K70										
37610	151018	2006 PLANETAIR Aerator	5031461	n/a	Municipal Golf Course [390002]	A	02/03/2006	193	-97	
CLASS TOTALS: Aerator, Pull - K70							ASSET ID COUNT: 1	TOTALS:	193	-97
CLASS: Aerator, Turf Care, Self-powered - K74										
33202	138026	1992 JACOBSEN T1224	82559-1733		Municipal Golf Course [390002]	A	02/14/1992	361	-277	
33315	11869	2005 TORO Aerator	230000152	n/a	Municipal Golf Course [390002]	A	06/30/2003	225	-129	
CLASS TOTALS: Aerator, Turf Care, Self-powered - K74							ASSET ID COUNT: 2	TOTALS:	293	-203
CLASS: Top Dresser - NB1										
33000	136933	1990 TURFCO Meter Matic III	98862	n/a	Municipal Golf Course [390002]	A	06/29/1990	381	-285	
37103	11870	2001 DAKOTA Turf Tender 410	FL17101301	n/a	Municipal Golf Course [390002]	A	09/21/2001	246	-150	
37104	11097	2011 TURFCO CR-10 Topdresser	N00663/M00508	n/a	Municipal Golf Course [390002]	A	05/11/2011	130	-34	
CLASS TOTALS: Top Dresser - NB1							ASSET ID COUNT: 3	TOTALS:	252	-156
CLASS: Grinder, Reel - TL4										
43201	12271	2012 Foley United Accu- Pro 632	11L63201232	n/a	Municipal Golf Course [390002]	A	02/09/2012	121	23	
CLASS TOTALS: Grinder, Reel - TL4							ASSET ID COUNT: 1	TOTALS:	121	23

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ASSET ID	FINANCIAL REFERENCE NUMBER	YEAR-MAKE-MODEL	SERIAL NUMBER	LICENSE	DEPARTMENT	STATUS	ACQUIRE DATE	LIFE CURRENT	LIFE REMAINING
CLASS: Grinder, Bedknife - TL5									
43202	12272	2012 Foley United Accu-Pro 660	11L66001427	n/a	Municipal Golf Course [390002]	A	02/09/2012	121	23
CLASS TOTALS: Grinder, Bedknife - TL5					ASSET ID COUNT: 1		TOTALS:	121	23
REPORT TOTALS:								ASSET LIFE CURRENT	ASSET LIFE REMAINING
					ASSET ID COUNT: 46			192	-97

Touchstone Operations and Maintenance Management Agreement

Final Audit Report

2022-06-30

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By:	Alisa Rawson (arawson@srcity.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAICy4NuvYM0QtVIF-nOdoYZCwm73ZNyAr

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