
SALT LAKE CITY COUNCIL STAFF REPORT

DATE: May 4, 2010

SUBJECT: Golf Enterprise Fund

- Capital Improvement Projects (CIP) - \$22 million
- Funding Sources

STAFF REPORT BY: Karen Halladay, Budget and Public Policy Analyst

AFFECTED COUNCIL DISTRICTS: All

ADMINISTRATIVE DEPT: GOLF ENTERPRISE FUND

AND CONTACT PERSON: RICK GRAHAM AND DAVID TERRY

NOTICE REQUIREMENTS: Open Space – Notice Requirements

Recommendation from Administration The Golf Fund has identified \$22 million of deferred capital maintenance and improvement projects at seven of its eight facilities. For the past twenty years, the Golf Fund has been paying the bond payments incurred for new construction of Wingpointe and the 18-hole expansion of the Mountain Dell facility. After the debt payment of \$700,000, little capital money was available for other capital projects. As a result, other needed golf course and facility projects, except for Forest Dale Clubhouse renovation and Glendale irrigation system improvements, were unable to be planned and completed. This bond was retired in FY2008. Management of the City's Golf Fund, in collaboration with the Golf Advisory Board, put together a proposal and timeline for addressing the needs at the golf courses. This plan identifies how projects will be funded, as well as, how and when the funds will be used.

The following information and attachments include: 1) possible funding sources/options, 2) funding sources and uses by golf course, 3) golf course usage based on rounds of golf played, 4) estimated revenues and expenditures under different funding scenarios, and 5) questions the Council may wish to consider.

Funding Sources

In order to fund needed golf course deferred maintenance and improvements, the Administration and the Golf Advisory Board have identified several potential funding sources for these projects. The following table is a summary of the identified funding sources and the estimated value of each source.

FUNDING SOURCE	ESTIMATED VALUE OF PROPERTY PROPOSED FOR SALE	ADDITIONAL INFORMATION
Bonneville (10 Acres) – Sale of Golf Fund Surplus Property to General Fund or Private Entity	\$7,440,000	<u>Zoning</u> – Property is zoned as Open Space. <u>Master Plan</u> – Indicated as open space. The appraised value is at the “highest and best use”, which would be a combination of single family residential and multi-family residential. Note: This is in conflict with the current zoning and master plan.
Glendale (14.54 Acres) – Sale of Golf Fund Surplus Property to General Fund or Private Entity	\$4,783,641	<u>Zoning</u> – Property is zoned as open space. <u>Master Plan</u> – Indicated as open space. The appraised value is at the “highest and best use”, which would be commercial zoning. Note: This is in conflict with the current zoning and master plan.
Rose Park (3.01 Acres) – Sale of Golf Fund Surplus Property to Private Entity	\$400,000	RFP responses are due April 30. • <i>The Council may wish to ask for an update on the status and</i>

		<p><i>interest generated by the Request for Proposal (RFP) process and potential sale of this property.</i></p> <ul style="list-style-type: none"> ● <i>At the April 7, 2010 Rose Park Community Council meeting, attendees who were residents were asked to vote on whether or not 3.01 acres of Rose Park golf course property should be recommended for sale. Of those voting (only six people indicated they had golfed at either Rose Park or Jordan River par 3 in the past year) – 48 voted to sell and 17 voted against the sale of the property.</i>
Rose Park (17.5 Acres) – Levee and Riparian Corridor Protection	\$2,858,625	<p>According to the Administration, one solution to the levee problem is to construct a new levee west of the existing North/South- running levee. The Administration believes the estimate of \$2.9 million (17.5 acres @ \$163,350) would be a cost of Salt Lake County Flood Control to acquire this easement on golf course property.</p>
ESCO Energy Performance Contractor	\$3,300,000	<p>According to the Administration’s paperwork, an investment of \$233,377 to complete Glendale’s irrigation well would result in annual savings of \$193,299. This savings would pay for irrigation system improvements at Bonneville and Nibley Park or Rose Park.</p> <ul style="list-style-type: none"> ● <i>There is a question about the Glendale well being able to supply 100% of the water needs. The Council may wish to ask the Administration for an additional study of this and the use of non-culinary water at all courses.</i>
University of Utah Partnership	\$2,000,000	<p>According to the Administration, a partnership, including a possible naming rights opportunity and/or land lease, may exist with the University of Utah. The University which recently closed its golf facility may have an interest in partnering with Bonneville and/or Rose Park or Jordan River in order to meet their instructional and practice facility needs.</p>
Private and Corporate Donor Program	<p>\$1,950,000</p> <p>(\$360,000)</p> <p>\$1,590,000</p>	<p>This capital development idea involves securing donations from eighteen private or corporate donors. Donors would contribute \$100,000 to \$150,000 for each of the holes in exchange for donor recognition/signage and golf privileges at the course benefiting from their contribution. The cost, \$360,000, of the golf passes or vouchers would be transferred to the Golf Fund operating budget. This idea is being proposed for the Bonneville Golf Course. According to the Administration, North Carolina State University and PGA Tour-operated golf events are examples in which this sponsorship fundraising method has been successful.</p>
Pro Shop Management Partnership at Nibley Park	\$750,000	<p>This potential funding source would see an outside pro shop management partner at Nibley Park provide an upfront investment into priority capital improvements.</p>
Utah Golf Association/Utah Section PGA Partnership	\$750,000	<p>The Administration is proposing to form a partnership with the Utah Golf Association and the Utah Section of the PGA. Partnership ideas include:</p> <ul style="list-style-type: none"> ● Making Bonneville the home of the “Utah Golf House”, which would include golf association offices and the Utah Golf Hall of Fame. In exchange for the land, UGA and UPGA would be required to include banquet/conference/reception facilities that could accommodate up to 200 people. Concession, tournament, corporate events and wedding bookings and related revenues are likely to increase with the addition of these facilities. Another option is that these groups would enter into a long-term lease for office and “Hall of Fame” space in a new clubhouse at Bonneville. ● <i>The Council may wish to ask for additional information about market surveys and/or business plans for this and/or</i>

		<i>other aspects of the proposal.</i>
Food & Beverage Concessionaire Partnership	\$155,000	Proposed projects at Bonneville, Glendale, Mountain Dell, and Wingpointe have the potential to increase food and beverage concession revenues, and golf course operating revenue from additional corporate and group outings. The Administration is proposing that concessionaires contribute 20% of the construction cost to the planned improvements. The percentage proposed is an estimate based on the portion of group tournament bill related to food and beverage.

Funding Sources and Uses by Golf Course

The below table includes a variety of information about each of the City's golf courses. Information includes the year the property was acquired, course acreage and percentage of the total golf course property that each course represents, and the acreage and percentage of the course proposed for transfer or sale. In addition, possible funding sources and deferred maintenance and capital projects by course are presented. Project details by category and estimated timeframe for each of the projects, can be found on Attachment A - *Priorities and Projected Costs – Projects Listed by Type of Improvement*.

Table – Funding Sources and Uses by Golf Facility

	Bonneville	Forest Dale	Glendale	Jordan Park	Mountain Dell	Nibley Park	Rose Park	Wingpointe	Total
Year Acquired	1929	1935	1972	2002	1990/1962	1922	1958	1990	
Total Acreage	180	61.1	175.8	24	383	50	120	193.5	1187.4
Course % of Acreage to Total Acreage	15.2%	5.1%	14.8%	2.0%	32.3%	4.2%	10.1%	16.3%	100.0%
Acreage Proposed for Sale	10		14.54				20.51		45.05
% of Course Proposed for Surplus/Sale	5.6%	0.0%	8.3%	0.0%	0.0%	0.0%	17.1%	0.0%	3.8%
Course % of Acreage after Proposed Changes	14.9%	5.3%	14.1%	2.1%	33.5%	4.4%	8.7%	16.9%	100.0%
Funding Sources or Options									
Sale of Property (Bonneville 10 acres, Glendale 14.54 acres, and Rose Park 3 acres)	\$ 7,440,000		\$ 4,783,641				\$ 400,000		\$12,623,641
Levee and Riparian Corridor Protection - Rose Park 17.5 Acres							\$ 2,858,625		\$ 2,858,625
ESCO - Energy Performance	\$ 2,200,000		\$ 200,000			\$ 900,000			\$ 3,300,000
U of U Partnership	\$ 2,000,000								\$ 2,000,000
Private Donor Hole Sponsorship	\$ 1,590,000								\$ 1,590,000
Food and Beverage - Concessionaire Contribution	\$ 75,000		\$ 30,000		\$ 40,000			\$ 10,000	\$ 155,000
Partnership - Capital Cost Sharing						\$ 750,000			\$ 750,000
Utah Golf House Partnership with UGA and Utah Section PGA	\$ 750,000								\$ 750,000
Total Funding Sources by Course	\$14,055,000	\$ -	\$ 5,013,641	\$ -	\$ 40,000	\$ 1,650,000	\$ 3,258,625	\$ 10,000	\$24,027,266
Funding Uses - Proposed Capital Improvement Projects (CIP)									
Operating Revenue Growth Improvements	\$ 3,125,000	\$ 135,000	\$ 450,000		\$ 800,000	\$ 1,850,000	\$ 875,000	\$ 50,000	\$ 7,285,000
CIP Funding Related Improvements	\$ 1,625,000		\$ 1,500,000						\$ 3,125,000
Water - Infrastructure - Irrigation and Source	\$ 2,600,000	\$ 350,000	\$ 200,000		\$ 200,000	\$ 1,200,000	\$ 900,000	\$ 250,000	\$ 5,700,000
Signage, Course & Landscape Improvements	\$ 250,000	\$ 225,000	\$ 275,000		\$ 110,000	\$ 275,000	\$ 75,000	\$ 160,000	\$ 1,370,000
Clubhouse and Restroom	\$ 1,550,000	\$ 95,000	\$ 115,000		\$ 240,000	\$ 100,000	\$ 500,000	\$ 20,000	\$ 2,620,000
Maintenance Facility	\$ 500,000	\$ 175,000			\$ 600,000	\$ 175,000	\$ 350,000	\$ 100,000	\$ 1,900,000
Total Proposed CIP Projects by Course	\$ 9,650,000	\$ 980,000	\$ 2,540,000	\$ -	\$ 1,950,000	\$ 3,600,000	\$ 2,700,000	\$ 580,000	\$22,000,000
Net Funding Sources and Uses by Course	\$ 4,405,000	\$ (980,000)	\$ 2,473,641	\$ -	\$ (1,910,000)	\$ (1,950,000)	\$ 558,625	\$ (570,000)	\$ 2,027,266

► In summary, Bonneville, Glendale, and Rose Park Golf Courses are net exporters of capital while Forest Dale, Mountain Dell, Nibley Park and Wingpointe are net importers of capital.

Options for Council Consideration

The Administration prepared four scenarios or options for the Council's consideration:

- **Option A** is the current situation with no new investment into Capital Improvement Projects.
- **Option B** includes investing \$22 million in the City golf courses and facilities. The identified funding sources include, but are not limited to, the sale or transfer of surplus golf course property, partnerships, and donor contributions.
- **Option C** includes investing \$22 million in the City golf courses and facilities, similar to Option B. The one difference is that the Golf Fund would finance \$3 million of CIP with a bond issuance. The 20 year 3% bond would have an annual debt service payment of \$200,000.
- **Option D** includes investing \$15 million in the City golf courses and facilities. A \$15 million 20 year bond at 3% would be issued for the deferred maintenance and capital improvement projects. The annual bond payment would

be \$1,008,000. Green fees would be increased in order to make the debt payment. *The Council may wish to consider the implications of issuing debt in the Golf Fund, when the debt service payment may be difficult for the Golf Fund to meet.*

Paperwork submitted by the Administration included Pro Forma Statement of Operations for each of the options. Assumptions based on historical data and industry knowledge that were used in preparing the pro formas were determined by Golf Division personnel. These statements are included in the transmittal dated April 5, 2010. The following chart is a summary of the four funding and financing options presented by the Administration.

Golf Enterprise Fund				
Schedule of Funding and Financing Options				
Results Projection for Fiscal Years 2012 to 2018				
	Option A	Option B	Option C	Option D
	Current Situation - No Additional CIP Funding	CIP Funding of \$22 million (See Funding Sources List)	CIP Funding: \$19 million from Funding Sources (See Funding Sources List) + \$3 million/20 year bond - Golf Enterprise Fund Bond Issuance	CIP Funding: \$15 million Bond Issuance (Potential amount generated from sale of surplus property)
	Total For FY 2012 to FY 2018	Total For FY 2012 to FY 2018	Total For FY 2012 to FY 2018	Total For FY 2012 to FY 2018
Average Annual Rounds of Golf Played	499,921	512,215	512,215	473,763
Total Projected Revenues FY 2012 to FY 2018	\$ 66,163,017	\$ 69,947,883	\$ 69,947,883	\$ 69,443,145
Total Projected Expenses FY 2012 to FY 2018:				
Operating	\$ (60,012,360)	\$ (61,356,545)	\$ (61,356,545)	\$ (61,356,545)
Debt Service and Capital Outlay	\$ (4,847,544)	\$ (6,900,544)	\$ (5,860,544)	\$ (4,726,544)
Debt Payment - For Bond Issue (Assumption 6 years of payments. Note - Pro Forma shows 5.5 years of bond payments.)	\$ -	\$ -	\$ (1,200,000)	\$ (6,048,000)
Net Operations (Cash Basis) - After Debt, including new bond issue, and Planned Capital Purchases	\$ 1,303,113	\$ 1,690,794	\$ 1,530,794	\$ (2,687,944)
Contingency Reserve - \$200,000/year	\$ (1,400,000)	\$ (1,400,000)	\$ (1,400,000)	\$ (1,400,000)
Available if Golf Fund sets aside annual contingency reserve of \$200,000	\$ (96,887)	\$ 290,794	\$ 130,794	\$ (4,087,944)
Additional Information	Fee increases are projected for every three years. Facilities continue to deteriorate.	Fee increases are moved from every three years to every four years.	The assumptions for Option C are the same as Option B with one exception. The Golf Fund would issue a bond for \$3,000,000 - an \$200,000 annual debt payment. The balance of the \$22 million would come from other funding sources.	The annual bond payment for the \$15 million 20 year bond at 3% interest is \$1,008,000. This option assumes that green fees would be increased in FY 2013 by \$2 per nine holes/\$4 per eighteen holes. The Golf Fund managers project an initial decrease in rounds/revenue of 8%, the impact of the fee increase is expected to continue through FY 2018.

► In summary, with options A, B, and C, the Golf Fund is able to operate and put money into the Contingency Reserve. Option D would lead to an operating deficit in the Golf Fund. Additionally, based on the assumptions used, the estimated rounds of golf played annually would increase, as compared to the 2009, by: **Option A** – 28,996 or 6%; **Options B & C** – 41,290 or 9%; and **Option D** – 2,838 or 0.6%.

QUESTIONS THE COUNCIL MAY WISH TO CONSIDER:

1. Several funding sources involve the sale of golf course property zoned open space to the General Fund or a private entity, possibly for commercial or housing purposes.

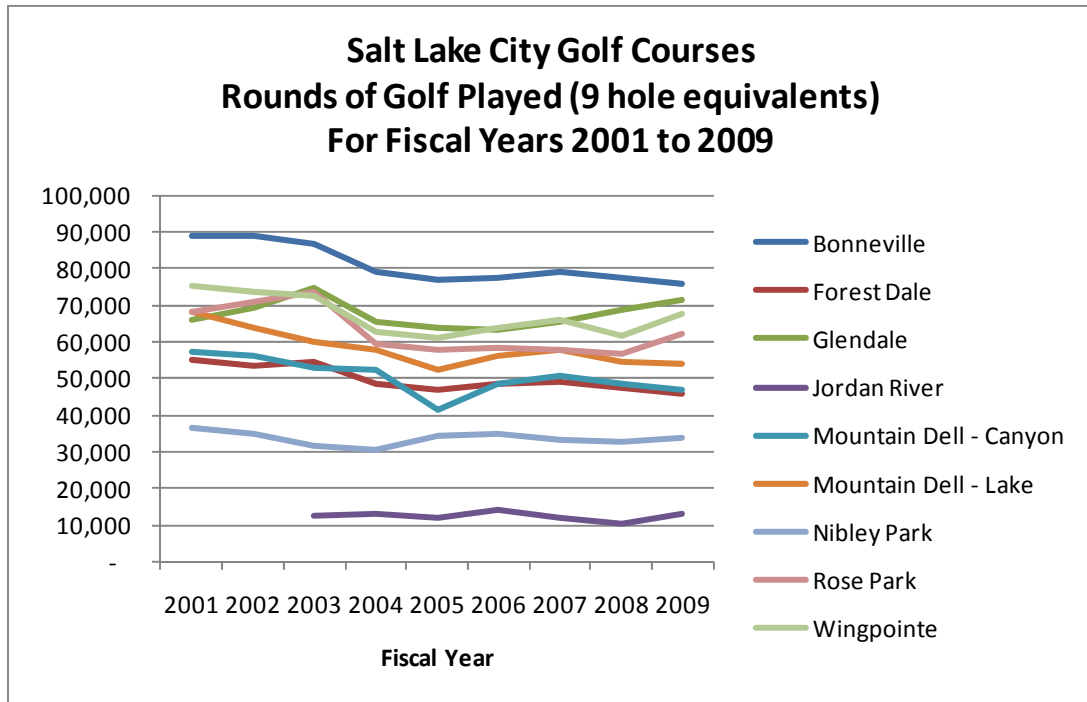
- a. Do the current City master plans need to be amended to allow for this development?
 - b. What, if any, obstacles exist to change the current zoning?
 - c. Have property owners, which would be directly or indirectly affected, been notified of the proposals being considered?
2. There are many capital improvements projects included on the list. Details of the CIP are included in the transmittal dated April 5, 2010.
 - a. Does the Council wish to ask the Administration to further categorize the list into essential and non-essential items?
 - b. The Council may wish to review the detailed list with the Administration.
3. The investment of \$22 million is not projected to bring a significant return on investment or a significant increase in golf rounds. The Council may wish to ask the Administration about prioritizing capital projects to maximize potential return on investment, capital dollars spent divided by the incremental revenue received.
4. The Council may wish to ask if any market surveys have been conducted to determine what improvements the golf customer feels is necessary, and what, if any, golf services for which they would pay a premium.
5. There are many non-golf benefits of having these facilities in the City, including preservation of open space in an urban setting, protection of City's water supply, and tourism and economic development. Does the Council wish to ask the Administration about funding sources related to these open space objectives?
6. The Council may wish to ask about the extent to which the Golf Fund has taken steps to use maintenance practices that are environmentally friendly.
7. According to the Administration, one solution to the levee problem is to construct a new levee west of the existing North/South running levee. The Administration believes the estimate of \$2.9 million (17.5 acres @ \$163,350 would be a cost of Salt Lake County Flood Control. The Council may wish to ask the Administration whether formal contact has been made with the County on this matter. It is the understanding of Council Staff that the County had indicated initially that it does not have funds to address the levee issue.
8. One of the Council Members has asked for a discussion on the City's overall policy relating to open spaces.
9. Some Council Members have requested information on restrictions and shared or alternative uses for each of the golf course properties.

Additional Information

According to previously-prepared City documents, in addition to providing accessible, reasonably priced recreation for Salt Lake City residents and visitors, the Golf Fund serves to preserve open space in an urban setting and promote tourism and economic development. Additionally, the Mountain Dell golf course land helps to preserve water quality and the Rose Park golf course serves as a buffer between housing and the oil refineries.

