

WICOMICO SHORES GOLF COURSE ADVISORY BOARD

Meeting of January 10, 2007

Meeting Minutes

6:00 p.m.

MEMBERS PRESENT: Merrill "Chico" Rivers, Chairperson, Bob Richardson, Rick Smith and Gloria Tippett.

MEMBERS ABSENT: Jim Hodges, Vice-Chairperson, Phil Cranford and Wayne Pettit.

STAFF/OTHERS ATTENDING: Phil Rollins, Director, Recreation, Parks and Community Services (RP&CS), and Pat Meyers, Golf Course Manager, RP&CS.

CALL TO ORDER

The meeting of the Wicomico Shores Golf Course (WSGC) Advisory Board was called to order at 6:00 p.m. at the Wicomico Shores Golf Course Clubhouse.

APPROVAL OF MINUTES

Bob Richardson motioned, seconded by Gloria Tippett, to approve the minutes of the November 1, 2006. Motion carried.

SCORECARDS

Gloria Tippett asked if there was any way the ladies could get a mailbox on the 1st tee for scorecards. Patty Meyers said that should not be a problem; it might have to be placed on hole number 2.

SAND TRAPS

Ms. Tippett asked if bunker rakes could be ordered; Ms. Meyers stated that staff has purchased the rakes and is waiting for the start of the season to put them out. Staff plans to re-work the traps with new sand this spring.

WINTER SPECIAL

Ms. Meyers stated that the winter special is basically the twilight rates offered all day from December 1 through March 15. She would like the Board's concurrence on setting these dates each year rather than assessing the weather and other conditions each year to determine the winter special dates. She also proposed a policy for the Christmas/holiday special where people purchasing season passes during the holiday would receive 15 months of golf for the price of 12. The season passes run twelve months from April through March; if a patron purchases a pass during the holidays they would receive 3 months free until the season begins on April 1. This is done at other golf courses as a marketing effort to generate new passes. The consensus was to accept staff's recommendations.

FY08 GOLF COURSE RATES

Ms. Meyers provided the Board with a handout of proposed FY08 rates. Also, the Finance Department asked for an anticipated schedule of fees for the term of the Clubhouse mortgage. The FY08 rates are the only fees being proposed at this time and would go into effect April 1, 2008.

Ms. Meyers stated that the proposed increases are still reasonable in today's market; she will provide Board members with rates from other nearby golf courses. The way the current rates are structured, the second person on the family pass is receiving a generous discount. Ms. Meyers would like to be able to say the second person's fee in the family pass would be 50% of the

individual rate. Currently, thirty-eight families would be affected by this proposed rate change. The rates reflect a 10% discount for seniors and a 50% discount for juniors on greens fees.

Chairman Rivers stated that he would like to have additional discussion on the proposed rates when the full Board is present and possibly hold a special meeting to discuss this. Ms. Meyers needs to submit the FY08 rates for the budget, but there is still time to make changes to the recommendations.

POWSA

Ms. Meyers stated that the Property Owners of Wicomico Shores Association (POWSA) recently held their election of officers. She recommended that the new President of POWSA be invited to an upcoming Board meeting.

UPDATE ON CLUBHOUSE PROJECT

Staff plans to present information and recommendations on the Clubhouse project to the Board of County Commissioners (BOCC) on January 16th. Mr. Rollins will inform Board members of the time for the presentation.

The Clubhouse cost proposal was received from Dennis Anderson Construction on December 8, 2006; the proposal came in at \$2,066,429. An additional \$350,000 is needed in the project budget to cover trailer rental, project management and inspections, equipment and furnishings, and contingencies for a total project cost of \$2,416,429. Staff is currently reviewing potential cost savings from value engineering (HVAC, electrical, etc). Any savings that are realized will reduce the construction contract; however, it will not affect the amount of exempt financing. Any savings will reduce the amount of the fund balance to be used up front.

Based on an evaluation of golf course finances and a construction budget of \$2.4 million, staff is recommending using \$700,000 from the Golf Course Enterprise Fund Balance and borrowing \$1.2 million through exempt financing. The balance of \$500,000 will come from Program Open Space grant funding that has been approved by the State.

There is currently about \$925,000 in the Golf Course fund balance "savings" account and staff is proposing to use only \$700,000 of that. Early payment on the debt is possible without penalty, so the Fund Balance can be used to do that at any time. Interest rates will be obtained from banks for both 10 year and 15 year terms. A loan of \$1.2 million at 5% interest with a 10 year term results in an annual debt service of about \$150,000. According to Finance, based upon golf course financial projections for the next ten years, that level of debt is affordable.

The building and site plan reviews are moving forward with the various review agencies. Staff anticipates having reviews completed and getting site plan approval and receiving the building permit in the next few weeks. The temporary golf operations trailer is scheduled to be delivered next week; the trailer hook-up and prep work should be completed by the contractor by early February. It is anticipated that the golf operation will be moved into the trailer by the end of February.

In addition to requesting concurrence to move forward with the project and the solicitation for exempt financing, staff will be asking the BOCC for approval to issue a purchase order to Denis Anderson for interior demolition of the Clubhouse. This will enable work to begin while the exempt financing and construction contract are being processed. The contractor will begin interior demolition as soon as the golf operation has moved into the trailer. Building construction is expected to be completed within 15 months.

Chairman Rivers stated that Board members not present tonight expressed the desire that nothing be taken away from the "integrity of the project" and that it would not be changed as the project progresses.

OTHER BUSINESS

Chairman Rivers mentioned that the closing time of snack bar should be posted.

SCHEDULING OF NEXT MEETING

The next regularly scheduled meeting of the WSGC Advisory Board is scheduled for April 11, 2007 at 6:00 p.m. at the Wicomico Shores Golf Course Clubhouse.

The meeting concluded at approximately 7:00 P.M.

Kathy Bailey, Recorder