



PUBLIC GOLF COMMITTEE
Meeting Minutes November 17, 2020
Webex



I. Call Meeting to Order

Commissioner Demmer called the meeting to order at 5:02 p.m.

II. Roll Call

Present: David Demmer, Jenny Peterson, Noah Kramer, Tammy Sundbom, Jim Sandness, Dan Baumgartner, Steve Kinney, Thomas Griggs, Troy Barnette

III. Approval of October 20 Meeting Minutes

Kramer motioned to approve minutes, second by Jenny Peterson. Passed.

IV. Presentations and Informational Updates

A. Development RFP Status for Each Golf Course – Jess Peterson, Manager

Baumgartner questioned if the affordable housing development at Lester will be revisited. Jess Peterson indicated there was a very small pool of applicants, and many didn't qualify to move forward in the review process. Jim Filby Williams stated the proposal in question contains attractive assets, but it paid no regard to the development priorities that were reviewed and approved by City Council. Indicated there will be a conversation with City Council if proposals can be reviewed that did not meet criteria.

Demmer questioned when the committee will view conceptual plans of the development. Jess Peterson stated Planning and Economic Development indicated there will be a public informational session in early 2021.

V. New Business

A. Golf Budgeting and Planning Timeline (Informational) – Jim Filby Williams, Director and Jess Peterson, Manger

Jess Peterson shared Billy Casper Golf has changed their name to Indigo Golf Courses.

Bill Colgan displayed three different financial scenarios –

- i. Enger and Lester open – net income \$-143,817
- ii. Enger Open – Lester minimal agronomy and maintenance – net income \$5,881
- iii. Enger Open – Lester closed with no maintenance – net income \$93,212

Kinney questioned the scenario of minimal agronomy vs a typical year. Bill Colgan shared mowing is greatly reduced to once a week, versus every day. Kinney questioned if 18 holes was estimated under minimal maintenance. Bill Colgan shared he would need to check this information to provide data.

Kramer indicated we will never fully know the reason why people didn't purchase season passes due to the pandemic and or the 2020 temporary closure of Lester. Stated that many golf courses offer a two-year membership vs just one.

Sandness suggested Indigo Golf Course to connect with Two Harbors Golf Course on restoring turf. Questioned the term minimal maintenance. Bill Colgan shared this would include once a week mowing. Sandness stated he uses the practice facility at Enger, but prefers the practice facility at Lester. Questioned what the incremental cost was involved to have the range open for use. Mentioned he does not know how much



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operating labor would cost to keep it open. Stated if the operating cost was greater than the projected revenue – then maybe it shouldn't be done.

Jim Filby Williams stated Indigo Golf was hired based on their expertise of managing over a hundred municipal golf courses nationwide for over a decade. Highlighted the City has asked for multiple proposals and a straight forward analysis, which have all been provided by the golf management company. Stated the city is proposing to City Council to operate Lester during the 2021 year at the minimal maintenance model. Stated Duluth Public Golf is important to the City and Parks and Recreation, and we must repair failing infrastructure at Enger as the City cannot outright fund capital replacements at both golf courses. Shared the plan to minimally renew Enger is daunting, which was dependent on 2 million dollars in proceeds from the property sale at Lester, which appears to be almost certain that it won't materialize. Indicated Duluth Public Golf hasn't had a history to create revenue, and it is unknown how to fill the 2 million dollar hole at this time. Stated the toughest option could be closing Lester and focusing efforts at Enger to keep Duluth Public Golf going. Shared an upcoming Public Golf Committee Meeting would be to reexamine the feasibility to save Enger, which will be challenging and needing the committee's feedback, which will be taking place early 2021.

Demmer urged the committee to give a hard look of the Golf Committee Findings as well as the Proposed Changes Document. Shared this is the opportunity for the committee to make recommendations in order to preserve Duluth Public Golf.

Kramer questioned if Lester will be cut out from Indigo Golf Partners. Filby Williams shared their contract goes through the 2021 golf season, shared the examination will be put together promptly, as well as a decision moving forward.

Sandness stated if we can improve the bottom line by keeping the practice facility open at Lester – let's do it. If we can't, don't do it. Reflected on the statement from Filby Williams on financial math into the future, stated he heard that should the financial math prove accurate and will be the basis for future decisions, then the feedback this committee has would be minimal unless funding becomes available that is currently not foreseen. Questioned if he misstated. Filby Williams stated reexamining the path forward with Lester Golf and Duluth Golf more generally, will entail making an up-down decision on whether and when to close Lester Park. Anticipates this committee's ability and opportunity, along with the Parks and Recreation Commission, to influence our determination will be limited. Stated there isn't a way forward with the effort to save Enger Golf Course without the Public Golf Committee's and public's guidance.

Baumgartner questioned if the Public Golf Committee will review future RFP's for golf management companies in the future. Jess Peterson stated this committee did not exist when the RFP process occurred, and this committee will be involved in some form or fashion in the coming year – indicated there is not framework at this time.

Jim Filby Williams stated the Parks budget cannot fund golf in its entirety. Shared Duluth Golf does not qualify under tourism dollars per State Auditor guidelines.

Kinney questioned if it is a possibility to have both courses closed. Jim Filby Williams indicated it is very important to the Mayor and Parks and Recreation to keep Duluth Public Golf alive and will do everything they can to exhaust the possibility of closing down Enger.

VI. Old Business

- A. Monthly Financial Report (Informational) – Jess Peterson, Manager



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B. Set Agenda for next month – David Demmer, Committee Chair

VII. Adjournment

Meeting adjourned at 6:53 pm.

IV. Next Meeting

The next meeting will be Wednesday, December 15 via Webex virtual meeting via Webex