During 1990 to 2007, regional communities added 468 public golf holes, an increase of 94.5%. This nearly doubled the options for the golfing community, but made it much more competitive and challenging for the providers of golf courses. These factors, along with aging facilities and economic conditions have impacted the number of rounds of golf played at the City's golf courses. The following chart and graph (in color) show the number of rounds of golf played at each Salt Lake City course for the past nine years.

Salt Lake City Golf Courses										
Rounds of Golf Played (9 hole equivalents)										
For Fiscal Years 2001 to 2009										
	Bonneville	Forest Dale	Glendale	Jordan River	Mountain Dell - Canyon	Mountain Dell - Lake	Nibley Park	Rose Park	Wingpointe	Annual Total
2001	88,921	54,959	65,905		56,985	68,082	36,514	68,328	75,450	515,144
2002	88,955	53,306	69,116		55,965	63,787	34,760	70,977	73,638	510,504
2003	86,939	54,394	74,612	12,699	53,155	60,081	31,796	73,695	72,323	519,694
2004	79,012	48,342	65,613	13,209	52,389	58,014	30,528	59,615	62,554	469,276
2005	76,832	46,887	63,694	11,854	41,168	52,209	34,400	58,033	61,284	446,361
2006	77,331	48,791	63,308	13,922	48,777	56,097	34,958	58,265	64,065	465,514
2007	79,145	49,092	65,547	11,925	50,915	57,784	33,417	57,722	65,907	471,454
2008	77,682	47,183	68,800	10,305	48,612	54,652	32,955	56,634	61,738	458,561
2009	75,881	45,768	71,242	13,160	47,145	53,948	33,893	62,313	67,575	470,925



Attachments

- Attachment A – Priorities and Projected Costs – Projects Listed by Type of Improvement
- Attachment B - Schedule of Revenue and All Expenses by Course
- Attachment C – Golf Course Property Acreage and History

SALT LAKE CITY GOLF ENTERPRISE FUND POTENTIAL CIP FUNDING SOURCES, PRIORITIES AND PROJECTED COSTS - PROJECTS LISTED BY TYPE OF IMPROVEMENT

1-Apr-10

ESTIMATED CAPITAL FUNDING SOURCES

		GROSS ESTIMATED PROPERTY PROCEEDS	LESS COSTS ASSOCIATED WITH SALE	NET ESTIMATED PROPERTY PROCEEDS
FY13	<u>1-2 TRANSFER OR SALE OF SURPLUS PROPERTY PARCELS</u>			
	Bonneville Holes #7/#8 (10 Acres)	\$8,000,000	(\$560,000)	\$7,440,000
	Glendale 2100 South Frontage (13.65 Acres)	\$4,756,000	(\$332,920)	\$4,423,080
	Glendale 2100 South West Portion of Parking Lot (.89 Acre)	\$387,700	(\$27,139)	\$360,561
	Rose Park 1400 North 1200 West (3 Acres)	\$476,000	(\$76,000)	\$400,000
	Rose Park/JRP3 Offset Levee & Riparian Corridor Protection (up to 17.5 Acres @ \$163,350)	\$2,858,625	\$0	\$2,858,625
	Estimated Proceeds from Transfer or Sale of Surplus Golf Property:	\$16,478,325	(\$996,059)	\$15,482,266
FY12	<u>3 ESCO ENERGY PERFORMANCE CONTRACT FUNDING</u>			
	Bonneville Irrigation System, Nibley Park Irrigation System, and Glendale Secondary Water Source			\$3,300,000
FY13	<u>4 UNIVERSITY OF UTAH PARTNERSHIP</u>			
	Naming Rights Fee and Property Lease Associated at Bonneville			\$2,000,000
FY13	<u>5 BONNEVILLE PRIVATE DONOR HOLE SPONSORSHIPS</u>			
	\$100,000 Per Hole x 14 Holes / \$125,000 Per Hole x 2 Holes / \$150,000 Per Hole x 2 Holes		\$1,950,000	
	Less Donor Benefits Requiring Revenue Transfer to Operating Budget (18 x \$1,000 x 20 Years)		(\$360,000)	
	Net Revenue from Donors:			\$1,590,000
FY11	<u>6 PARTNERSHIP CAPITAL COST SHARING AT NIBLEY PARK</u>			\$750,000
FY13	<u>7 UTAH GOLF HOUSE PARTNERSHIP WITH UTAH GOLF ASSOCIATION AND UTAH SECTION PGA</u>			\$750,000
FY13	<u>8 F & B CONCESSIONAIRE CONTRIBUTION TO FACILITY IMPROVEMENTS</u>			
	Bonneville (New On-Course Snack Shack)			\$75,000
	Glendale (Banquet Pavilion)			\$30,000
	Mountain Dell (Deck Extension)			\$40,000

Attachment A

Wingpointe (Sliding Glass Doors and Patio Wind Breaks)	\$10,000
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TOTAL ESTIMATED CAPITAL FUNDING SOURCES:	\$24,027,266
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CAPITAL IMPROVEMENT PROJECT PRIORITIES AND PROJECTED COSTS - PROJECTS LISTED BY TYPE OF IMPROVEMENT

<u>YR</u>	<u>OPERATING REVENUE GROWTH IMPROVEMENTS</u>	<u>PROJECTED COST</u>
FY11	Rose Park Range Extension and JRP3 Changes (Includes Range Fencing Both Sides)	\$500,000
FY12	Nibley Park Range Extension, New Fence, and Associated Course Redesign	\$1,000,000
FY12	Nibley Park Miniature Golf Course & Batting Cages	\$850,000
FY13	50% Bonneville Clubhouse	\$1,250,000
FY13	50% Bonneville Golf Course Improvements (Including 3 New Holes, New Greens, Bunkers, Forward Tees, and Perimeter Fencing)	\$1,375,000
FY13	Bonneville Driving Range & Short Game Areas	\$500,000
FY13	Mountain Dell Patio Deck Extension	\$200,000
FY14	25% Glendale Redesign and Additional Improvements (Includes Forward Tees on Select Holes)	\$300,000
FY14	Glendale Banquet Pavilion	\$150,000
FY15	Forest Dale Piping of Drainage Streams through Fairway Corridors	\$100,000
FY15	Forest Dale Practice Hitting Net	\$35,000
FY15	Rose Park Redesign and Additional Improvements (Including Forward Tee Addition on Select Holes)	\$225,000
FY15	Rose Park Banquet Pavilion	\$150,000
FY16	Mountain Dell Course Improvements (Canyon #12, #14, #15/Lake Retaining Walls, #8 Green Expansion, #14 Old Green Level)	\$300,000
FY16	Mountain Dell Practice Tee & Range Improvements	\$100,000
FY16	Mountain Dell Tee Leveling and Ladies Tee Addition	\$200,000
FY16	Wingpointe Café Sliding Glass Doors, Roof, and Wind Breaks for Banquet Purposes	\$50,000
	OPERATING REVENUE GROWTH IMPROVEMENTS TOTAL	\$7,285,000
<u>YR</u>	<u>CIP FUNDING-RELATED IMPROVEMENTS</u>	
FY13	50% Bonneville Golf Course Improvements (Including 3 New Holes, New Greens, Bunkers, Forward Tees, and Perimeter Fencing)	\$1,375,000
FY13	Bonneville Parking Lot Improvements with New Entrance Road from Foothill Drive Directly East into the Parking Lot	\$250,000
FY14	75% Glendale Redesign and Additional Improvements (Includes Forward Tees on Select Holes)	\$900,000
FY14	Glendale Maintenance Relocation	\$600,000
	CIP FUNDING-RELATED IMPROVEMENTS TOTAL	\$3,125,000
<u>YR</u>	<u>IRRIGATION SYSTEM AND WATER SOURCE INFRASTRUCTURE IMPROVEMENTS</u>	
FY12	Glendale Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$200,000
FY12	Nibley Park Irrigation System	\$900,000
FY12	Nibley Park Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$300,000
FY13	Bonneville Irrigation System	\$2,200,000
FY13	Bonneville Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$400,000

Attachment A

FY13	Forest Dale Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$250,000
FY14	Wingpointe Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$250,000
FY15	Rose Park Irrigation System Improvements	\$900,000
FY15	Forest Dale Irrigation Control Upgrade	\$100,000
FY16	Mountain Dell Irrigation Control Upgrade	\$200,000
IRRIGATION SYSTEM AND WATER SOURCE INFRASTRUCTURE IMPROVEMENTS TOTAL		\$5,700,000

<u>YR</u>	<u>GOLF COURSE INFRASTRUCTURE IMPROVEMENTS</u>	
FY12	Nibley Park Cart Path Improvements	\$50,000
FY12	Nibley Park Entrance Signage and Associated Landscaping Improvements	\$25,000
FY12	Nibley Park Perimeter Fencing Improvements	\$100,000
FY12	Nibley Park Lake Bank Stabilization	\$100,000
FY13	Bonneville Cart Path Improvements	\$200,000
FY13	Bonneville Entrance Signage and Associated Landscaping Improvements	\$50,000
FY13	Forest Dale Entrance Signage and Associated Landscaping Improvements	\$50,000
FY14	Glendale Range Fence Repairs, Target Greens, and North End Teaching Tee	\$150,000
FY14	Glendale Cart Path Improvements	\$110,000
FY14	Glendale Entrance Signage and Associated Landscaping Improvements	\$15,000
FY15	Forest Dale Lake Bank Stabilization	\$100,000
FY15	Forest Dale Cart Path Improvements	\$75,000
FY15	Rose Park Cart Path Improvements	\$65,000
FY15	Rose Park Entrance Signage and Associated Landscaping Improvements	\$10,000
FY16	Mountain Dell Cart Path Improvements	\$100,000
FY16	Mountain Dell Entrance Signage and Associated Landscaping Improvements	\$10,000
FY16	Wingpointe Lake Bank Stabilization	\$100,000
FY16	Wingpointe Cart Path Improvements	\$50,000
FY16	Wingpointe Entrance Signage and Associated Landscaping Improvements	\$10,000
GOLF COURSE INFRASTRUCTURE IMPROVEMENTS TOTAL		\$1,370,000

<u>YR</u>	<u>CLUBHOUSE AND RESTROOM INFRASTRUCTURE IMPROVEMENTS</u>	
FY12	Mountain Dell Club House Infrastructure Improvements	\$200,000
FY12	Nibley Park On-Course Restrooms (At New #5 Tee/#9 Tee)	\$75,000
FY12	Nibley Park Clubhouse Restroom/Pro Shop Counter Improvements/Café Remodel	\$25,000
FY13	50% Bonneville Clubhouse	\$1,250,000
FY13	Bonneville On-Course Restrooms (Including Snack Shack 150G)	\$300,000
FY14	Glendale On-Course Restrooms (At #6 Green/New #12 Tee)	\$75,000
FY14	Glendale Clubhouse Restroom/Pro Shop Counter Improvements	\$40,000
FY15	Forest Dale On-Course Restroom (At #4 Tee/#6 Tee)	\$75,000
FY15	Forest Dale Clubhouse Restroom/Pro Shop Counter Improvements	\$20,000
FY15	Rose Park Clubhouse Improvements and Cart Storage Expansion	\$350,000

Attachment A

FY15	Rose Park On-Course Restrooms--Two Locations (At #5 Tee/#9 Tee and #14 Tee/#16 Tee)	\$150,000
FY16	Mountain Dell Clubhouse Restroom/Pro Shop Counter Improvements	\$40,000
FY16	Wingpointe Clubhouse Restroom Improvements	\$20,000
	CLUBHOUSE AND RESTROOM INFRASTRUCTURE IMPROVEMENTS TOTAL	\$2,620,000
<u>YR</u>	<u>MAINTENANCE FACILITY INFRASTRUCTURE IMPROVEMENTS</u>	
FY13	Bonneville Maintenance Relocation	\$500,000
FY15	Forest Dale Maintenance Building Improvements, Wash Bays, and Sand Bins	\$175,000
FY15	Nibley Park Maintenance Building Improvements, Wash Bays, and Sand Bins	\$175,000
FY15	Rose Park Maintenance Building Improvements, Wash Bays, and Sand Bins	\$350,000
FY16	Mountain Dell Maintenance Building Improvements, Wash Bays, Sand Bins, and Cart Storage	\$600,000
FY16	Wingpointe Maintenance Building Improvements, Wash Bays, and Sand Bins	\$100,000
	MAINTENANCE FACILITY INFRASTRUCTURE IMPROVEMENTS TOTAL	\$1,900,000
TOTAL PROJECTED COST ALL PROJECTS:		\$22,000,000
TOTAL ESTIMATED CAPITAL FUNDING SOURCES:		\$24,027,266
TOTAL PROJECTED COST ALL PROJECTS:		\$22,000,000
Plus Allocation to Operating Budget for Lost Revenue--Construction Down Time:		<u>\$1,000,000</u>
TOTAL PROJECTED COST:		\$23,000,000
CIP FUNDING BALANCE FOR CONTINGENCY AND/OR ADDITIONAL PROJECTS:		<u>\$1,027,266</u>

	FY 2008	FY 2009	FY 2010 Budget	FY 2011 Proposed Budget	Total
Information Only - Administration - Costs Allocated to Golf Courses					
Revenue	\$ 279,005	\$ 227,634	\$ 299,000	\$ 275,400	\$ 1,081,039
Expense (ODA - Operations, Debt & Admin Costs)	\$ 797,440	\$ 862,138	\$ 1,181,687	\$ 1,295,770	\$ 4,137,035
Net Income after ODA	\$ (518,435)	\$ (634,504)	\$ (882,687)	\$ (1,020,370)	\$ (3,055,996)
Bonneville					
Revenue	\$ 1,381,978	\$ 1,310,394	\$ 1,435,200	\$ 1,463,198	\$ 5,590,770
Expense (ODA - Operations, Debt & Admin Costs)	\$ 1,113,862	\$ 1,125,593	\$ 1,223,352	\$ 1,242,635	\$ 4,705,442
Net Income after ODA	\$ 268,116	\$ 184,801	\$ 211,848	\$ 220,563	\$ 885,328
Glendale					
Revenue	\$ 1,120,146	\$ 1,130,708	\$ 1,181,700	\$ 1,213,450	\$ 4,646,004
Expense (ODA - Operations, Debt & Admin Costs)	\$ 1,268,304	\$ 1,091,763	\$ 1,172,519	\$ 1,194,999	\$ 4,727,585
Net Income after ODA	\$ (148,158)	\$ 38,945	\$ 9,181	\$ 18,451	\$ (81,581)
Forest Dale					
Revenue	\$ 677,073	\$ 637,635	\$ 697,216	\$ 658,145	\$ -
Expense (ODA - Operations, Debt & Admin Costs)	\$ 524,777	\$ 579,622	\$ 600,523	\$ 630,305	\$ 2,335,227
Net Income after ODA	\$ 152,296	\$ 58,013	\$ 96,693	\$ 27,840	\$ 334,842
Mountain Dell					
Revenue	\$ 1,954,402	\$ 1,895,441	\$ 2,114,200	\$ 2,062,100	\$ -
Expense (ODA - Operations, Debt & Admin Costs)	\$ 1,706,598	\$ 1,579,782	\$ 1,702,770	\$ 1,777,597	\$ 8,026,143
Net Income after ODA	\$ 247,804	\$ 315,659	\$ 411,430	\$ 284,503	\$ 6,766,747
Nibley Park					
Revenue	\$ 585,252	\$ 560,271	\$ 601,812	\$ 572,984	\$ -
Expense (ODA - Operations, Debt & Admin Costs)	\$ 693,052	\$ 628,697	\$ 723,698	\$ 659,539	\$ 2,320,319
Net Income after ODA	\$ (107,800)	\$ (68,426)	\$ (121,886)	\$ (86,555)	\$ 2,704,986
Rose Park					
Revenue	\$ 869,941	\$ 923,373	\$ 946,550	\$ 962,400	\$ -
Expense (ODA - Operations, Debt & Admin Costs)	\$ 967,810	\$ 1,051,369	\$ 1,093,187	\$ 1,156,584	\$ 3,702,264
Net Income after ODA	\$ (97,869)	\$ (127,996)	\$ (146,637)	\$ (194,184)	\$ 4,268,950
Wingpointe					
Revenue	\$ 1,153,898	\$ 1,211,091	\$ 1,279,700	\$ 1,316,370	\$ -
Expense (ODA - Operations, Debt & Admin Costs)	\$ 1,352,294	\$ 1,158,491	\$ 1,320,147	\$ 1,253,304	\$ 4,961,059
Net Income after ODA	\$ (198,396)	\$ 52,600	\$ (40,447)	\$ 63,066	\$ 5,084,236
Jordan River					
Revenue	\$ 65,694	\$ 86,324	\$ 77,000	\$ 90,500	\$ -
Expense (ODA - Operations, Debt & Admin Costs)	\$ 187,642	\$ 204,714	\$ 201,873	\$ 223,469	\$ 319,518
Net Income after ODA	\$ (121,948)	\$ (118,390)	\$ (124,873)	\$ (132,969)	\$ 817,698
Total Golf Fund					
Revenue	\$ 7,808,384	\$ 7,755,237	\$ 8,333,378	\$ 8,339,147	\$ -
Expense (ODA - Operations, Debt & Admin Costs)	\$ 8,032,386	\$ 7,420,031	\$ 8,038,069	\$ 8,138,432	\$ 4,961,059
Net Income after ODA	\$ (224,002)	\$ 335,206	\$ 295,309	\$ 200,715	\$ 5,084,236

Attachment C - Salt Lake City Golf Course Property Acreage and History

Courses with 5 year rounds	Total Acreage	Year Acquired	Ownership History
Bonneville FY09 - 75,881 FY08 - 77,682 FY07 - 79,145 FY06 - 77,331 FY05 - 76,832	180	1929	Land donated to City by the Hogle family and a few other entities. There are conditions that the land must be used as a golf course or park, otherwise the land reverts back to the Hogle family.
Forest Dale FY09 - 45,768 FY08 - 47,183 FY07 - 49,092 FY06 - 48,791 FY05 - 46,887	61.1	1935	Built in 1905 as the original Salt Lake Country Club. Salt Lake City acquired the course from the Forest Dale Golf Club in 1935. In the 1950's, the Church of Jesus Christ of Latter Day Saints bought the land for the purpose of building a junior college. However, the Church returned the land to the City because the land was deemed unsuitable for construction due to a high water table and other marsh-like conditions.
Glendale FY09 - 71,242 FY08 - 68,800 FY07 - 65,547 FY06 - 63,308 FY05 - 63,694	175.8	1972	The course was built to secure much needed green space in an industrial area. Cost of construction covered by City bonds. Repayment of the bonds has been solely from revenues generated by golf user fees.
Jordan River Par-3 FY09 - 13,160 FY08 - 10,305 FY07 - 11,925 FY06 - 13,922 FY05 - 11,854	24	2002	The property was originally developed as a Frisbee golf course by the State of Utah and was later adapted to a golf course. Due to budgetary issues, the State requested that the City assume ownership and operational control of the property. The City took over operations on July 1, 2002. The use of the land is restricted to public access activities.
Mountain Dell Lake FY09 - 53,948 FY08 - 54,652 FY07 - 57,784 FY06 - 56,097 FY05 - 52,209	182	1990	1990 expansion of the existing Mtn. Dell Golf Course by 18 holes near reservoir. Cost of construction covered by City bonds. Repayment of the bonds has been solely from revenues generated by golf user fees. The golf course was deemed to be the best use of the land that would preserve water quality.
Mountain Dell Canyon FY09 - 47,145 FY08 - 48,612 FY07 - 50,915 FY06 - 48,777 FY05 - 41,168	201	1962	Golf course was built to protect the water shed area for Mountain Dell Reservoir, a main source of the City's culinary water. Water quality had degraded due to an increase of recreational use on the land above reservoir. A golf course was deemed to be the best use of the land that would preserve water quality.

