



**Journal of Commission Work Session
2 Park Drive South, Great Falls, MT
Civic Center Gibson Room 212
December 18, 2018**

1. Call to Order - 5:30 p.m.

CITY COMMISSION MEMBERS PRESENT: Bob Kelly, Bill Bronson, Tracy Houck, Owen Robinson, and Mary Sheehy Moe.

STAFF PRESENT: City Manager Greg Doyon and Deputy City Manager Chuck Anderson; Finance Director Melissa Kinzler; City Attorney Sara Sexe; Park and Recreation Director Steve Herrig and Deputy Director Patty Rearden; Public Works Director Jim Rearden; Human Resources Director Gaye McInerney; IT Manager Jon Legan; and, City Clerk Lisa Kunz.

2. Public Comment.

None.

3. Golf Course Management Agreement with CourseCo - Michael Sharp and Tom Bugbee.

Park and Recreation Director Steve Herrig reviewed highlights from the November 7th work session meeting. He pointed out that CourseCo:

- Has been in business 30 years.
- Manages 22 municipally owned golf courses
- Has a robust corporate structure
- Has extensive knowledge of golf course operation and maintenance
- Has the ability to leverage content to help with capital purchases to obtain better pricing
- Has a high employee retention rate

Director Herrig noted that staff felt CourseCo was the City's best opportunity to keep both courses open and operating.

With regard to the Management Agreement, Director Herrig reported that: Page 1, Exhibit "A" will be pictures of the two golf facilities; page 6, Exhibit "X" will be a final budget/2018-2019 financial plan, and the reference to Section 6.14 in the third paragraph should read Section 6.15; Page 11, Exhibit "X" will be the necessary start-up costs, and Exhibit "Y" will be a full comprehensive inventory of current capital items.

With regard to Page 4 of the Addendum, Director Herrig pointed out that the Start-Up Costs will be corrected to "(e.g. equipment for concessions)" and staff is requesting that the one time fee of \$40,000 be changed to "up to/not to exceed

\$80,000" for equipment for a food and beverage operation.

CourseCo representatives, President/CEO Michael Sharp and COO Tom Bugbee, reviewed and discussed the attached PowerPoint slides. Discussion highlights included:

- CourseCo has 34 golf courses under management, primarily all municipalities, and primarily all on the west coast
- CourseCo employs approximately 1,200 people
- CourseCo's sole business is public golf, including food and beverage, golf operations, sales and marketing. In 30 years of doing business, CourseCo has never had a contract cancelled or fail to renew
- CourseCo's core values include financial performance, community programming, environmental leadership, and client communication

Mr. Sharp commented that their expense model will allow CourseCo to offer great turf conditions, great hospitality and service, retain a lot of the staff, and be able to deliver an experience and a program to achieve revenue goals. His profit projection for the first year is in excess of \$100,000. He believes they put together a financially sustainable model that will keep both golf courses open.

They look at each facility as recreational assets in the community and are creative at getting more community members out to use them. One of CourseCo's standards is to have three to five community events at each location.

Transition plans for 2019 include a meet and greet, and a job fair. Mr. Sharp pointed out that CourseCo typically retains 95 percent of current staff. Prices will remain the same for 2019 while CourseCo analyses and evaluates and then determines what prices may need to be adjusted for the following season, or what may need to be eliminated. He believes there is potential at the Eagle Falls facility to expand the food and beverage operation into a tap house type theme/restaurant. A site management team, with participation from the City, will be out in the community building relationships.

Messrs. Sharp and Bugbee responded to inquires pertaining to:

- Off-Season Programming - cross country skiing and sledding has been offered at CourseCo managed golf courses. However, monetary, course damage, and liability need to be taken into consideration
- Background Checks - are done on managers, anyone that handles money on a day-to-day basis, and anyone that has direct interactions with minors
- Tap house concept - wine and beer licence
- Events - include for profit, good-will/marketing, and calendar of golf events
- Rates - set by the Commission pursuant to state law
- Golf Advisory Board/Leagues - will continue to be welcomed as a means to share information, communicate and receive feedback
- National Golf Trends - municipalities closing courses has declined. The focus is on creating more activity and more people using the facility, and addressing that through non-traditional ways
- Hiring Practices/Wage Structure - is based on the local market/local wage

structure. The hiring process starts with incumbent employees, local postings, internally within the company, and national job boards

- Brand - CoureCo does not brand CourseCo at this time. Each golf course is marketed and treated as unique
- Annual Increase - goal is 2 - 5 % annually, weather aside
- Equipment - the City's inventory will be maintained by CourseCo. Another extensive inventory will take place February 1st

Manager Doyon commented that upcoming considerations include the budget, legislative session, capital items, and how to resolve the golf deficit. CourseCo seems to understand the unique attributes of Great Falls and the two courses, and ways to exploit them to make them work better for the community.

Mayor Kelly encouraged those in attendance that wanted to express an opinion or ask questions to attend the Commission meeting.

4. Discussion of Potential Upcoming Work Session Topics.

City Manager Greg Doyon commented that a Walkability Study is scheduled for the January 2, 2019, work session. An update from MAFB/MANG will be schedule for a work session in January or February.

Mayor Kelly requested that an update regarding the water tower logo be added to the work session topic list.

5. Adjourn.

There being no further discussion, Mayor Kelly adjourned the informal work session of December 18, 2018, at 6:46 p.m.

Anaconda Hills Golf Course Eagle Falls Golf Course

In Partnership with CourseCo



CourseCo "Who We Are"

Our Plan for the Future

Questions/Answers

CourseCo Core Values

- Financial Performance
- Community Programming
- Environmental Leadership
- Client Communication

Financial Performance



Annual Golden Easter Egg Hunt
Presented by PRO TEK
Sunday, APRIL 16, 2017
Ages 3-5 | 10-15am
Ages 6-8 | 10-30am
Ages 9-12 | 10-40am
Find A Golden Egg to win a prize!
Participants are encouraged to bring food donations benefiting the...
Pick up afterwards from 11am-12pm here
Pictures with the Easter Bunny
-A Bouncy House -Games & Much More!
Event Sponsored by

GLENDOWER Presents The Haunted Forest
Trick-or-Treat Path
Costumes Encouraged! Free Entry!
When: October 21, 2018 • 4pm - 6pm
Where: Glendower Golf & Tennis
Refreshments to be provided on site
Event Sponsored by

Presenting SING
When: Friday August 25, 2017 • At 6:00pm
Where: Glendower Golf & Tennis Driving Range
FREE ADMISSION • MOVIE WILL BEGIN AT DARK
Refreshments are encouraged to bring and table setup for those that desire
Music and Entertainment brought to you by

Community Programming

GLENDOWER

Environmental Leadership

The ECSAA Golf Digest Environmental Leaders by Golf 2017 Award Winners

Client Communication

EAGLE FALLS GOLF CLUB

ANACONDA HILLS GOLF COURSE

ADD A PHOTO

Our Plans for 2019

We Stand With You!

- Sales and Marketing Plan
- Community Events Calendar
- F&B Conversion to TapHouse Theme
- Operational Efficiency
- Turf Quality Emphasis



Questions?

THANK YOU!