Attachment C - Salt Lake City Golf Course Property Acreage and History

Courses with 5 year rounds	Total Acreage	Year Acquired	Ownership History
Nibley Park FY09 - 33,893 FY08 - 32,955 FY07 - 33,417 FY06 - 34,958 FY05 - 34,400	50	1922	Opened in May 1922 after the Nibley family donated the land to Salt Lake City. The donation was conditioned upon the land being used as a golf course bearing the Nibley name. If the use of the land should change, or if the golf course should not be operated for 6 months, the ownership of the land would revert back to the Nibley family.
Rose Park FY09 - 62,313 FY08 - 56,634 FY07 - 57,722 FY06 - 58,265 FY05 - 58,033	120	1958	Opened as a nine-hole course in 1958. Added another nine in '60s. Land was owned by the Brockbank family who donated a major portion of the land to Salt Lake City. They had wanted to develop the land for housing, but the FHA and VA would not provide insurance and financing for proposed projects because they wanted to use the land as a buffer between oil refineries and the Rose Park housing areas.
Wingpointe FY09 - 67,575 FY08 - 61,738 FY07 - 65,907 FY06 - 64,065 FY05 - 61,284	193.5	1990	Wingpointe Golf Course resides on land owned by the Salt Lake City International Airport. The land sits at the end of the airport runway. The City decided to build a golf course because, due to FAA restrictions, it was determined to be the best use of the land. Cost of construction covered by City bonds. Repayment of the bonds has been solely from revenues generated by golf user fees.

RALPH BECKER
MAYOR



SALT LAKE CITY CORPORATION

OFFICE OF THE MAYOR

COPIES TO: *my*
DATE: *4/12/2010*
By: *[Signature]*

CITY COUNCIL TRANSMITTAL

[Signature]
David Everitt, Chief of Staff

Date Received: *4/7/2010*
Date Sent to Council: *4/12/2010*

TO: Salt Lake City Council
J.T. Martin, Chair

DATE: April 5, 2010

FROM: Rick Graham, Director
Public Services Department

SUBJECT: Golf Fund CIP Priorities and Funding Proposal

STAFF CONTACT: David Terry, Golf Enterprise Fund Manager 485-7831

DOCUMENT TYPE: Briefing on Legislative Intent Issue

RECOMMENDATION: The primary purpose of this proposal is securing the financial viability of the Salt Lake City Golf Enterprise Fund for the next thirty years. Attached is a list of the Golf Enterprise Fund's major capital improvement project priorities. As facility conditioning is the number one factor influencing where golfers play, the completion of these projects is vital to the Golf Fund's ability to protect and grow revenues given the extremely competitive market for the public golf dollar. Therefore, the Public Services Department (the Department) requests that City Council authorize the Golf Enterprise Fund to finance approximately \$22 million in deferred major capital projects with funds to be generated from a combination of sources outside of normal operating capital budgets including either the transfer to the SLC General Fund at market value or sale for development of up to approximately 14 acres at Glendale Golf Course and 10 acres at Bonneville Golf Course.

BACKGROUND/DISCUSSION: The Department has identified eight funding sources that, when combined, have the potential to generate the revenue required to finance the Golf Fund's major capital improvement projects. Progress on each of these potential funding mechanisms has been made. But, until a decision is made concerning the proposed transfer of property to the SLC General Fund for the construction of other recreation facilities or sale of this property for development, no additional progress can be made on the other funding options. This is because all other funding options are linked to improvements at the golf courses. Until the City can commit to the scope of the project, we can't ask potential partners to commit. At this time, none of the following potential revenue sources is committed:

PROPOSED GOLF CIP FUNDING SOURCE

POTENTIAL FUNDING

1&2. Surplus Property Transfer to General Fund or Development	\$15,482,266
3. ESCO Energy Performance Contractor Financing	\$ 3,300,000
4. University of Utah Partnership	\$ 2,000,000
5. Private and Corporate Donor Program	\$ 1,590,000
6. Utah Section PGA Partnership at Nibley Park,	\$ 750,000
7. Utah Golf Association/Utah Section PGA Partnership	\$ 750,000
8. Food & Beverage Concessionaire Partnership	<u>\$ 155,000</u>
TOTAL POTENTIAL CIP FUNDING	\$24,027,266

BUDGET IMPACT: The Golf Fund's attached financial projections show that its future operating capital budgets will provide funding for an equipment replacement program and minor and/or emergency facility improvement projects only. Therefore, the only way to fund the Golf Division's \$22 million in deferred major capital improvement projects is through an infusion of capital dollars from new sources.

Attached are four budget pro forma spreadsheets. These spreadsheets project the financial future of the SLC Golf Enterprise Fund through FY18 under four scenarios.

Pro Forma "A": This projection is a status quo budget scenario without a \$22M investment into the Golf Fund's major capital improvement project priorities. The following is a summary:

- FY12-FY18 total revenue \$66,163,017.
- FY12-FY18 total operating expense \$60,012,360.
- FY12-FY18 total non-financed capital outlay \$1,228,000. Cash capital needs to total \$2,450,000, an average of \$350,000 annually, to handle facility deferred maintenance issues.
- Three equipment buys in FY11, FY14, and FY17 each financed over three years total \$2,290,000. This is the minimum investment into an equipment replacement program required to keep our nine golf courses maintained at an acceptable level.
- FY12-FY18 total capital \$4,847,544.
- Major CIP projects totaling \$22M are not funded. Facilities continue to deteriorate as does our position in the public golf market.
- By FY18, only \$18,000 is available for cash capital and the budgeted net income is only \$100,336. Budgeted net income should be a minimum of \$200,000 to allow for potential revenue shortfalls due to inclement weather conditions.
- Fee increases every three years stifle potential rounds and revenue growth.

Pro Forma "B": This projection shows the increased operating revenue that can be generated with an investment of \$22M, all from outside revenue sources, into the Golf Fund's major capital improvement project priorities. The following is a summary:

- FY12-FY18 total revenue of \$69,947,883 is +\$3,784,866 compared to Pro Forma "A".
- FY12-FY18 total operating expense of \$61,356,545 is +\$1,344,185 compared to Pro Forma "A".
- Three equipment buys in FY11, FY14, and FY17 each financed over three years totaling \$3,065,000 is +\$775,000 compared to Pro Forma "A".
- FY12-FY18 total non-financed capital outlay of \$2,491,000 is +\$1,263,000 compared to Pro Forma "A" and meets the projected need of \$2,450,000, an average of \$350,000 annually, to handle deferred facility maintenance issues.
- FY12-FY18 total capital of \$6,900,544 is +\$2,053,000 compared to Pro Forma "A".
- Major CIP projects totaling \$22M are funded totally with outside funding sources.
- Fee increases are moved from every three years to four-year increments.

Pro Forma "C": This projection is the same as Pro Forma "B" with the exception that a \$200,000 annual bond payment is included resulting from a \$3,000,000/20Y/3%I bond. The \$200,000 bond payment is the maximum amount the Golf Fund can handle and still meet its cash capital, equipment financing, and net income objectives. Therefore, \$19M will still be needed from outside sources to fund major capital improvement projects.

Pro Forma "D": Under this scenario, \$15M in capital funding (the amount equal to the potential revenue that can be generated from surplus golf property) is funded by a bond. The annual bond payment for a \$15,000,000/20Y/3%I bond is estimated to be \$1,008,000. We attempt to generate the revenue to fund this annual bond payment by increasing green fees by \$2 per nine holes/\$4 per eighteen holes in FY13. Given the price-sensitive nature of an over-supplied public golf market, this steep increase in green fees is projected to result in an initial decrease in rounds/revenue of 8%. While the decrease in rounds and revenue from this fee increase lessens over time, the negative impact continues through FY18 and is compounded by a 2.5% projected drop in rounds and revenue as a result of the fee increase scheduled for FY16. The bottom-line result for the SLC Golf Fund is an FY12-FY18 total net operating loss of -\$2,183,945 and a FY18 ending cash balance of -\$840,219.

PUBLIC PROCESS: Public hearings may be required in association with surplus golf course property decisions. Golf course user group and community council meetings and/or open houses will be held to explain the need for these capital improvement projects, project plans/options, and the details associated with the proposed funding sources. The Salt Lake City Golf Enterprise Fund Advisory Board will be involved throughout this process. Attached is a letter submitted by that board in 2007 recommending the transfer or sale of surplus golf course property as a way to finance the Golf Fund's deferred CIP priorities.



PRO FORMA "A" (Without \$22 million CIP Investment from Outside Funding Sources)

Salt Lake City Golf Division
Fund Summary - Cash Basis
3/19/2010

Rounds-Nine Hole

	458,561	470,925	477,000	477,000	+2%	+2%/-1%	-1%/+1%	+2%	+2%/-1%	-1%/+1%	+2%	Total 2012-2018
	Actual FY-08	Actual FY-09	Budget FY-10	Budget FY-11	Projected FY-12	Projected FY-13	Projected FY-14	Projected FY-15	Projected FY-16	Projected FY-17	Projected FY-18	Assumed % Increase
Revenue					2%	1%	0%	2%	1%	0%	2%	
Green Fees	4,483,569	4,519,334	4,664,000	4,589,804	4,681,600	4,728,416	4,728,416	4,822,984	4,871,214	4,871,214	4,968,639	
Golf Cart Rental	1,912,527	1,882,413	1,975,200	1,889,200	1,926,984	1,946,254	1,946,254	1,985,179	2,005,031	2,005,031	2,045,131	
Driving Range Fees	328,519	330,452	342,200	345,013	351,913	355,432	355,432	362,541	366,166	366,166	373,490	
Merchandise Sales	807,905	772,120	809,200	809,000	825,180	833,432	833,432	850,100	858,601	858,601	875,773	
Concessions	177,816	153,144	191,600	121,200	123,624	124,860	124,860	127,357	128,631	128,631	131,204	
Miscellaneous Revenue	377,051	325,310	410,178	380,330	387,937	391,816	391,816	399,652	403,649	403,649	411,722	
Impact of cart fee increases on January 2010			65,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	
Impact of green fee increases on January 2010		-	175,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	
Impact of green fee increases on January 2013		-	-	-	175,000	350,000	350,000	350,000	350,000	350,000	350,000	
Impact of cart fee increases on January 2016								65,000	130,000	130,000	130,000	
Impact of green fee increases on January 2016								175,000	350,000	350,000	350,000	
Total Revenue	8,087,387	7,982,773	8,632,378	8,614,547	8,777,238	9,035,210	9,210,210	9,377,815	9,703,293	9,943,293	10,115,959	66,163,017
	-2.5%	-1.3%	8.1%	-0.2%	1.9%	2.9%	1.9%	1.8%	3.5%	2.5%	1.7%	
Expense					3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	Assumed % Increase
Operating Expenses												
Personal Services	3,672,967	3,564,216	3,718,062	3,762,655	3,894,347	4,030,650	4,171,722	4,317,733	4,468,853	4,625,263	4,787,147	
O&M Supplies	1,191,607	1,206,580	1,267,285	1,159,857	1,276,000	1,302,000	1,250,000	1,275,000	1,301,000	1,327,020	1,445,000	#
Charges and Services	2,106,190	2,302,723	2,288,846	2,328,776	2,398,640	2,470,599	2,544,717	2,621,058	2,699,690	2,780,681	2,864,101	
Transfers out, PILOT, Gen Fund, & PS Dept. costs	268,162	256,216	246,176	284,999	290,699	296,513	302,443	308,492	314,662	320,955	327,374	
Total Operating Expenses	7,238,926	7,329,735	7,520,369	7,536,287	7,859,686	8,099,761	8,268,882	8,522,283	8,784,205	9,053,919	9,423,623	60,012,360
Net Operations before Capital and Debt Service	848,461	653,038	1,112,009	1,078,260	917,552	935,449	941,328	855,531	919,087	889,374	692,336	
Capital Outlay and Debt Service												
Capital Outlay (non-financed) - Equip. and Facilities	114,070	84,622	300,000	110,000	183,000	201,000	187,000	367,000	157,000	115,000	18,000	1,228,000
Debt Service for course construction and irrigation	698,628	-	-	-	-	-	-	-	-	-	-	
Debt Service for Equipment + Carts #1 (Maintenance)		251,699	259,348	259,373	7,674	7,674	7,674	-	-	-	-	
Debt Service for Equipment #2 (Maintenance)				250,000	250,000	250,000	-	-	-	-	-	@
Debt Service for Equipment #3 (Maintenance)				-	-	-	270,000	270,000	270,000	-	-	&
Debt Service for Equipment #4 (Maintenance)				-	-	-	-	-	-	300,000	300,000	^
Debt Service for Carts #1 (Pro Shop)	259,753	-	257,350	258,174	258,174	258,174	258,174	-	-	-	-	
Debt Service for Carts #2 (Pro Shop)				-	18,000	18,000	18,000	18,000	18,000	-	-	
Debt Service for Carts #3 (Pro Shop & Maintenance)				-	-	-	-	-	274,000	274,000	274,000	
Total Capital Outlay and Debt Service	1,072,451	336,321	816,698	877,547	716,848	734,848	740,848	655,000	719,000	689,000	592,000	4,847,544
Net Operations on Cash Basis	\$ (223,990)	\$ 316,717	\$ 295,311	\$ 200,714	\$ 200,704	\$ 200,601	\$ 200,480	\$ 200,531	\$ 200,087	\$ 200,374	\$ 100,336	1,303,113
Total Revenue	8,087,387	7,982,773	8,632,378	8,614,547	8,777,238	9,035,210	9,210,210	9,377,815	9,703,293	9,943,293	10,115,959	66,163,017
Total Expense	8,311,377	7,666,056	8,337,067	8,413,833	8,576,534	8,834,609	9,009,730	9,177,283	9,503,205	9,742,919	10,015,623	64,859,904
Net	(223,990)	316,717	295,311	200,714	200,704	200,601	200,480	200,531	200,087	200,374	100,336	1,303,113
Ending Cash Reserves		808,171	1,103,482	1,304,196	1,504,899	1,705,500	1,905,980	2,106,512	2,306,599	2,506,973	2,607,308	
Three months of operating expense		\$ 1,832,000	1,880,000	1,884,000	\$ 1,966,000	\$ 2,027,000	\$ 2,070,000	\$ 2,134,000	\$ 2,200,000	\$ 2,263,480	\$ 2,355,906	

Cart Battery Replacement Costs in FY12,13,18, and 19

@ \$710,000/3%/3Y/6P Equipment Purchase

& \$755,000/4%/3Y/6P Equipment Purchase

^ \$825,000/5%/3Y/6P Equipment Purchase

END OF FY18 STATUS:

* FY12-FY18 Total Revenue \$66,163,017

* FY12-FY18 Total Operating Expense \$60,012,360

* FY12-FY18 Total Non-Financed Capital Outlay \$1,228,000. Cash capital needs to be \$2,450,000, an average of \$350,000 annually, to handle facility deferred maintenance issues.

* Three equipment buys in FY11, FY14, and FY17 each financed over three years total \$2,290,000.

* FY12-FY18 Total Capital \$4,847,544

* Major CIP projects totaling \$22M are not funded. Facilities continue to deteriorate as does our position in the public golf market.

* By FY18, only \$18,000 available for cash capital and net income of only \$100,336. Budgeted net should be a minimum of \$200,000 to allow for potential revenue shortfalls due to inclement weather conditions.

* Fee increases scheduled every three years stifle potential rounds and revenue growth.

PRO FORMA "B" (With \$22 million CIP Investment from Outside Funding Sources)

Salt Lake City Golf Division
Fund Summary - Cash Basis
3/19/2010

Rounds-Nine Hole

	458,561	470,925	477,000	477,000	+2.5%	+3%	+2%/-1%	-1%/+1.5%	+1.5%	+2%	+2%/-1%	
	Actual	Actual	Budget	Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Total
	FY-08	FY-09	FY-10	FY-11	FY-12	FY-13	FY-14	FY-15	FY-16	FY-17	FY-18	2012-2018
Revenue					2.50%	3.00%	1.00%	0.05%	1.50%	2.00%	1.00%	Assumed % Increase
Green Fees	4,483,569	4,519,334	4,664,000	4,589,804	4,681,600	4,828,416	4,958,416	5,072,584	5,143,310	5,168,310	5,271,676	
Golf Cart Rental	1,912,527	1,882,413	1,975,200	1,889,200	1,926,984	1,976,254	2,016,254	2,062,579	2,091,205	2,101,205	2,143,229	
Driving Range Fees	328,519	330,452	342,200	370,013	402,413	506,437	606,437	623,566	634,802	634,802	647,498	
Merchandise Sales	807,905	772,120	809,200	809,000	825,180	873,432	923,432	951,900	956,419	956,419	975,548	
Concessions	177,816	153,144	191,600	139,730	167,525	244,200	304,200	300,284	308,287	313,287	319,552	
Miscellaneous Revenue	377,051	325,310	410,178	380,330	387,937	391,816	391,816	399,652	403,649	403,649	411,722	
Impact of cart fee increases on January 2010			65,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	
Impact of green fee increases on January 2010		-	175,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	
Impact of green fee increases on January 2014		-	-	-	-	175,000	350,000	350,000	350,000	350,000	350,000	
Impact of cart fee increases on January 2018											130,000	
Impact of green fee increases on January 2018											175,000	
Total Revenue	8,087,387	7,982,773	8,632,378	8,658,077	8,871,639	9,300,555	9,855,555	10,240,566	10,367,672	10,407,672	10,904,225	69,947,883
Expense	-2.5%	-1.3%	8.1%	0.3%	2.5%	4.8%	6.0%	3.9%	1.2%	0.4%	4.8%	
Operating Expenses					3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	Assumed % Increase
Personal Services	3,672,967	3,564,216	3,718,062	3,766,655	3,922,487	4,074,774	4,272,392	4,426,925	4,581,868	4,742,233	4,908,211	
O&M Supplies	1,191,607	1,206,580	1,267,285	1,159,857	1,318,000	1,361,000	1,344,500	1,379,000	1,401,500	1,530,530	1,552,500	#
Charges and Services	2,106,190	2,302,723	2,288,846	2,328,776	2,398,640	2,470,599	2,544,717	2,621,058	2,699,690	2,780,681	2,864,101	
Transfers out, PILOT, Gen Fund, & PS Dept. costs	268,162	256,216	246,176	284,999	290,699	296,513	302,443	308,492	314,662	320,955	327,374	
Total Operating Expenses	7,238,926	7,329,735	7,520,369	7,540,287	7,929,826	8,202,886	8,464,052	8,735,476	8,997,720	9,374,399	9,652,187	61,356,545
Net Operations before Capital and Debt Service	848,461	653,038	1,112,009	1,117,790	941,812	1,097,669	1,391,503	1,505,090	1,369,952	1,033,273	1,252,038	
Capital Outlay and Debt Service												
Capital Outlay (non-financed) - Equip. and Facilities	114,070	84,622	300,000	110,000	207,000	363,000	407,000	500,000	377,000	209,000	428,000	2,491,000
Debt Service for course construction and irrigation	698,628	-	-	-	-	-	-	-	-	-	-	
Debt Service for Equipment + Carts #1 (Maintenance)		251,699	259,348	259,373	7,674	7,674	7,674	-	-	-	-	
Debt Service for Equipment #2 (Maintenance)				250,000	250,000	250,000	-	-	-	-	-	@
Debt Service for Equipment #3 (Maintenance)				-	-	-	500,000	500,000	500,000	-	-	&
Debt Service for Equipment #4 (Maintenance)				-	-	-	-	-	-	350,000	350,000	^
Debt Service for Carts #1 (Pro Shop)	259,753	-	257,350	258,174	258,174	258,174	258,174	-	-	-	-	
Debt Service for Carts #2 (Pro Shop)				-	18,000	18,000	18,000	18,000	18,000	-	-	
Debt Service for Carts #3 (Pro Shop & Maintenance)				-	-	-	-	-	274,000	274,000	274,000	
Total Capital Outlay and Debt Service	1,072,451	336,321	816,698	877,547	740,848	896,848	1,190,848	1,018,000	1,169,000	833,000	1,052,000	6,900,544
Net Operations on Cash Basis	\$ (223,990)	\$ 316,717	\$ 295,311	\$ 240,244	\$ 200,964	\$ 200,821	\$ 200,655	\$ 487,090	\$ 200,952	\$ 200,273	\$ 200,038	1,690,794
Total Revenue	8,087,387	7,982,773	8,632,378	8,658,077	8,871,639	9,300,555	9,855,555	10,240,566	10,367,672	10,407,672	10,904,225	69,947,883
Total Expense	8,311,377	7,666,056	8,337,067	8,417,833	8,670,674	9,099,734	9,654,900	9,753,476	10,166,720	10,207,399	10,704,187	68,257,089
Net	(223,990)	316,717	295,311	240,244	200,964	200,821	200,655	487,090	200,952	200,273	200,038	1,690,794
Ending Cash Reserves		808,171	1,103,482	1,343,726	1,544,690	1,745,511	1,946,166	2,433,256	2,634,208	2,834,481	3,034,519	
Three months of operating expense		\$ 1,832,000	1,880,000	1,884,000	\$ 1,966,000	\$ 2,027,000	\$ 2,070,000	\$ 2,134,000	\$ 2,200,000	\$ 2,343,600	\$ 2,413,047	

Cart Battery Replacement Costs in FY12,13,18, and 19

@ \$710,000/3%/3Y/6P Equipment Purchase

& \$1,400,000/4%/3Y/6P Equipment Purchase

^ \$955,000/5%/3Y/6P Equipment Purchase

END OF FY18 STATUS:

* FY12-FY18 Total Revenue of \$69,947,883 is +\$3,784,866 compared to Pro Forma "A".

* FY12-FY18 Total Operating Expense of \$61,356,545 is +\$1,344,185 compared to Pro Forma "A".

* Three equipment buys in FY11, FY14, and FY17 each financed over three years totaling \$3,065,000 is +\$775,000 compared to Pro Forma "A".

* FY12-FY18 Total Non-Financed Capital Outlay of \$2,491,000 is +\$1,263,000 compared to Pro Forma "A" and meets the projected need of \$2,450,000, an average of \$350,000 annually, to handle basic and emergency deferred facility maintenance issues.

* FY12-FY18 Total Capital of \$6,900,544 is +\$2,053,000 compared to Pro Forma "A".

* Major CIP projects totaling \$22M are funded totally with outside sources of capital funding.

* Fee increases moved from every three years to every four years.

PRO FORMA "C" (With \$22 million CIP Investment, \$3M from 20-Year Bond/\$19M from Outside Funding Sources)

Salt Lake City Golf Division
Fund Summary - Cash Basis
3/19/2010

Rounds-Nine Hole

	458,561	470,925	477,000	477,000	+2.5%	+3%	+2%/-1%	-1%/-1.5%	+1.5%	+2%	+2%/-1%	
	Actual	Actual	Budget	Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Total
	FY-08	FY-09	FY-10	FY-11	FY-12	FY-13	FY-14	FY-15	FY-16	FY-17	FY-18	2012-2018
Revenue					2.50%	3.00%	1.00%	0.05%	1.50%	2.00%	1.00%	Assumed % Increase
Green Fees	4,483,569	4,519,334	4,664,000	4,589,804	4,681,600	4,828,416	4,958,416	5,072,584	5,143,310	5,168,310	5,271,676	
Golf Cart Rental	1,912,527	1,882,413	1,975,200	1,889,200	1,926,984	1,976,254	2,016,254	2,062,579	2,091,205	2,101,205	2,143,229	
Driving Range Fees	328,519	330,452	342,200	370,013	402,413	506,437	606,437	623,566	634,802	634,802	647,498	
Merchandise Sales	807,905	772,120	809,200	809,000	825,180	873,432	923,432	951,900	956,419	956,419	975,548	
Concessions	177,816	153,144	191,600	139,730	167,525	244,200	304,200	300,284	308,287	313,287	319,552	
Miscellaneous Revenue	377,051	325,310	410,178	380,330	387,937	391,816	391,816	399,652	403,649	403,649	411,722	
Impact of cart fee increases on January 2010			65,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	
Impact of green fee increases on January 2010		-	175,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	
Impact of green fee increases on January 2014		-	-	-	-	-	175,000	350,000	350,000	350,000	350,000	
Impact of cart fee increases on January 2018											130,000	
Impact of green fee increases on January 2018											175,000	
Total Revenue	8,087,387	7,982,773	8,632,378	8,658,077	8,871,639	9,300,555	9,855,555	10,240,566	10,367,672	10,407,672	10,904,225	69,947,883
	-2.5%	-1.3%	8.1%	0.3%	2.5%	4.8%	6.0%	3.9%	1.2%	0.4%	4.8%	
Expense												
Operating Expenses					3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	Assumed % Increase
Personal Services	3,672,967	3,564,216	3,718,062	3,766,655	3,922,487	4,074,774	4,272,392	4,426,925	4,581,868	4,742,233	4,908,211	
O&M Supplies	1,191,607	1,206,580	1,267,285	1,159,857	1,318,000	1,361,000	1,344,500	1,379,000	1,401,500	1,530,530	1,552,500	#
Charges and Services	2,106,190	2,302,723	2,288,846	2,328,776	2,398,640	2,470,599	2,544,717	2,621,058	2,699,690	2,780,681	2,864,101	
Transfers out, PILOT, Gen Fund, & PS Dept. costs	268,162	256,216	246,176	284,999	290,699	296,513	302,443	308,492	314,662	320,955	327,374	
Total Operating Expenses	7,238,926	7,329,735	7,520,369	7,540,287	7,929,826	8,202,886	8,464,052	8,735,476	8,997,720	9,374,399	9,652,187	61,356,545
Net Operations before Capital and Debt Service	848,461	653,038	1,112,009	1,117,790	941,812	1,097,669	1,391,503	1,505,090	1,369,952	1,033,273	1,252,038	
Capital Outlay and Debt Service												
Capital Outlay (non-financed) - Equip. and Facilities	114,070	84,622	300,000	110,000	207,000	163,000	347,000	600,000	317,000	109,000	328,000	2,071,000
Debt Service for course construction and irrigation	698,628	-	-	-	-	200,000	200,000	200,000	200,000	200,000	200,000	!!
Debt Service for Equipment + Carts #1 (Maintenance)		251,699	259,348	259,373	7,674	7,674	7,674	-	-	-	-	
Debt Service for Equipment #2 (Maintenance)				250,000	250,000	250,000	-	-	-	-	-	@
Debt Service for Equipment #3 (Maintenance)				-	-	-	360,000	360,000	360,000	-	-	&
Debt Service for Equipment #4 (Maintenance)				-	-	-	-	-	-	250,000	250,000	^
Debt Service for Carts #1 (Pro Shop)	259,753	-	257,350	258,174	258,174	258,174	258,174	-	-	-	-	
Debt Service for Carts #2 (Pro Shop)				18,000	18,000	18,000	18,000	18,000	18,000			
Debt Service for Carts #3 (Pro Shop & Maintenance)				-	-	-	-	274,000	274,000	274,000		
Total Capital Outlay and Debt Service	1,072,451	336,321	816,698	877,547	740,848	896,848	1,190,848	1,178,000	1,169,000	833,000	1,052,000	7,060,544
Net Operations on Cash Basis	\$ (223,990)	\$ 316,717	\$ 295,311	\$ 240,244	\$ 200,964	\$ 200,821	\$ 200,655	\$ 327,090	\$ 200,952	\$ 200,273	\$ 200,038	1,530,794
Total Revenue	8,087,387	7,982,773	8,632,378	8,658,077	8,871,639	9,300,555	9,855,555	10,240,566	10,367,672	10,407,672	10,904,225	69,947,883
Total Expense	8,311,377	7,666,056	8,337,067	8,417,833	8,670,674	9,099,734	9,654,900	9,913,476	10,166,720	10,207,399	10,704,187	68,417,089
Net	(223,990)	316,717	295,311	240,244	200,964	200,821	200,655	327,090	200,952	200,273	200,038	1,530,794
Ending Cash Reserves		808,171	1,103,482	1,343,726	1,544,690	1,745,511	1,946,166	2,273,256	2,474,208	2,674,481	2,874,519	
Three months of operating expense		\$ 1,832,000	1,880,000	1,884,000	\$ 1,966,000	\$ 2,027,000	\$ 2,070,000	\$ 2,134,000	\$ 2,200,000	\$ 2,343,600	\$ 2,413,047	

Cart Battery Replacement Costs in FY12,13,18, and 19

@ \$710,000/3%/3Y/6P Equipment Purchase

& \$1,000,000/4%/3Y/6P Equipment Purchase

^ \$690,000/5%/3Y/6P Equipment Purchase

!! \$3,000,000/3%/20Y/20P Bond for Major CIP Projects

END OF FY18 STATUS:

* FY12-FY18 Total Revenue of \$69,947,883 no change compared to Pro Forma "B".

* FY12-FY18 Total Operating Expense of \$61,356,545 no change compared to Pro Forma "B".

* FY12-FY18 Total Non-Financed Capital Outlay of \$2,071,000 is -\$420,000 compared to Pro Forma "B".

* Three equipment buys in FY11, FY14, and FY17 each financed over three years totaling \$2,400,000 is -\$665,000 compared to Pro Forma "B".

* FY12-FY18 Total Capital of \$7,060,544 is +\$160,000 compared to Pro Forma "B".

* Major CIP projects totaling \$22M are funded by \$3M 20-year bond and \$19M from outside sources of capital funding.

PRO FORMA "D" (With \$22 million CIP Investment, \$15M from 20-Year Bond/\$7M from Outside Funding Sources)

Note: Scenario Focuses on the Concept that Funding for the Annual Bond Payment is Generated from \$2 per 9/\$4 per 18 Fee Increase in FY13.

Salt Lake City Golf Division

Fund Summary - Cash Basis

3/19/2010

3/19/2010				+2%	+1%	0%/-8%	0%	-8%/-6%	+2%	-6%/-4%	-2.5%	-4%/-4%	0%	-4%/-3%	+2%	-3%/-3%	
	Actual FY-08	Actual FY-09	Budget FY-10	Budget FY-11	Projected FY-12	Projected FY-13	Projected FY-14	Projected FY-15	Projected FY-16	Projected FY-17	Projected FY-18	Total 2012-2018					
Revenue					2.0%	1.0%	0.0%	2.0%	-2.5%	0.0%	2.0%	Assumed % Increase					
Green Fees	\$4,483,569	\$4,519,334	\$4,664,000	\$4,589,804	\$4,681,600	\$4,828,416	\$4,958,416	\$5,072,584	\$4,965,770	\$4,990,770	\$5,090,585						
Golf Cart Rental	\$1,912,527	\$1,882,413	\$1,975,200	\$1,889,200	\$1,926,984	\$1,976,254	\$2,016,254	\$2,062,579	\$2,019,014	\$2,029,014	\$2,069,595						
Driving Range Fees	\$328,519	\$330,452	\$342,200	\$370,013	\$402,413	\$506,437	\$606,437	\$623,566	\$612,977	\$612,977	\$625,237						
Merchandise Sales	\$807,905	\$772,120	\$809,200	\$809,000	\$825,180	\$873,432	\$923,432	\$951,900	\$923,103	\$923,103	\$941,565						
Concessions	\$177,816	\$153,144	\$191,600	\$139,730	\$167,525	\$244,200	\$304,200	\$300,284	\$297,777	\$302,777	\$308,832						
Miscellaneous Revenue	\$377,051	\$325,310	\$410,178	\$380,330	\$387,937	\$391,816	\$391,816	\$399,652	\$389,661	\$389,661	\$397,454						
Impact of cart fee increases on January 2010			\$65,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000						
Impact of green fee increases on January 2010			\$175,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000						
Theoretical increase from 15% green fee increase Jan 2013						\$350,000	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000						
Negative impact on rounds due to 15% fee increase Jan '13						(\$372,022)	(\$689,889)	(\$512,028)	(\$414,707)	(\$364,269)	(\$327,127)						
Impact of cart fee increases on January 2016								\$65,000	\$130,000	\$130,000	\$130,000						
Impact of green fee increases on January 2016								\$175,000	\$350,000	\$350,000	\$350,000						
Total Revenue	\$8,087,387	\$7,982,773	\$8,632,378	\$8,658,077	\$8,871,639	\$9,278,533	\$9,690,666	\$10,078,538	\$10,213,595	\$10,544,033	\$10,766,141	\$69,443,145					
	-2.5%	-1.3%	8.1%	0.3%	2.5%	4.6%	4.4%	4.0%	1.3%	3.2%	2.1%						
Expense					3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	3.5% 2% 3% 2%	Assumed % Increase					
Operating Expenses				\$3,766,655	\$3,922,487	\$4,074,774	\$4,272,392	\$4,426,925	\$4,581,868	\$4,742,233	\$4,908,211						
Personal Services	\$3,672,967	\$3,564,216	\$3,718,062	\$1,159,857	\$1,318,000	\$1,361,000	\$1,344,500	\$1,379,000	\$1,401,500	\$1,530,530	\$1,552,500	#					
O&M Supplies	\$1,191,607	\$1,206,580	\$1,267,285	\$2,328,776	\$2,398,640	\$2,470,599	\$2,544,717	\$2,621,058	\$2,699,690	\$2,780,681	\$2,864,101						
Charges and Services	\$2,106,190	\$2,302,723	\$2,288,846	\$284,999	\$290,699	\$296,513	\$302,443	\$308,492	\$314,662	\$320,955	\$327,374						
Transfers out, PILOT, Gen Fund, & PS Dept. costs	\$268,162	\$256,216	\$246,176														
Total Operating Expenses	\$7,238,926	\$7,329,735	\$7,520,369	\$7,540,287	\$7,929,826	\$8,202,886	\$8,464,052	\$8,735,476	\$8,997,720	\$9,374,399	\$9,652,187	\$61,356,545					
Net Operations before Capital and Debt Service	\$848,461	\$653,038	\$1,112,009	\$1,117,790	\$941,812	\$1,075,646	\$1,226,614	\$1,343,062	\$1,215,875	\$1,169,634	\$1,113,954						
Capital Outlay and Debt Service																	
Capital Outlay (non-financed) - Equip. and Facilities	\$114,070	\$84,622	\$300,000	\$110,000	\$207,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$1,107,000					
Debt Service for course construction and irrigation	\$698,628	\$0	\$0	\$0	\$0	\$504,000	\$1,008,000	\$1,008,000	\$1,008,000	\$1,008,000	\$1,008,000	!!					
Debt Service for Equipment + Carts #1 (Maintenance)		\$251,699	\$259,348	\$259,373	\$7,674	\$7,674	\$7,674	\$0	\$0	\$0	\$0						
Debt Service for Equipment #2 (Maintenance)				\$250,000	\$250,000	\$250,000	\$0	\$0	\$0	\$0	\$0	@					
Debt Service for Equipment #3 (Maintenance)				\$0	\$0	\$0	\$270,000	\$270,000	\$270,000	\$0	\$0	&					
Debt Service for Equipment #4 (Maintenance)				\$0	\$0	\$0	\$0	\$0	\$0	\$300,000	\$300,000	^					
Debt Service for Carts #1 (Pro Shop)	\$259,753	\$0	\$257,350	\$258,174	\$258,174	\$258,174	\$258,174	\$0	\$0	\$0	\$0						
Debt Service for Carts #2 (Pro Shop)				\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$0	\$0						
Debt Service for Carts #3 (Pro Shop & Maintenance)				\$0	\$0	\$0	\$0	\$274,000	\$274,000	\$274,000	\$274,000						
Total Capital Outlay and Debt Service	\$1,072,451	\$336,321	\$816,698	\$877,547	\$740,848	\$1,187,848	\$1,711,848	\$1,446,000	\$1,720,000	\$1,732,000	\$1,732,000	\$10,270,544					
Net Operations on Cash Basis	(\$223,990)	\$316,717	\$295,311	\$240,244	\$200,964	(\$112,202)	(\$485,234)	(\$102,938)	(\$504,125)	(\$562,366)	(\$618,046)	(\$2,183,945)					
Total Revenue	\$8,087,387	\$7,982,773	\$8,632,378	\$8,658,077	\$8,871,639	\$9,278,533	\$9,690,666	\$10,078,538	\$10,213,595	\$10,544,033	\$10,766,141	\$69,443,145					
Total Expense	\$8,311,377	\$7,666,056	\$8,337,067	\$8,417,833	\$8,670,674	\$9,390,734	\$10,175,900	\$10,181,476	\$10,717,720	\$11,106,399	\$11,384,187	\$71,627,089					
Net	(\$223,990)	\$316,717	\$295,311	\$240,244	\$200,964	(\$112,202)	(\$485,234)	(\$102,938)	(\$504,125)	(\$562,366)	(\$618,046)	(\$2,183,945)					
Ending Cash Reserves		\$808,171	\$1,103,482	\$1,343,726	\$1,544,690	\$1,432,488	\$947,255	\$844,317	\$340,192	(\$222,174)	(\$840,219)						
Three months of operating expense		\$1,832,000	\$1,880,000	\$1,884,000	\$1,966,000	\$2,027,000	\$2,070,000	\$2,134,000	\$2,200,000	\$2,343,600	\$2,413,047						

Cart Battery Replacement Costs in FY12,13,18, and 19

@ \$710,000/3%/3Y/6P Equipment Purchase

& \$755,000/4%/3Y/6P Equipment Purchase

^ \$825,000/5%/3Y/6P Equipment Purchase

!! \$15,000,000 Bond for Major CIP Projects

END OF FY18 STATUS:

* Due to competitive public golf market, loss of rounds played offsets theoretical revenue growth from 15% fee increase.

* Insufficient cash capital to handle basic and emergency facility deferred maintenance issues.

* By FY18, the SLC Golf Enterprise Fund shows a negative cash balance of (\$840,219)



SLC Golf Course Excess



Summary of Conclusions

Glendale Golf Course

Location	2100 South between 1200 West & 1600 West	
Property Size	13.65 acres + (1) 0.89 acre non-contiguous pad	
Current Use/Zone	Golf Course Use / Zoned OS	
Highest & Best Use	Commercial (office/ high image industrial use)	
Anticipated Pricing	13.65 Acre Parcel	\$4.50 PSF - \$6.00 PSF (\$2,675,000 - \$4,756,000)
	0.89 Acre Parcel	\$8.00 PSF - \$10 PSF (\$314,000 - \$387,700)
Total Pricing Range for Combined Parcels	\$2,989,000 - \$5,144,000	
Less cost of sale	7% (5% commission / 2% escrow and attorney fees)	
Net Estimated Proceeds on sale	<u>\$2,779,770 - \$4,784,000</u>	

Bonneville Golf Course

Location	Approximately 1100 South Foothill Blvd	
Property Size	5.5 – 10 acres	
Current Use/Zone	Golf Course Use / Zoned OS	
Highest & Best Use	Residential (multi-family, for sale condominiums)	
Anticipated Pricing	5.5 Acres Multi-Family = \$11.02 PSF (8 units per acre @ \$60,000 per unit) \$2,640,000 = \$13.77 PSF (12 units per acre @ \$50,000 per unit) \$3,300,000	
	5.5 Acres Single Family = \$13.77 PSF (4 units per acre @ \$150,000 per lot) \$3,300,000 = \$18.37 PSF (4 units per acre @ \$200,000 per lot) \$4,400,000	
Total Pricing Range for Combined Parcels @ 10 acres	\$5,400,000 - \$7,000,000	
Less cost of sale	7% (5% commission / 2% escrow and attorney fees)	
Net Estimated Proceeds on sale	<u>\$5,022,000- \$6,510,000</u>	



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This statement with the information it contains is given with the understanding that all negotiations relating to the purchase, rental or leasing of the property described above shall be conducted through this office. The above information while not guaranteed has been secured from sources we believe to be reliable.

November 28, 2007

Mayor Ralph Becker
Salt Lake City Council Members
451 South State Street
Salt Lake City, Utah 84111

Dear Mayor and City Council Members:

The citizen members of the Salt Lake City Golf Enterprise Fund Advisory Board respectfully submit the following letter for your consideration.

Throughout the '90's, the golf industry experienced unprecedented growth. Then, almost as rapidly as interest had grown in the game, a period of stagnation set in. Theories about the slowdown arose: a sagging economy, the cost of the game in many areas of the country, the proliferation of golf facilities, the inherent difficulty of the game, and an aging golfer population--none of which, when taken alone, adequately accounted for the decline in rounds played at many facilities.

The *Wall Street Journal* reported on April 2, 2007, this sobering fact: "Last year, for the first time in 60 years, more courses closed in the U.S. than opened." As dire as that may sound and as stagnant as the national golf market has been in recent years, we in Utah have a number of singular advantages that industry managers in others areas of the country do not have. Our population continues to grow at an accelerated pace, fueled by a continued high birth rate and the desirability of Utah as a preferred place of residence by those relocating from other states—both of which predict good news for the future of golf in Utah. Statistically, our senior population lives longer than those in other states and enjoys a healthier, more active lifestyle well into their 70's, 80's and even 90's, a factor that bodes well for golf now and into the future. Compared to facilities around the nation, Utah public golf courses offer their clientele a quality golf experience for a reasonable price. Still, Salt Lake City Golf has not been immune to the decline in rounds played per golf course over the past decade (*see attached Total Rounds Spreadsheet*), and as new golf course construction continues to advance in Salt Lake County, as well as in neighboring counties to the north, south, east, and west (*see attached New Public Golf Course Development List*), the City courses find themselves struggling to fund a timely equipment replacement program and major capital improvement projects in the midst of a highly competitive environment.

The same *Journal* article offered a different perspective on one possible solution to the declining numbers: "Golf has tried hard to draw new players. But it may have missed a bigger opportunity: getting more rounds out of its most avid golfers." Golf professionals know this intuitively; just as they know that avid golfers are always looking for ways to get the "best bang for their buck." Locally, the rapid pace of new public golf course openings, which has outpaced the modest increase in demand, has created a competitive

GOLF DIVISION

2375 SOUTH 900 EAST, SALT LAKE CITY, UTAH 84106

TELEPHONE: 801-485-7730 FAX: 801-466-6705



RECYCLED PAPER

environment where “best bang for the buck” has come to mean green fee discounts. This practice has been a boon to some golfers who hop from course to course looking for the deal of the day. But golf course managers, who have offered discounts hoping to increase their share of an over-supplied market, have discovered that although their efforts might have resulted in a small, short-term increase in rounds, this strategy failed to result in long-term revenue growth.

The desirability of maintaining green space in the City demands that we ensure the fiscal health of our Salt Lake City golf courses. If we take into account the *Wall Street Journal*'s suggestion that part of the solution lies with our “most avid golfers,” then the problem can be framed by asking what must be done to attract dedicated patrons to Salt Lake City courses and to encourage their loyalty to our facilities while charging them a fair price for these services? Given that facility conditioning ranks as the top factor influencing where golfers play, Salt Lake City golf courses and associated support facilities must be upgraded and brought current with the atmosphere and services found at the best public facilities locally, statewide, and beyond.

Golfers want to feel that their dollar is buying the very best golf experience possible. This experience begins with the amenities provided to anyone walking through the door. What services are offered by the pro shop? Is the clubhouse inviting? Does the restaurant provide quality food service? Are the restrooms clean and attractive? Are the grounds around the clubhouse well maintained? Are practice areas available for driving, iron practice, chipping, and putting? Is the course itself in good condition and enjoyable to play? How is the pace of play? Are golf course employees friendly and helpful—both in the pro shop and on the course? The list goes on. The problem is that too often the money runs out before a course is able to invest into the new maintenance equipment and improved facilities required to provide the very best public golf experience possible.

In Salt Lake City, the factor that contributes most seriously to our failure to meet the standards set by the best public golf facilities is the on-going problem of deferred capital improvements: the practice of allowing machinery and infrastructure to deteriorate by postponing prudent but less than critical renewal, renovation, or replacement in an effort to save cost, labor and/or materials in the short term. Salt Lake City Golf has been in a perpetual state of deferring capital improvements, and the continued neglect or postponement of essential projects has brought our system to a near critical point.

As a governmentally established “enterprise fund,” Salt Lake City's golf courses are financed and operated in a manner similar to private business enterprises. The costs of providing golf-related goods and services to the general public on a continuing basis are intended to be funded through user charges. However, because a substantial portion of the Golf Fund's revenue base has been required annually to service the bond associated with the construction of Wingpointe and eighteen additional holes at Mountain Dell, the task of replacing the machinery and improving the infrastructure of Salt Lake City's golf courses in a prudent manner has proven increasingly difficult over the past decade and will continue to be so without an infusion of capital dollars from new sources.

Salt Lake City Golf cannot be financially successful when facilities include such inadequacies as outdated, wasteful, and labor-intensive manual irrigation systems;

clubhouses that are unable to host corporate tournaments, banquets, and other public events; dilapidated permanent and embarrassing portable on-course restroom facilities; driving ranges that do not allow for the use of today's improved golf equipment; a lack of cart paths in key locations required to provide quality turf conditions; a lack of rip rap or gabion baskets to prevent erosion to lake banks; and maintenance facilities without adequate equipment and chemical storage bays and power and water supplies. In order to compete with the surrounding area golf courses and continue to operate as a self-sufficient enterprise fund, Salt Lake City Golf must find the means to upgrade facilities.

The Director of Golf, in conjunction with the Golf Course Superintendents, Head Golf Professionals, and Golf Enterprise Fund Advisory Board, has compiled a list of deferred capital improvement projects that are now critical to the infrastructure if we expect our golf courses to compete in today's marketplace. This attached CIP Potential Funding Sources, Priorities, and Projected Costs Spreadsheet includes both "A" and "B" priority items that will require a preliminary estimate of \$17 to \$19 million in capital funding.

Unfortunately, the costs associated with these pressing capital improvement needs at all Salt Lake City golf courses extend beyond the Golf Fund's ability to generate funding for this purpose through operating revenues. While funding must come from multiple sources, the primary solution lies in the Golf Division divesting itself of surplus property on selected golf courses. By transferring this property to other Salt Lake City divisions or departments for recreational, open space, or facility needs with a fair market payment going to the Golf Fund, or by selling this surplus property for residential or commercial development purposes, the Salt Lake City Golf Division could fund up to an estimated \$14 million of its top-priority capital improvement projects. A preliminary evaluation including formal property appraisals shows the feasibility of taking such action.

The improved services provided by our golf facilities as a result of these capital improvement projects will most certainly result in an increase in patronage, which in turn will translate into greater revenues. This increased revenue, combined with the FY2008 retirement of the Wingpointe and Mountain Dell Construction Bond, will allow the Golf Division to fund on-going operations, a long-term equipment replacement program, and third tier capital improvements with revenues generated through normal operations.

The citizen members of the Salt Lake City Golf Enterprise Fund Advisory Board strongly urge both the Mayor and the City Council to consider, review, and adopt this innovative solution by allowing the Golf Division to divest itself of land bordering select City courses through transfer or sale for the express purpose of reinvesting all earnings into the Golf Fund. The proceeds from this transfer or sale are to be used solely for implementing and bringing to completion our long-deferred and much needed City golf facility capital improvement projects. Funding of "A" priority Golf CIP items by means of this process is of primary importance; however, after those golf facility infrastructure needs have been met, any surplus funds remaining should then be used to address as many "B" level capital projects as possible.

If the Golf Division is denied the opportunity to generate funding for long-deferred major capital improvement projects through the transfer or sale of surplus golf course property, Salt Lake City's golf courses will be faced with the following two less than acceptable

options: 1) ask the City for a general fund subsidy from tax monies to help pay for the completion of deferred capital improvements at the golf courses, or 2) face a grim financial future as deteriorating golf facility conditions coupled with a very competitive public golf market result in a downward spiral of decreasing rounds and revenues.

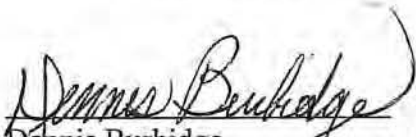
Neither of the above options seems acceptable given Salt Lake City Golf's mandate to remain a self-sufficient enterprise fund free of taxpayer subsidy combined with its potential to be one of the top public golf systems in the country that 1) provides a high-quality, affordable recreational amenity to a significant portion of the community, 2) beautifies and preserves valuable open space, and 3) plays a key role in tourism and economic development efforts.


The Golf Enterprise Fund Advisory Board requests that the Mayor and City Council authorize the Golf Director to proceed in solving the problem of deferred capital improvements through the transfer or sale of surplus real property. Concurrently, the potential for the development of partnerships with businesses, educational institutions, golf associations, and private citizens should be explored in an effort to fund additional capital improvement projects and otherwise financially benefit Salt Lake City's golf program.

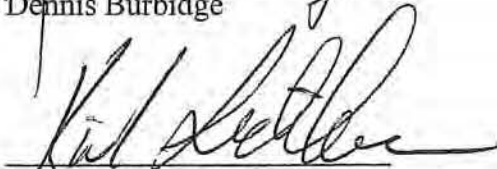
Sincerely,

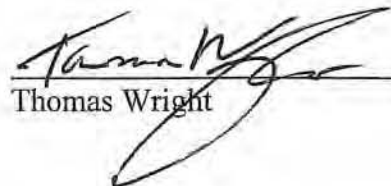

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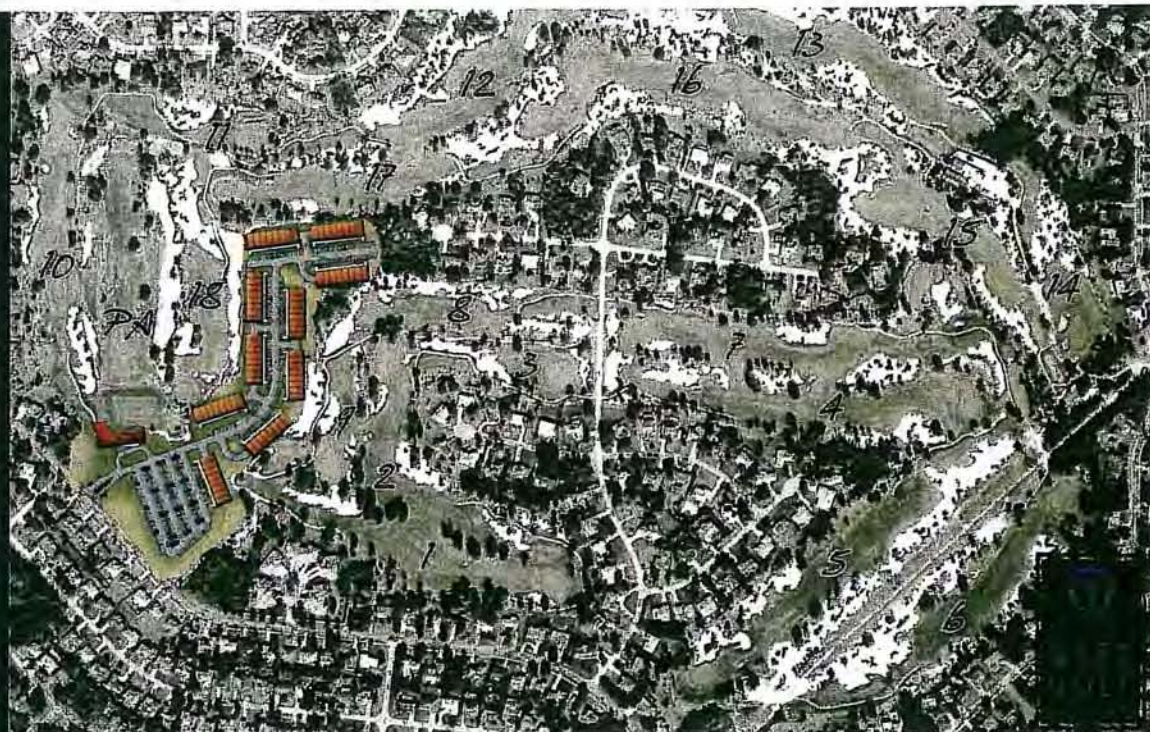

Cheri Ause


Dennis Burbidge


Alan Seko


Kirk Siddens


Thomas Wright



New Life At Deltona Club near Orlando, Weed made room for condos on site of old practice range so the new owner could fund improvements to the course.

WEEDING OUT:

A Survival Plan For Struggling Clubs

Bobby Weed has been around golf course design for 30 years. He has persevered through plenty of economic ups and downs, and he doesn't think this one has bottomed out yet. "I wouldn't be surprised to see 1,000 courses-plus close," he says.

To Weed, it all comes down to one four-letter word: debt. In good times, when rounds are up and membership is growing, debt is fine, but if you're not growing your membership, it is very difficult to get the financing or to take on the debt to make capital improvements, to stay competitive and maintain high standards.

Weed realized several years ago that the joyride of the late 1990s—more than 300 course openings a year—was unsustainable. He and associate Chris Monti have tried to look around the corner to divine the next phase for the industry and for their firm. Their premise: Architects have lost touch with the business side of the game. "People weren't asking the right questions on the front end," says Weed, "because it's obvious that much of it didn't make business sense on the back end."

Weed refers to the concept he and Monti are touting as "re-purposing," a new financial model to fund meaningful course improvement. As they see it, the United States has hundreds of 20- to 40-year-old golf clubs that need improvements and updates if for no other reason than a new or improved course was built down the street within the last decade.

Next comes sloppy club management. In good times there is plenty of margin for mistake, but today every error, whether made yesterday

or 30 years ago, is magnified. "Whether it be an inefficient routing, too big a clubhouse, wrong pricing structure, strung-out golf holes, not enough room, too much room, wrong entry, too much overhead, too many layers, too much management," Weed asserts that a plethora of issues have private clubs "bleeding money." Even if these clubs wanted to update and upgrade, they simply can't take on any more debt.

Further, Weed argues, the idea of funding capital improvements through debt that is serviced by initiation fees or through member assessments is "laughable" in this environment.

A Weed re-purposing begins with an aerial photo. The target: wasted space. Perhaps a parking lot was poorly sited or the practice range could be moved. The clubhouse could be downsized, or a par 5 could be condensed into a par 4. The idea is to find bits of ill-used land within the existing property. Then, by shifting a hole or moving a piece of the parking lot, or relocating a maintenance barn, all the loose bits are condensed into one mass. The owner can then go apply for rezoning, perhaps for residential housing, maybe for a conservation easement. The resulting increase in land value can then facilitate loans for much-needed capital improvements.

Weed has completed a handful of such projects, most notably at the Deltona (Fla.) Club, near Orlando (known previously as Deltona Hills G&CC). There, the current owner invested \$4 million in the struggling facility



and hopes to balance that out by creating \$4 million worth of condominiums on a 17-acre swath that Weed carved out.

Weed believes it is the best of all worlds. "We can find a way to keep the course open, find a vehicle to fund the improvements to make the facility competitive, create a little more tax base and create some development opportunities that previously never existed," he says.

Weed, who is still somewhat protective of the concept, is expounding on it because he thinks the industry needs it. With new construction at a standstill and the financial barriers to improving existing courses very high, re-purposing—whether 10 or 100 acres—could keep architects and courses in business.

"The inventory of courses out there facing declining infrastructural issues is huge and growing," Weed says, "and the financial pressure on them is growing. Meantime, acquisition of existing facilities is so much less expensive than building new golf courses. Those trends aren't going to change in the near term." —C.M.

SALT LAKE CITY GOLF ENTERPRISE FUND POTENTIAL CIP FUNDING SOURCES, PRIORITIES AND PROJECTED COSTS - PROJECTS LISTED BY FACILITY

1-Apr-10

ESTIMATED CAPITAL FUNDING SOURCES

FY13 <u>1-2 TRANSFER OR SALE OF SURPLUS PROPERTY PARCELS</u>			
	<u>GROSS ESTIMATED PROPERTY PROCEEDS</u>	<u>LESS COSTS ASSOCIATED WITH SALE</u>	<u>NET ESTIMATED PROPERTY PROCEEDS</u>
Bonneville Holes #7/#8 (10 Acres)	\$8,000,000	(\$560,000)	\$7,440,000
Glendale 2100 South Frontage (13.65 Acres)	\$4,756,000	(\$332,920)	\$4,423,080
Glendale 2100 South West Portion of Parking Lot (.89 Acre)	\$387,700	(\$27,139)	\$360,561
Rose Park 1400 North 1200 West (3 Acres)	\$476,000	(\$76,000)	\$400,000
Rose Park/JRP3 Offset Levee & Riparian Corridor Protection (up to 17.5 Acres @ \$163,350)	\$2,858,625	\$0	\$2,858,625
Estimated Proceeds from Transfer or Sale of Surplus Golf Property:	\$16,478,325	(\$996,059)	\$15,482,266
FY12 <u>3 ESCO ENERGY PERFORMANCE CONTRACT FUNDING</u>			
Bonneville Irrigation System, Nibley Park Irrigation System, and Glendale Secondary Water Source			\$3,300,000
FY13 <u>4 UNIVERSITY OF UTAH PARTNERSHIP</u>			
Naming Rights Fee and Property Lease Associated at Bonneville			\$2,000,000
FY13 <u>5 BONNEVILLE PRIVATE DONOR HOLE SPONSORSHIPS</u>			
\$100,000 Per Hole x 14 Holes / \$125,000 Per Hole x 2 Holes / \$150,000 Per Hole x 2 Holes		\$1,950,000	
Less Donor Benefits Requiring Revenue Transfer to Operating Budget (18 x \$1,000 x 20 Years)		(\$360,000)	
Net Revenue from Donors:			\$1,590,000
FY11 <u>6 PARTNERSHIP CAPITAL COST SHARING AT NIBLEY PARK</u>			
			\$750,000
FY13 <u>7 UTAH GOLF HOUSE PARTNERSHIP WITH UTAH GOLF ASSOCIATION AND UTAH SECTION PGA</u>			
			\$750,000
FY13 <u>8 F & B CONCESSIONAIRE CONTRIBUTION TO FACILITY IMPROVEMENTS</u>			
Bonneville (New On-Course Snack Shack)			\$75,000
Glendale (Banquet Pavilion)			\$30,000
Mountain Dell (Deck Extension)			\$40,000
Wingpointe (Sliding Glass Doors and Patio Wind Breaks)			\$10,000
TOTAL ESTIMATED CAPITAL FUNDING SOURCES:			\$24,027,266

CAPITAL IMPROVEMENT PROJECT PRIORITIES AND PROJECTED COSTS - PROJECTS LISTED BY FACILITY

<u>YR</u>	<u>BONNEVILLE PROJECTS</u>	<u>PROJECTED COST</u>
FY13	Bonneville Clubhouse	\$2,500,000
FY13	Bonneville Maintenance Relocation	\$500,000
FY13	Bonneville Irrigation System	\$2,200,000
FY13	Bonneville Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$400,000
FY13	Bonneville Golf Course Improvements (Including 3 New Holes, New Greens, Bunkers, Forward Tees, and Perimeter Fencing)	\$2,750,000
FY13	Bonneville Driving Range & Short Game Areas	\$500,000
FY13	Bonneville On-Course Restrooms (Including Snack Shack 150G)	\$300,000
FY13	Bonneville Parking Lot Improvements with New Entrance Road from Foothill Drive Directly East into the Parking Lot	\$250,000
FY13	Bonneville Cart Path Improvements	\$200,000
FY13	Bonneville Entrance Signage and Associated Landscaping Improvements	\$50,000
	BONNEVILLE TOTAL	\$9,650,000
	<u>FOREST DALE PROJECTS</u>	<u>PROJECTED COST</u>
FY13	Forest Dale Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$250,000
FY13	Forest Dale Entrance Signage and Associated Landscaping Improvements	\$50,000
FY15	Forest Dale On-Course Restroom (At #4 Tee/#6 Tee)	\$75,000
FY15	Forest Dale Piping of Drainage Streams through Fairway Corridors	\$100,000
FY15	Forest Dale Lake Bank Stabilization	\$100,000
FY15	Forest Dale Cart Path Improvements	\$75,000
FY15	Forest Dale Irrigation Control Upgrade	\$100,000
FY15	Forest Dale Practice Hitting Net	\$35,000
FY15	Forest Dale Maintenance Building Improvements, Wash Bays, and Sand Bins	\$175,000
FY15	Forest Dale Clubhouse Restroom/Pro Shop Counter Improvements	\$20,000
	FOREST DALE TOTAL	\$980,000
	<u>GLENDALE PROJECTS</u>	<u>PROJECTED COST</u>
FY12	Glendale Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$200,000
FY14	Glendale Redesign and Additional Improvements (Includes Forward Tees on Select Holes)	\$1,200,000
FY14	Glendale Maintenance Relocation	\$600,000
FY14	Glendale Range Fence Repairs, Target Greens, and North End Teaching Tee	\$150,000
FY14	Glendale On-Course Restrooms (At #6 Green/New #12 Tee)	\$75,000
FY14	Glendale Clubhouse Restroom/Pro Shop Counter Improvements	\$40,000
FY14	Glendale Cart Path Improvements	\$110,000
FY14	Glendale Banquet Pavilion	\$150,000
FY14	Glendale Entrance Signage and Associated Landscaping Improvements	\$15,000
	GLENDALE TOTAL	\$2,540,000
	<u>MOUNTAIN DELL PROJECTS</u>	<u>PROJECTED COST</u>
FY12	Mountain Dell Club House Infrastructure Improvements	\$200,000
FY13	Mountain Dell Patio Deck Extension	\$200,000
FY16	Mountain Dell Maintenance Building Improvements, Wash Bays, Sand Bins, and Cart Storage	\$600,000
FY16	Mountain Dell Course Improvements (Canyon #12, #14, #15/Lake Retaining Walls, #8 Green Expansion, #14 Old Green Level)	\$300,000
FY16	Mountain Dell Practice Tee & Range Improvements	\$100,000
FY16	Mountain Dell Tee Leveling and Ladies Tee Addition	\$200,000
FY16	Mountain Dell Irrigation Control Upgrade	\$200,000
FY16	Mountain Dell Clubhouse Restroom/Pro Shop Counter Improvements	\$40,000
FY16	Mountain Dell Cart Path Improvements	\$100,000
FY16	Mountain Dell Entrance Signage and Associated Landscaping Improvements	\$10,000
	MOUNTAIN DELL TOTAL	\$1,950,000

<u>NIBLEY PARK PROJECTS</u>	<u>PROJECTED COST</u>
FY12 Nibley Park Range Extension, New Fence, and Associated Course Redesign	\$1,000,000
FY12 Nibley Park Miniature Golf Course & Batting Cages	\$850,000
FY12 Nibley Park On-Course Restrooms (At New #5 Tee/#9 Tee)	\$75,000
FY12 Nibley Park Cart Path Improvements	\$50,000
FY12 Nibley Park Entrance Signage and Associated Landscaping Improvements	\$25,000
FY12 Nibley Park Perimeter Fencing Improvements	\$100,000
FY12 Nibley Park Clubhouse Restroom/Pro Shop Counter Improvements/Café Remodel	\$25,000
FY12 Nibley Park Irrigation System	\$900,000
FY12 Nibley Park Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$300,000
FY12 Nibley Park Lake Bank Stabilization	\$100,000
FY15 Nibley Park Maintenance Building Improvements, Wash Bays, and Sand Bins	\$175,000
NIBLEY PARK TOTAL	\$3,600,000
<u>ROSE PARK PROJECTS</u>	<u>PROJECTED COST</u>
FY11 Rose Park Range Extension and JRP3 Changes (Includes Range Fencing Both Sides)	\$500,000
FY15 Rose Park Redesign and Additional Improvements (Including Forward Tee Addition on Select Holes)	\$225,000
FY15 Rose Park Irrigation System Improvements	\$900,000
FY15 Rose Park On-Course Restrooms--Two Locations (At #5 Tee/#9 Tee and #14 Tee/#16 Tee)	\$150,000
FY15 Rose Park Cart Path Improvements	\$65,000
FY15 Rose Park Clubhouse Improvements and Cart Storage Expansion	\$350,000
FY15 Rose Park Banquet Pavilion	\$150,000
FY15 Rose Park Maintenance Building Improvements, Wash Bays, and Sand Bins	\$350,000
FY15 Rose Park Entrance Signage and Associated Landscaping Improvements	\$10,000
ROSE PARK TOTAL	\$2,700,000
<u>WINGPOINTE PROJECTS</u>	<u>PROJECTED COST</u>
FY14 Wingpointe Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$250,000
FY16 Wingpointe Lake Bank Stabilization	\$100,000
FY16 Wingpointe Clubhouse Restroom Improvements	\$20,000
FY16 Wingpointe Cart Path Improvements	\$50,000
FY16 Wingpointe Café Sliding Glass Doors, Roof, and Wind Breaks for Banquet Purposes	\$50,000
FY16 Wingpointe Entrance Signage and Associated Landscaping Improvements	\$10,000
FY16 Wingpointe Maintenance Building Improvements, Wash Bays, and Sand Bins	\$100,000
WINGPOINTE TOTAL	\$580,000
TOTAL PROJECTED COST ALL PROJECTS:	\$22,000,000
TOTAL ESTIMATED CAPITAL FUNDING SOURCES:	\$24,027,266
TOTAL PROJECTED COST ALL PROJECTS:	\$22,000,000
Plus Allocation to Operating Budget for Lost Revenue--Construction Down Time:	\$1,000,000
TOTAL PROJECTED COST:	\$23,000,000
CIP FUNDING BALANCE FOR CONTINGENCY AND/OR ADDITIONAL PROJECTS:	\$1,027,266

SALT LAKE CITY GOLF ENTERPRISE FUND POTENTIAL CIP FUNDING SOURCES, PRIORITIES AND PROJECTED COSTS - PROJECTS LISTED BY COMPLETION YEAR

1-Apr-10

ESTIMATED CAPITAL FUNDING SOURCES

		GROSS ESTIMATED PROPERTY PROCEEDS	LESS COSTS ASSOCIATED WITH SALE	NET ESTIMATED PROPERTY PROCEEDS
FY13	<u>1-2 TRANSFER OR SALE OF SURPLUS PROPERTY PARCELS</u>			
	Bonneville Holes #7/#8 (10 Acres)	\$8,000,000	(\$560,000)	\$7,440,000
	Glendale 2100 South Frontage (13.65 Acres)	\$4,756,000	(\$332,920)	\$4,423,080
	Glendale 2100 South West Portion of Parking Lot (.89 Acre)	\$387,700	(\$27,139)	\$360,561
	Rose Park 1400 North 1200 West (3 Acres)	\$476,000	(\$76,000)	\$400,000
	Rose Park/JRP3 Offset Levee & Riparian Corridor Protection (up to 17.5 Acres @ \$163,350)	\$2,858,625	\$0	\$2,858,625
	Estimated Proceeds from Transfer or Sale of Surplus Golf Property:	\$16,478,325	(\$996,059)	\$15,482,266
FY12	<u>3 ESCO ENERGY PERFORMANCE CONTRACT FUNDING</u>			
	Bonneville Irrigation System, Nibley Park Irrigation System, and Glendale Secondary Water Source			\$3,300,000
FY13	<u>4 UNIVERSITY OF UTAH PARTNERSHIP</u>			
	Naming Rights Fee and Property Lease Associated at Bonneville			\$2,000,000
FY13	<u>5 BONNEVILLE PRIVATE DONOR HOLE SPONSORSHIPS</u>			
	\$100,000 Per Hole x 14 Holes / \$125,000 Per Hole x 2 Holes / \$150,000 Per Hole x 2 Holes		\$1,950,000	
	Less Donor Benefits Requiring Revenue Transfer to Operating Budget (18 x \$1,000 x 20 Years)		(\$360,000)	
	Net Revenue from Donors:			\$1,590,000
FY11	<u>6 PARTNERSHIP CAPITAL COST SHARING AT NIBLEY PARK</u>			\$750,000
FY13	<u>7 UTAH GOLF HOUSE PARTNERSHIP WITH UTAH GOLF ASSOCIATION AND UTAH SECTION PGA</u>			\$750,000
FY13	<u>8 F & B CONCESSIONAIRE CONTRIBUTION TO FACILITY IMPROVEMENTS</u>			
	Bonneville (New On-Course Snack Shack)			\$75,000
	Glendale (Banquet Pavilion)			\$30,000
	Mountain Dell (Deck Extension)			\$40,000
	Wingpointe (Sliding Glass Doors and Patio Wind Breaks)			\$10,000
TOTAL ESTIMATED CAPITAL FUNDING SOURCES:				\$24,027,266

CAPITAL IMPROVEMENT PROJECT PRIORITIES AND PROJECTED COSTS - PROJECTS LISTED BY COMPLETION YEAR

<u>YR</u>	<u>FY 11 PROJECT COMPLETION DATE</u>	<u>PROJECTED COST</u>
FY11	Rose Park Range Extension and JRP3 Changes (Includes Range Fencing Both Sides)	\$500,000
	FY11 TOTAL	\$500,000
<u>YR</u>	<u>FY 12 PROJECT COMPLETION DATE</u>	
FY12	Glendale Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$200,000
FY12	Mountain Dell Club House Infrastructure Improvements	\$200,000
FY12	Nibley Park Range Extension, New Fence, and Associated Course Redesign	\$1,000,000
FY12	Nibley Park Miniature Golf Course & Batting Cages	\$850,000
FY12	Nibley Park On-Course Restrooms (At New #5 Tee/#9 Tee)	\$75,000
FY12	Nibley Park Cart Path Improvements	\$50,000
FY12	Nibley Park Entrance Signage and Associated Landscaping Improvements	\$25,000
FY12	Nibley Park Perimeter Fencing Improvements	\$100,000
FY12	Nibley Park Clubhouse Restroom/Pro Shop Counter Improvements/Café Remodel	\$25,000
FY12	Nibley Park Irrigation System	\$900,000
FY12	Nibley Park Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$300,000
FY12	Nibley Park Lake Bank Stabilization	\$100,000
	FY12 TOTAL	\$3,825,000
<u>YR</u>	<u>FY 13 PROJECT COMPLETION DATE</u>	
FY13	Bonneville Clubhouse	\$2,500,000
FY13	Bonneville Maintenance Relocation	\$500,000
FY13	Bonneville Irrigation System	\$2,200,000
FY13	Bonneville Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$400,000
FY13	Bonneville Golf Course Improvements (Including 3 New Holes, New Greens, Bunkers, Forward Tees, and Perimeter Fencing)	\$2,750,000
FY13	Bonneville Driving Range & Short Game Areas	\$500,000
FY13	Bonneville On-Course Restrooms (Including Snack Shack 150G)	\$300,000
FY13	Bonneville Parking Lot Improvements with New Entrance Road from Foothill Drive Directly East into the Parking Lot	\$250,000
FY13	Bonneville Cart Path Improvements	\$200,000
FY13	Bonneville Entrance Signage and Associated Landscaping Improvements	\$50,000
FY13	Forest Dale Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$250,000
FY13	Forest Dale Entrance Signage and Associated Landscaping Improvements	\$50,000
FY13	Mountain Dell Patio Deck Extension	\$200,000
	FY13 TOTAL	\$10,150,000
<u>YR</u>	<u>FY 14 PROJECT COMPLETION DATE</u>	
FY14	Glendale Redesign and Additional Improvements (Includes Forward Tees on Select Holes)	\$1,200,000
FY14	Glendale Maintenance Relocation	\$600,000
FY14	Glendale Range Fence Repairs, Target Greens, and North End Teaching Tee	\$150,000
FY14	Glendale On-Course Restrooms (At #6 Green/New #12 Tee)	\$75,000
FY14	Glendale Clubhouse Restroom/Pro Shop Counter Improvements	\$40,000
FY14	Glendale Cart Path Improvements	\$110,000
FY14	Glendale Banquet Pavilion	\$150,000
FY14	Glendale Entrance Signage and Associated Landscaping Improvements	\$15,000
FY14	Wingpointe Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$250,000
	FY14 TOTAL	\$2,590,000

<u>YR</u>	<u>FY 15 PROJECT COMPLETION DATE</u>	
FY15	Forest Dale On-Course Restroom (At #4 Tee/#6 Tee)	\$75,000
FY15	Forest Dale Piping of Drainage Streams through Fairway Corridors	\$100,000
FY15	Forest Dale Lake Bank Stabilization	\$100,000
FY15	Forest Dale Cart Path Improvements	\$75,000
FY15	Forest Dale Irrigation Control Upgrade	\$100,000
FY15	Forest Dale Practice Hitting Net	\$35,000
FY15	Forest Dale Maintenance Building Improvements, Wash Bays, and Sand Bins	\$175,000
FY15	Forest Dale Clubhouse Restroom/Pro Shop Counter Improvements	\$20,000
FY15	Nibley Park Maintenance Building Improvements, Wash Bays, and Sand Bins	\$175,000
FY15	Rose Park Redesign and Additional Improvements (Including Forward Tee Addition on Select Holes)	\$225,000
FY15	Rose Park Irrigation System Improvements	\$900,000
FY15	Rose Park On-Course Restrooms--Two Locations (At #5 Tee/#9 Tee and #14 Tee/#16 Tee)	\$150,000
FY15	Rose Park Cart Path Improvements	\$65,000
FY15	Rose Park Clubhouse Improvements and Cart Storage Expansion	\$350,000
FY15	Rose Park Banquet Pavilion	\$150,000
FY15	Rose Park Maintenance Building Improvements, Wash Bays, and Sand Bins	\$350,000
FY15	Rose Park Entrance Signage and Associated Landscaping Improvements	\$10,000
	FY15 TOTAL	\$3,055,000
<u>YR</u>	<u>FY 16 PROJECT COMPLETION DATE</u>	
FY16	Mountain Dell Maintenance Building Improvements, Wash Bays, Sand Bins, and Cart Storage	\$600,000
FY16	Mountain Dell Course Improvements (Canyon #12, #14, #15/Lake Retaining Walls, #8 Green Expansion, #14 Old Green Level)	\$300,000
FY16	Mountain Dell Practice Tee & Range Improvements	\$100,000
FY16	Mountain Dell Tee Leveling and Ladies Tee Addition	\$200,000
FY16	Mountain Dell Irrigation Control Upgrade	\$200,000
FY16	Mountain Dell Clubhouse Restroom/Pro Shop Counter Improvements	\$40,000
FY16	Mountain Dell Cart Path Improvements	\$100,000
FY16	Mountain Dell Entrance Signage and Associated Landscaping Improvements	\$10,000
FY16	Wingpointe Lake Bank Stabilization	\$100,000
FY16	Wingpointe Clubhouse Restroom Improvements	\$20,000
FY16	Wingpointe Cart Path Improvements	\$50,000
FY16	Wingpointe Café Sliding Glass Doors, Roof, and Wind Breaks for Banquet Purposes	\$50,000
FY16	Wingpointe Entrance Signage and Associated Landscaping Improvements	\$10,000
FY16	Wingpointe Maintenance Building Improvements, Wash Bays, and Sand Bins	\$100,000
	FY16 TOTAL	\$1,880,000
TOTAL PROJECTED COST ALL PROJECTS:		\$22,000,000
TOTAL ESTIMATED CAPITAL FUNDING SOURCES:		\$24,027,266
TOTAL PROJECTED COST ALL PROJECTS:		\$22,000,000
Plus Allocation to Operating Budget for Lost Revenue--Construction Down Time:		\$1,000,000
TOTAL PROJECTED COST:		\$23,000,000
CIP FUNDING BALANCE FOR CONTINGENCY AND/OR ADDITIONAL PROJECTS:		\$1,027,266

SALT LAKE CITY GOLF ENTERPRISE FUND POTENTIAL CIP FUNDING SOURCES, PRIORITIES AND PROJECTED COSTS - PROJECTS LISTED BY TYPE OF IMPROVEMENT

1-Apr-10

ESTIMATED CAPITAL FUNDING SOURCES

		GROSS ESTIMATED PROPERTY PROCEEDS	LESS COSTS ASSOCIATED WITH SALE	NET ESTIMATED PROPERTY PROCEEDS
FY13	<u>1-2 TRANSFER OR SALE OF SURPLUS PROPERTY PARCELS</u>			
	Bonneville Holes #7/#8 (10 Acres)	\$8,000,000	(\$560,000)	\$7,440,000
	Glendale 2100 South Frontage (13.65 Acres)	\$4,756,000	(\$332,920)	\$4,423,080
	Glendale 2100 South West Portion of Parking Lot (.89 Acre)	\$387,700	(\$27,139)	\$360,561
	Rose Park 1400 North 1200 West (3 Acres)	\$476,000	(\$76,000)	\$400,000
	Rose Park/JRP3 Offset Levee & Riparian Corridor Protection (up to 17.5 Acres @ \$163,350)	\$2,858,625	\$0	\$2,858,625
	Estimated Proceeds from Transfer or Sale of Surplus Golf Property:	\$16,478,325	(\$996,059)	\$15,482,266
FY12	<u>3 ESCO ENERGY PERFORMANCE CONTRACT FUNDING</u>			
	Bonneville Irrigation System, Nibley Park Irrigation System, and Glendale Secondary Water Source			\$3,300,000
FY13	<u>4 UNIVERSITY OF UTAH PARTNERSHIP</u>			
	Naming Rights Fee and Property Lease Associated at Bonneville			\$2,000,000
FY13	<u>5 BONNEVILLE PRIVATE DONOR HOLE SPONSORSHIPS</u>			
	\$100,000 Per Hole x 14 Holes / \$125,000 Per Hole x 2 Holes / \$150,000 Per Hole x 2 Holes		\$1,950,000	
	Less Donor Benefits Requiring Revenue Transfer to Operating Budget (18 x \$1,000 x 20 Years)		(\$360,000)	
	Net Revenue from Donors:			\$1,590,000
FY11	<u>6 PARTNERSHIP CAPITAL COST SHARING AT NIBLEY PARK</u>			\$750,000
FY13	<u>7 UTAH GOLF HOUSE PARTNERSHIP WITH UTAH GOLF ASSOCIATION AND UTAH SECTION PGA</u>			\$750,000
FY13	<u>8 F & B CONCESSIONAIRE CONTRIBUTION TO FACILITY IMPROVEMENTS</u>			
	Bonneville (New On-Course Snack Shack)			\$75,000
	Glendale (Banquet Pavilion)			\$30,000
	Mountain Dell (Deck Extension)			\$40,000
	Wingpointe (Sliding Glass Doors and Patio Wind Breaks)			\$10,000
TOTAL ESTIMATED CAPITAL FUNDING SOURCES:				\$24,027,266

CAPITAL IMPROVEMENT PROJECT PRIORITIES AND PROJECTED COSTS - PROJECTS LISTED BY TYPE OF IMPROVEMENT

<u>YR</u>	<u>OPERATING REVENUE GROWTH IMPROVEMENTS</u>	<u>PROJECTED COST</u>
FY11	Rose Park Range Extension and JRP3 Changes (Includes Range Fencing Both Sides)	\$500,000
FY12	Nibley Park Range Extension, New Fence, and Associated Course Redesign	\$1,000,000
FY12	Nibley Park Miniature Golf Course & Batting Cages	\$850,000
FY13	50% Bonneville Clubhouse	\$1,250,000
FY13	50% Bonneville Golf Course Improvements (Including 3 New Holes, New Greens, Bunkers, Forward Tees, and Perimeter Fencing)	\$1,375,000
FY13	Bonneville Driving Range & Short Game Areas	\$500,000
FY13	Mountain Dell Patio Deck Extension	\$200,000
FY14	25% Glendale Redesign and Additional Improvements (Includes Forward Tees on Select Holes)	\$300,000
FY14	Glendale Banquet Pavilion	\$150,000
FY15	Forest Dale Piping of Drainage Streams through Fairway Corridors	\$100,000
FY15	Forest Dale Practice Hitting Net	\$35,000
FY15	Rose Park Redesign and Additional Improvements (Including Forward Tee Addition on Select Holes)	\$225,000
FY15	Rose Park Banquet Pavilion	\$150,000
FY16	Mountain Dell Course Improvements (Canyon #12, #14, #15/Lake Retaining Walls, #8 Green Expansion, #14 Old Green Level)	\$300,000
FY16	Mountain Dell Practice Tee & Range Improvements	\$100,000
FY16	Mountain Dell Tee Leveling and Ladies Tee Addition	\$200,000
FY16	Wingpointe Café Sliding Glass Doors, Roof, and Wind Breaks for Banquet Purposes	\$50,000
	OPERATING REVENUE GROWTH IMPROVEMENTS TOTAL	\$7,285,000
<u>YR</u>	<u>CIP FUNDING-RELATED IMPROVEMENTS</u>	
FY13	50% Bonneville Golf Course Improvements (Including 3 New Holes, New Greens, Bunkers, Forward Tees, and Perimeter Fencing)	\$1,375,000
FY13	Bonneville Parking Lot Improvements with New Entrance Road from Foothill Drive Directly East into the Parking Lot	\$250,000
FY14	75% Glendale Redesign and Additional Improvements (Includes Forward Tees on Select Holes)	\$900,000
FY14	Glendale Maintenance Relocation	\$600,000
	CIP FUNDING-RELATED IMPROVEMENTS TOTAL	\$3,125,000
<u>YR</u>	<u>IRRIGATION SYSTEM AND WATER SOURCE INFRASTRUCTURE IMPROVEMENTS</u>	
FY12	Glendale Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$200,000
FY12	Nibley Park Irrigation System	\$900,000
FY12	Nibley Park Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$300,000
FY13	Bonneville Irrigation System	\$2,200,000
FY13	Bonneville Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$400,000
FY13	Forest Dale Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$250,000
FY14	Wingpointe Pumps, Wells, and Other Infrastructure Required to Add Non-Culinary Water Option	\$250,000
FY15	Rose Park Irrigation System Improvements	\$900,000
FY15	Forest Dale Irrigation Control Upgrade	\$100,000
FY16	Mountain Dell Irrigation Control Upgrade	\$200,000
	IRRIGATION SYSTEM AND WATER SOURCE INFRASTRUCTURE IMPROVEMENTS TOTAL	\$5,700,000

<u>YR</u>	<u>CLUBHOUSE AND RESTROOM INFRASTRUCTURE IMPROVEMENTS</u>	
FY12	Mountain Dell Club House Infrastructure Improvements	\$200,000
FY12	Nibley Park On-Course Restrooms (At New #5 Tee/#9 Tee)	\$75,000
FY12	Nibley Park Clubhouse Restroom/Pro Shop Counter Improvements/Café Remodel	\$25,000
FY13	50% Bonneville Clubhouse	\$1,250,000
FY13	Bonneville On-Course Restrooms (Including Snack Shack 150G)	\$300,000
FY14	Glendale On-Course Restrooms (At #6 Green/New #12 Tee)	\$75,000
FY14	Glendale Clubhouse Restroom/Pro Shop Counter Improvements	\$40,000
FY15	Forest Dale On-Course Restroom (At #4 Tee/#6 Tee)	\$75,000
FY15	Forest Dale Clubhouse Restroom/Pro Shop Counter Improvements	\$20,000
FY15	Rose Park Clubhouse Improvements and Cart Storage Expansion	\$350,000
FY15	Rose Park On-Course Restrooms--Two Locations (At #5 Tee/#9 Tee and #14 Tee/#16 Tee)	\$150,000
FY16	Mountain Dell Clubhouse Restroom/Pro Shop Counter Improvements	\$40,000
FY16	Wingpointe Clubhouse Restroom Improvements	\$20,000
	CLUBHOUSE AND RESTROOM INFRASTRUCTURE IMPROVEMENTS TOTAL	\$2,620,000
<u>YR</u>	<u>GOLF COURSE INFRASTRUCTURE IMPROVEMENTS</u>	
FY12	Nibley Park Cart Path Improvements	\$50,000
FY12	Nibley Park Entrance Signage and Associated Landscaping Improvements	\$25,000
FY12	Nibley Park Perimeter Fencing Improvements	\$100,000
FY12	Nibley Park Lake Bank Stabilization	\$100,000
FY13	Bonneville Cart Path Improvements	\$200,000
FY13	Bonneville Entrance Signage and Associated Landscaping Improvements	\$50,000
FY13	Forest Dale Entrance Signage and Associated Landscaping Improvements	\$50,000
FY14	Glendale Range Fence Repairs, Target Greens, and North End Teaching Tee	\$150,000
FY14	Glendale Cart Path Improvements	\$110,000
FY14	Glendale Entrance Signage and Associated Landscaping Improvements	\$15,000
FY15	Forest Dale Lake Bank Stabilization	\$100,000
FY15	Forest Dale Cart Path Improvements	\$75,000
FY15	Rose Park Cart Path Improvements	\$65,000
FY15	Rose Park Entrance Signage and Associated Landscaping Improvements	\$10,000
FY16	Mountain Dell Cart Path Improvements	\$100,000
FY16	Mountain Dell Entrance Signage and Associated Landscaping Improvements	\$10,000
FY16	Wingpointe Lake Bank Stabilization	\$100,000
FY16	Wingpointe Cart Path Improvements	\$50,000
FY16	Wingpointe Entrance Signage and Associated Landscaping Improvements	\$10,000
	GOLF COURSE INFRASTRUCTURE IMPROVEMENTS TOTAL	\$1,370,000

<u>YR</u>	<u>MAINTENANCE FACILITY INFRASTRUCTURE IMPROVEMENTS</u>	
FY13	Bonneville Maintenance Relocation	\$500,000
FY15	Forest Dale Maintenance Building Improvements, Wash Bays, and Sand Bins	\$175,000
FY15	Nibley Park Maintenance Building Improvements, Wash Bays, and Sand Bins	\$175,000
FY15	Rose Park Maintenance Building Improvements, Wash Bays, and Sand Bins	\$350,000
FY16	Mountain Dell Maintenance Building Improvements, Wash Bays, Sand Bins, and Cart Storage	\$600,000
FY16	Wingpointe Maintenance Building Improvements, Wash Bays, and Sand Bins	\$100,000
	MAINTENANCE FACILITY INFRASTRUCTURE IMPROVEMENTS TOTAL	\$1,900,000
TOTAL PROJECTED COST ALL PROJECTS:		\$22,000,000
TOTAL ESTIMATED CAPITAL FUNDING SOURCES:		\$24,027,266
TOTAL PROJECTED COST ALL PROJECTS:		\$22,000,000
Plus Allocation to Operating Budget for Lost Revenue--Construction Down Time:		<u>\$1,000,000</u>
TOTAL PROJECTED COST:		\$23,000,000
CIP FUNDING BALANCE FOR CONTINGENCY AND/OR ADDITIONAL PROJECTS:		<u>\$1,027,266</u>

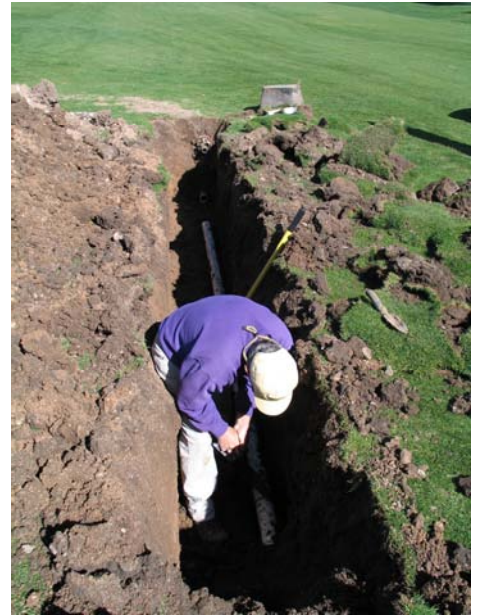
**SALT LAKE CITY GOLF DIVISION
MAJOR CAPITAL IMPROVEMENT PROJECT PRIORITIES**



Irrigation System Replacements at Bonneville, Nibley Park and Rose Park.

The irrigation systems at Bonneville, Nibley Park and Rose Park are critically in need of replacement. The systems are decades old with Bonneville and Nibley Park operating as manual systems.

Projected cost of replacement: BV = \$2,200,000, NP = \$900,000, RP = \$900,000



Inadequate irrigation upgrades have led to ongoing costly repairs on an annual basis. For example, at Bonneville in the early 1980's, rather than installing the required schedule 40 pipe, the contractor used schedule 20. This has resulted in costly repairs on an annual basis.



Much of the current system at Bonneville is the original cast iron pipe that was installed when the course was first built over 75 years ago.

Irrigation System Replacements at Bonneville, Nibley Park and Rose Park continued.

This article details the demands of a night waterman at Bonneville and Nibley Park.

tribune

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Golf

Keeping it green

Night waterman a master of low-tech irrigation

By JOHN RENSHAW
Special to the Tribune

Troy Kennedy is a man of summer. Employed at Bonneville Golf Course in Salt Lake City, Kennedy is the night waterman.

It's a unique job, since most courses in Utah handle their watering needs with timed irrigation systems. Kennedy has to troll the whole course every night to keep all 6,824 yards of grass looking superb.

"I love to golf but honestly haven't had the time with this profession," he said. "By the end of your shift, your so doggone tired to do anything."

Kennedy has outlasted many counterparts within the two-man operation during his nine years of duty. Unlike many other courses along the Wasatch Front, or across the U.S. for that matter, Bonneville remains one of few courses without automatic irrigation timers.

The sprinkler system isn't likely to change for a few years, which means more work for the grounds crew at Bonneville.

"It's quite a grueling job — it definitely takes a rare

Troy Kennedy

- Kennedy is a graduate of Highland High School.
- He served in the U.S. Marine Core from 1979 to 1982.
- He continues working hard in his ninth year as night waterman for Bonneville Golf Course.

See **WATERMAN, V5**

Troy Kennedy sets the sprinklers at Bonneville Golf Course in Salt Lake City.



PHOTOS BY RIC

Waterman keeps the grass growing

➤ Continued from V1

breed of person to deal with the swapping shifts and manual labor," Kennedy said.

Nicknamed "Hollywood Marine" after his U.S. military enlistment days in Hollywood and Bridgeport Calif., from 1979 to 1982. Kennedy is no stranger to work ethic. Arriving six days a week and accruing over 200 hours per

month on the job site, he provides players with slick dark green grass on the par-72 course.

And it's not like the course just gets that way. It wears down from golfers playing on the turf and from wildlife abusing the grass.

It's a never-ending battle, but one Kennedy says the Marines prepared him to endure, which is why he's lasted so long in a position where so many have failed.

Kennedy starts his shift at 6 p.m. wearing a white cutoff shirt, baseball cap and tan shorts. Trying to stay hydrated during the 100-degree temperatures, Kennedy prepares his golf cart with a frozen jug of water that quickly

melts during the hot evening. He brings along one or two 32-ounce mugs of water, and there's a hand towel to wipe away the summer sweat.

This is no job for people who don't like getting dirty. Said Kennedy: "When first arriving, I'll survey the course to see if there's any dead spots that need to be attended to or decide what areas need water. Then I'll take our hoses, which are more like 250-foot fire hoses, and connect them to our 32 [sprinkler] heads to conduct maintenance the rest of the night."

That maintenance can last until 2 or 3 in the morning. And how does Kennedy work with no overhead lighting?

"I just take the [golf] cart's headlights and shine it wherever I'm working. It's also good in regards to not giving out a lot of light. If a bunch of kids drove by and saw lighting at the course, they might be compelled to trespass after hours," he said.

Making Kennedy's life more difficult is the technology on the course. Make that old technology.

Bonneville uses its original irrigation system from 1928 on first nine holes and the system from 1957 on the back nine.

Problems such as clogging and tears through old hoses tend to make the job difficult.

"There's going to be problems due to the age of the equipment, but we have a hell

of a boss in Steve [Campbell], who knows what we're dealing with," Kennedy said. "Regardless of the issue, the next day it'll be taken care of."

Campbell, the superintendent, got his start in golf in 1981. After working his way through the ranks, Campbell now calls the shots.

"The plumbing's been around a long time here and [manual] maintenance isn't nearly as efficient as automatic irrigation," Campbell said. "But we'll be able to upgrade in a few years after some financial bonds are paid back."

While an automatic system could help Bonneville's profits, it won't help Kennedy's personal bottom line — his

hours will be cut in half when they get a new system.

"What can you do" is all I can say," Kennedy said. "But [Steve] assured me there'll be a place for me on staff once the change takes effect. I'm real happy to have this position. I wasn't something I wanted to do for a couple of years then move onto something else."

"It's my profession of choosing, and since we're not open during winter, I need a seasonal job and it's hard because companies want you permanent or not at all. But I'm not going to leave because I enjoy my co-workers and the job itself. I take great pride in maintaining the course and the grass looks beautiful, and I know it's a job well done."

**SALT LAKE CITY GOLF DIVISION
MAJOR CAPITAL IMPROVEMENT PROJECT PRIORITIES**



Pumps, Wells and Other Infrastructure Required to Add Non-Culinary Water Options at Bonneville, Forest Dale, Nibley Park and Glendale

Nearly all of Salt Lake City's courses rely solely on culinary water sources. Investing in a number of pumps, wells and various other irrigation infrastructure would allow for the addition of a number of secondary irrigation sources.

Projected cost of replacement: \$1,400,000

**SALT LAKE CITY GOLF DIVISION
FY05-08 WATER EXPENSES & COST PER IRRIGATED ACRE**

	<u>FY05 ACTUAL</u>	<u>FY06 ACTUAL</u>	<u>FY07 ACTUAL</u>	<u>*FY08 ACTUAL</u>	<u>***FY09 BUDGET</u>	<u>FY05 to FY08 % INCREASE</u>
**Bonneville	\$154,294	\$197,998	\$217,853	\$221,737	\$240,000	44%
Cost Per Irr. Acre	\$1,403	\$1,800	\$1,980	\$2,016	\$2,182	1 Cost Per Irr. Acre Rank
110 irrigated acres						
180 total acres						
 Glendale	 \$120,636	 \$146,425	 \$203,307	 \$225,961	 \$215,000	 87%
Cost Per Irr. Acre	\$731	\$887	\$1,232	\$1,369	\$1,303	6 Cost Per Irr. Acre Rank
165 irrigated acres						
175 total acres						
 Forest Dale	 \$49,381	 \$54,791	 \$57,419	 \$60,121	 \$70,000	 22%
Cost Per Irr. Acre	\$914	\$1,015	\$1,063	\$1,113	\$1,296	7 Cost Per Irr. Acre Rank
54 irrigated acres						
61 total acres						
 Mtn. Dell	 \$85,913	 \$100,392	 \$117,347	 \$118,080	 \$125,000	 37%
Cost Per Irr. Acre	\$477	\$558	\$652	\$656	\$694	8 Cost Per Irr. Acre Rank
180 irrigated acres						
381 total acres						
 **Nibley Park	 \$38,066	 \$44,540	 \$51,678	 \$53,051	 \$65,000	 39%
Cost Per Irr. Acre	\$828	\$968	\$1,123	\$1,153	\$1,413	3 Cost Per Irr. Acre Rank
46 irrigated acres						
50 total acres						
 **Rose Park	 \$155,195	 \$191,843	 \$211,375	 \$226,255	 \$235,000	 46%
Cost Per Irr. Acre	\$1,338	\$1,654	\$1,822	\$1,950	\$2,026	2 Cost Per Irr. Acre Rank
116 irrigated acres						
120 total acres						
 Wingpointe	 \$129,451	 \$130,132	 \$192,226	 \$193,563	 \$210,000	 50%
Cost Per Irr. Acre	\$819	\$824	\$1,217	\$1,225	\$1,329	5 Cost Per Irr. Acre Rank
158 irrigated acres						
193 total acres						
 Jordan River Par 3	 \$19,068	 \$23,659	 \$28,563	 \$29,416	 \$30,000	 54%
Cost Per Irr. Acre	\$867	\$1,075	\$1,298	\$1,337	\$1,364	4 Cost Per Irr. Acre Rank
22 irrigated acres						
24 total acres						
 TOTAL:	 \$752,004	 \$889,780	 \$1,079,768	 \$1,128,184	 \$1,190,000	 50%
Cost Per Irr. Acre	\$887	\$1,049	\$1,273	\$1,330	\$1,403	
848 irrigated acres						
1184 total acres						

**SALT LAKE CITY GOLF DIVISION
MAJOR CAPITAL IMPROVEMENT PROJECT PRIORITIES**



Bonneville Clubhouse

The clubhouse at Bonneville is in need of replacement. It is inadequate to meet the needs of golfers. Many corporate events would like to move to Bonneville, however we are unable to meet their event needs because there is no banquet space.

Projected cost of replacement: \$2,500,000



Bonneville is one of the busiest courses in the state, yet also has one of the most outdated clubhouses in the state.

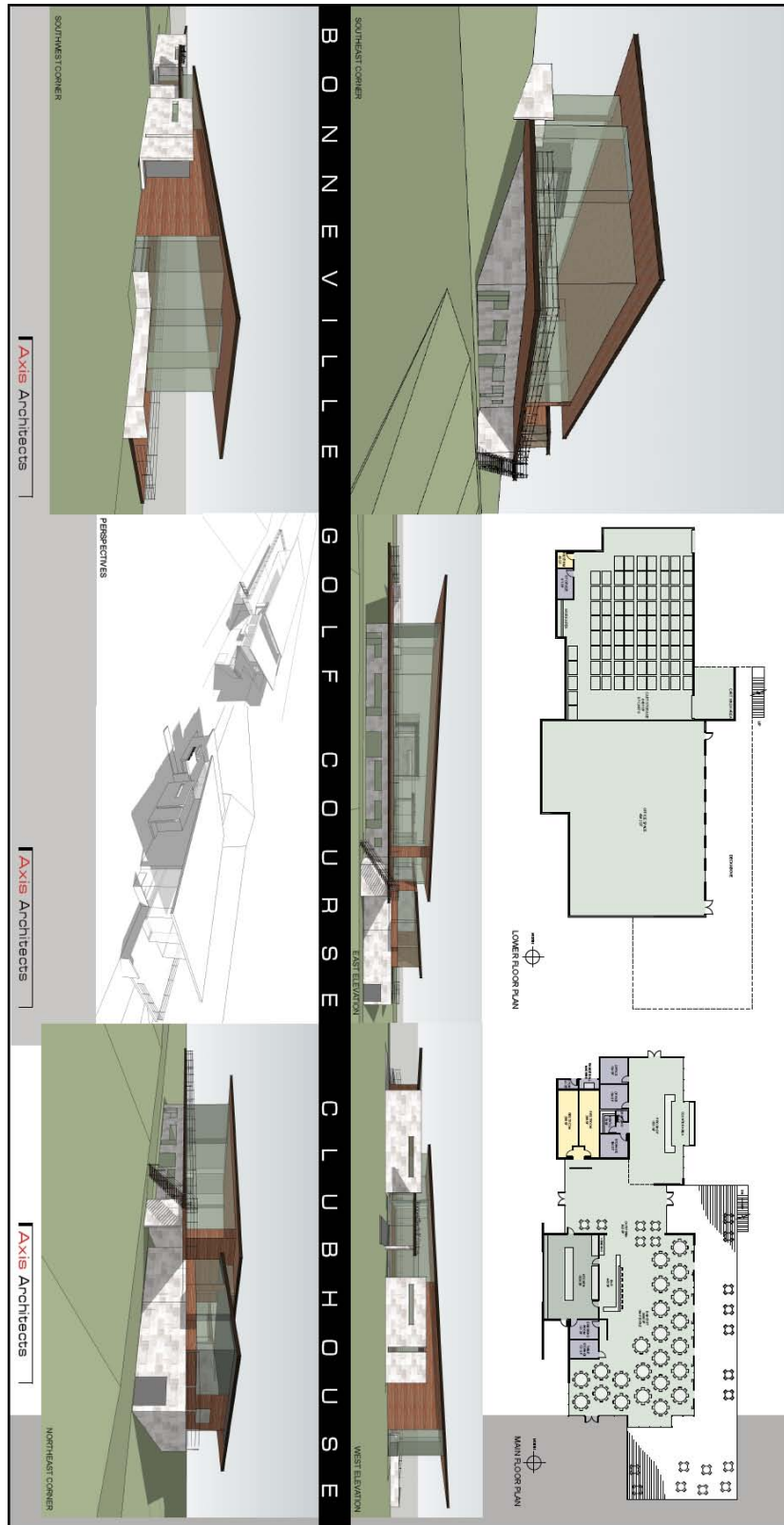


SALT LAKE CITY GOLF DIVISION
MAJOR CAPITAL IMPROVEMENT PROJECT PRIORITIES



Bonneville Clubhouse continued.

The pictures below are of a preliminary design concept for the Bonneville clubhouse replacement.



**SALT LAKE CITY GOLF DIVISION
MAJOR CAPITAL IMPROVEMENT PROJECT PRIORITIES**



Bonneville Maintenance Relocation

The maintenance building at Bonneville is in need of replacement. It is inadequate to meet the needs of the maintenance crew.

Projected cost of replacement: \$500,000



The maintenance area at Bonneville is inadequate given the scope of its operations. The placement of the building at the end of the driving range presents a number of safety concerns to both course maintenance workers and equipment.



This picture illustrates the measures that a county golf course uses to protect their equipment from errant range balls.



This picture is of a maintenance building located at the Old Mill Golf Course.

**SALT LAKE CITY GOLF DIVISION
MAJOR CAPITAL IMPROVEMENT PROJECT PRIORITIES**



Bonneville Golf Course Improvements

It is proposed that the Golf Division transfer surplus parcels of the course to Salt Lake City for other recreation uses or to sell this land for development. The funds obtained from surplus course parcels will go to fund a number of course improvements including hole re-routing, improvement of tees on select holes and the installation of perimeter fencing. The fencing is critical for customer and resident safety as well as general course security and protection from vandals.

Projected cost of replacement: \$2,750,000

Refer to enlarged aerial map with detailed proposed course improvements.



These pictures illustrate course damage that happens on a regular basis due the lack of perimeter barriers at Bonneville.



These pictures show perimeter fencing at other municipal courses in Salt Lake County.

SALT LAKE CITY GOLF DIVISION
MAJOR CAPITAL IMPROVEMENT PROJECT PRIORITIES



Bonneville Golf Course Improvements Cont.

Bonneville is perceived by many industry experts to be a venerable classic golf course and is often mentioned with the likes of much more renown golf courses with much more advanced operations and amenities. Bringing Bonneville in line with even modest industry standards would further enhance this City treasure. The attached article is from the 2008 edition of the PGA Professionals' Guide to Travel.

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THE PRICE IS RIGHT

PGA PROFESSIONALS' GUIDE TO TRAVEL

Favorite Classic Courses

as chosen by PGA Professionals, representing only golf courses that have green fees of \$125 or less in peak season.

BETHPAGE STATE PARK

Farmingdale, N.Y.

Black Course

<http://nysparks.state.ny.us/golf>

BONNEVILLE GOLF COURSE

Salt Lake City, Utah

www.slcgov.com/publicservices/golf

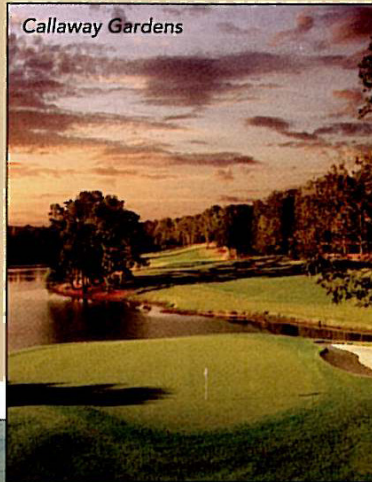
CALLAWAY GARDENS

Pine Mountain, Ga.

Mountain Course

www.callawaygardens.com

Callaway Gardens



COG HILL GOLF & COUNTRY CLUB

Chicago, Ill.

Ravines Course

www.coghillgolf.com

DEL MONTE GOLF COURSE

Monterey, Calif.

www.pebblebeach.com

SEAVIEW RESORT & SPA

Galloway, N.J.

Bay Course

www.seaviewmarriott.com

COURTESY OF CALLAWAY GARDENS



**SALT LAKE CITY GOLF DIVISION
MAJOR CAPITAL IMPROVEMENT PROJECT PRIORITIES**



Bonneville Driving Range and Short Game Areas

The range at Bonneville is small and currently has iron-only hitting restrictions. This limits driving range revenues. The addition of an expanded driving range with a short game practice area would create a top-rate attraction befitting a course like Bonneville in an area that would support and welcome such an addition.

Projected cost of replacement: \$500,000

Refer to enlarged aerial map with detailed proposed course improvements.



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On-Course Restrooms at Bonneville, Forest Dale, Glendale, Nibley Park and Rose Park

The restrooms located at Bonneville, Forest Dale, Glendale, Nibley Park and Rose Park need to be replaced, including the on-course snack shack located at Bonneville.

Projected cost of replacement: Bonneville \$300,000, Forest Dale \$75,000, Glendale \$75,000, Nibley Park \$75,000 and Rose Park \$150,000



**SALT LAKE CITY GOLF DIVISION
MAJOR CAPITAL IMPROVEMENT PROJECT PRIORITIES**



Bonneville Parking Lot Improvements and New Entrance Road from Foothill Blvd.

This project would install a new entrance road from Foothill Blvd. plus a number of improvements to the existing parking lot.

Projected cost of replacement: \$250,000

Refer to enlarged aerial map with detailed proposed changes to entrance road.



The current entrance at Bonneville can only be accessed by traveling through a residential area on Connor Street.



**SALT LAKE CITY GOLF DIVISION
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Forest Dale Piping of Drainage Streams through Fairway Corridors

The streams that bisect holes 4, 5, 7, and 9 create a significant pace-of-play problem at Forest Dale. Piping these streams the width of the fairway will resolve this problem without impacting the drainage corridors. The end result will be a faster pace of play, increased customer satisfaction, more rounds played, and increased revenue on busy days during the summer.

Projected cost of project: \$100,000



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Glendale Redesign and Additional Improvements

A proposed sale of property adjacent to 2100 South would generate funds to make a number of needed course and driving range improvements.

Projected cost of replacement: \$1,350,000

Refer to enlarged aerial map with detailed proposed course improvements.



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Glendale Maintenance Relocation

A proposed sale of property adjacent to 2100 South would require the relocation of the maintenance building and operations at Glendale.

Projected cost of replacement: \$600,000

Refer to enlarged aerial map with detailed proposed maintenance building relocation.



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MAJOR CAPITAL IMPROVEMENT PROJECT PRIORITIES**



Mountain Dell Clubhouse Infrastructure Improvements

A number of improvements and upgrades need to be implemented at the Mountain Dell Golf Course. Improvements would include upgrading the bathroom areas and installation of a new boiler system.

Projected cost of replacement: \$200,000



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MAJOR CAPITAL IMPROVEMENT PROJECT PRIORITIES**



Nibley Park Range Extension, New Fence and Associated Golf Course Redesign

Extending the range at Nibley Park would allow for increased revenues and reduce safety concerns.

Projected cost of replacement and installation: \$1,000,000

Refer to enlarged aerial map with detailed proposed course improvements.



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Nibley Park Perimeter Fencing Improvements

The perimeter fence surrounding the Nibley Park Golf Course needs to be replaced.

Projected cost of replacement: \$100,000



Picture of perimeter fencing at a municipal course in Salt Lake County.

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Rose Park Redesign and Additional Improvements

There are a number of proposed improvements to the course at Rose Park including adding forward tees on selected holes.

Projected cost of replacement: \$290,000

Refer to enlarged aerial map with detailed proposed course improvements.



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Rose Park Range Extension and Jordan River Par-3 Redesign

A proposed extension of the driving range at Rose Park will include a connection from the Jordan River Par-3 from the South. This will increase the revenue potential of the range as well as increase the opportunities to develop a top-rate teaching facility at the Jordan River Par-3 course. The proposal includes purchasing vacant homes on Redwood Road between the two courses to allow for the needed range expansion.

Projected cost of replacement: \$500,000

Refer to enlarged aerial map with detailed proposed range expansion.



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Maintenance Building Improvements, Wash Bays and Sand Bins at Mountain Dell, Forest Dale, Nibley Park, Rose Park and Wingpointe

Nearly all of Salt Lake City's maintenance facilities lack the adequate structures for storing equipment, course supplies such as fertilizers and sand as well as proper wash bays.

Projected cost of replacement: \$1,400,000



The three photos above are golf course maintenance buildings at Salt Lake County courses.

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Lake Bank Stabilization at Forest Dale, Nibley Park and Wingpointe

Lake banks at Forest Dale, Nibley Park and Wingpointe are in need of stabilization in order to prevent further deterioration.

Projected cost of replacement: \$300,000



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Pro Shop and Restroom Improvements at Mountain Dell, Forest Dale, Nibley Park, Glendale and Wingpointe

Upgrade clubhouse restroom facilities at Mountain Dell, Forest Dale, Nibley Park, Glendale and Wingpointe.

Projected cost of replacement: \$145,000



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Cart Path Improvements at all Courses

Install new cart paths and improve conditions of current paths at all courses.

Projected cost of replacement: \$650,000



**SALT LAKE CITY GOLF DIVISION
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Option 1

Bonneville Golf Club
Preliminary Design & Renovation Concept



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Option 2-A Par-3

Bonneville Golf Club
Preliminary Design & Renovation Concept



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Option 2-B

Bonneville Golf Club
Preliminary Design & Renovation Concept



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Option 2-C

Bonneville Golf Club
Preliminary Design & Renovation Concept



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Forest Dale Golf Course

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Gendale Golf Course

Preliminary Design & Renovation Concept

Date: November 2009
Scale 1" = 100'

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Mountain Dell Canyon Golf Course

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Mountain Dell Lake Golf Course

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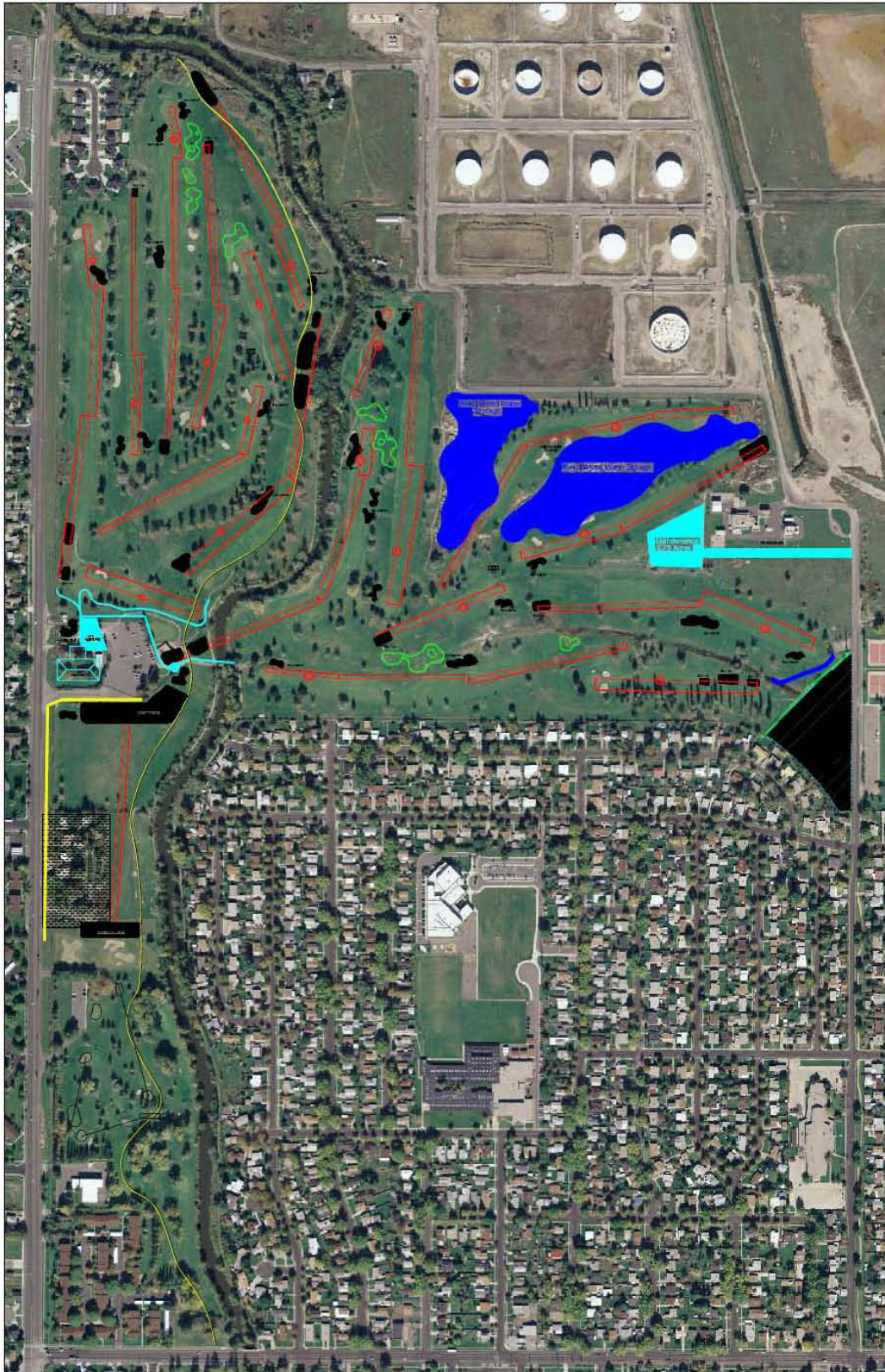
Nibley Golf

Preliminary Design & Renovation Concept

Date: November 2009

Scale 1" = 100'

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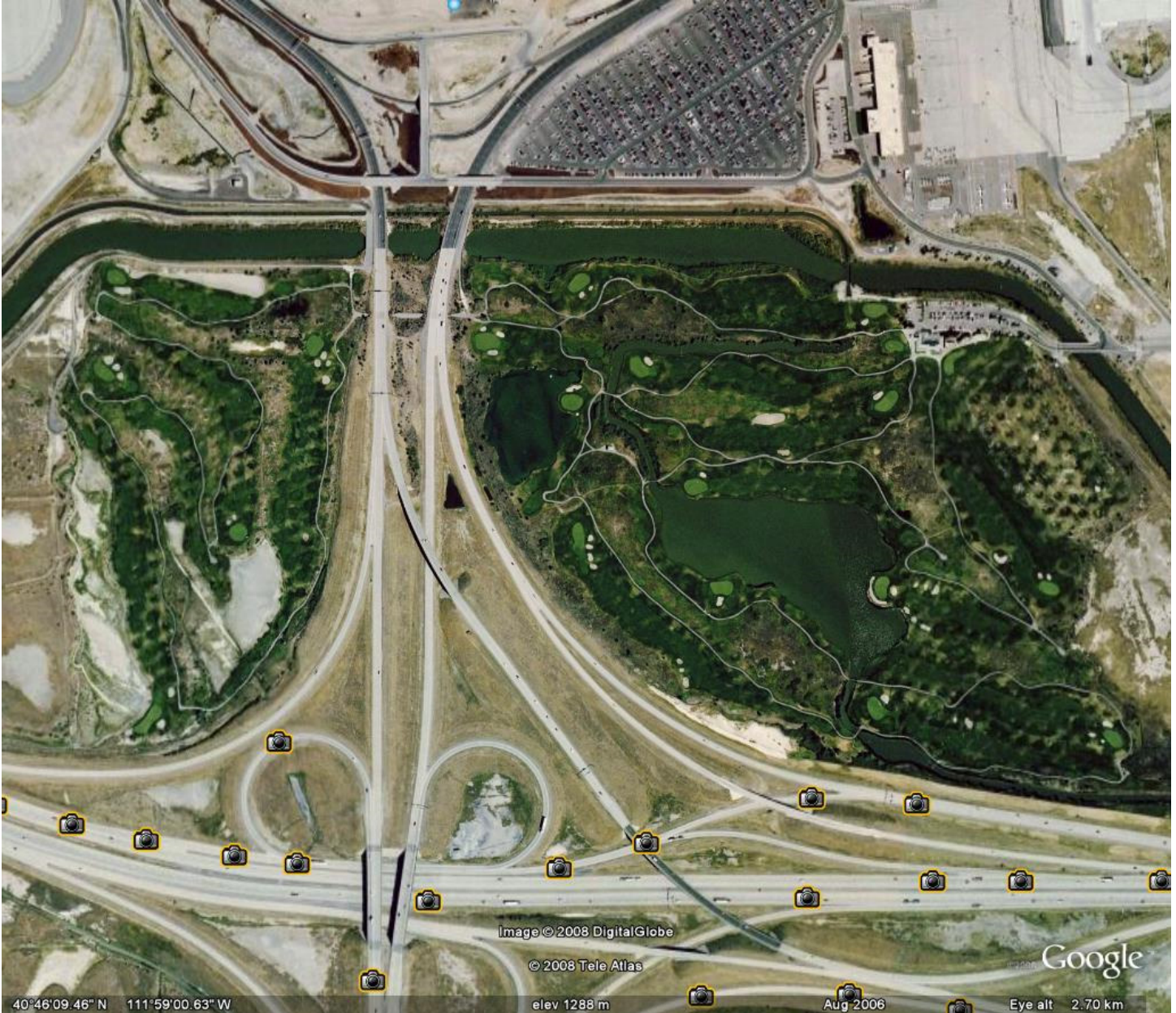


Rose Park & Jordan River Par-3

Preliminary Design & Renovation Concept

Date: November 2009
Scale 1" = 100'

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Wingpointe Golf Course