

MINUTES
 GOLF COURSE SUBCOMMITTEE MEETING
 MARCH 29, 2022
 ELECTRONIC MEETING – 1 P.M.

ATTENDEES

Present: Commissioner Lewis; Commissioner Landt; APRC Director, Michael Black; APRC Deputy Director, Rachel Dials; APRC Oak Knoll Golf Course Manager, Patrick Oropallo; APRC Office Assistant II, Haley Fasnacht; Oak Knoll Women’s League President, Nancy Rothermel; Oak Knoll Men’s League President, Bret Deforest; APRC Admin Analyst, Tara Kiewel; APRC Business Operations Manager, Sean Sullivan

Absent: Commissioner Bell; Golf Course Superintendent Laura Chancellor; Forestry Division Supervisor Jason Minica;

This meeting was recorded and uploaded to the APRC YouTube Channel: <https://www.youtube.com/watch?v=MXZeV4L3uEs>

I. CALL TO ORDER

The meeting was called to order by Dials at 1 p.m. and attendees introduced themselves.

II. APPROVAL OR ACKNOWLEDGEMENT OF MINUTES

a. Golf Subcommittee Meeting – October 12, 2021

Motion: Lewis moved to approve the minutes from October 12, 2021. Seconded by DeForest

Vote: The vote was all yes

III. PUBLIC FORUM

None

IV. ADDITIONS OR DELETIONS TO THE AGENDA

None

V. UNFINISHED BUSINESS

None

VI. NEW BUSINESS

a. Oak Knoll Golf Course Drought Impacts / Budget Situation (Possible Action)

Black [displayed slides](#) on-screen and gave a presentation that included the following points:

- Southern Oregon is experiencing a drought
- APRC has recently experienced an unplanned cut of \$560K in Food & Beverage funds. Additionally, the City of Ashland has not determined the funding level for APRC in the next biennium
- The golf course is typically watered using TID water (Talent Irrigation District), which only ran for one (1) month last season (2021)
- TID is not expected to run this year and it is possible that water curtailment will be mandated this coming summer

The monthly water expenses for FY 2019-2021 were [displayed on-screen](#) (pg. 3)

	July	August	September	October	November	December	January	February	March	April	May	June
■ FY2019	\$429.28	\$1,140.04	\$1,099.45	\$2,625.52	\$1,998.31	\$442.46	\$431.57	\$5,169.01	\$432.53	\$437.55	\$758.70	\$935.34
■ FY2020	\$1,051.08	\$1,100.24	\$1,099.62	\$511.14	\$656.50	\$3,515.35	\$448.97	\$450.26	\$451.12	\$6,614.94	\$6,235.24	\$4,113.52
■ FY2021	\$984.67	\$867.17	\$934.74	\$1,764.19	\$1,670.85	\$470.43	\$477.58	\$5,265.79	\$469.17	\$704.75	\$550.99	\$34,885.69

- Total Actual Expenses by Fiscal Year were [displayed on-screen](#) (pg. 4) as follows:
 - FY2019, \$15,899.76; FY2020, \$26,247.98; FY2021, \$49,046.02

- Projected monthly water expenses [displayed on-screen](#) (pg. 5) as follows (Note, the projection assumes watering to a lesser degree than what would be used if TID were available):

	July	August	September	October	November	December	January	February	March	April	May	June
FY2019	\$429.28	\$1,140.04	\$1,099.45	\$2,625.52	\$1,998.31	\$442.46	\$431.57	\$5,169.01	\$432.53	\$437.55	\$758.70	\$935.34
FY2020	\$1,051.08	\$1,100.24	\$1,099.62	\$511.14	\$656.50	\$3,515.35	\$448.97	\$450.26	\$451.12	\$6,614.94	\$6,235.24	\$4,113.52
FY2021	\$984.67	\$867.17	\$934.74	\$1,764.19	\$1,670.85	\$470.43	\$477.58	\$5,265.79	\$469.17	\$704.75	\$550.99	\$34,885.69
FY2022	\$14,197.79	\$15,061.99	\$28,738.55	\$13,471.31	\$734.21	\$466.95	\$5,249.92	\$456.75	\$1,000.00	\$1,000.00	\$1,000.00	\$15,000.00
FY2023	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$734.21	\$466.95	\$5,249.92	\$5,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$15,000.00

- Actual and Projected annual water expenses were [displayed on-screen](#) (pg. 6) as follows:
 - Actual = FY2019, \$15,899.76; FY2020, \$26,247.98; FY2021, \$49,046.02
 - Projected = FY2022, \$96,377.47; FY2023, \$89,451.08
- Budgeted vs. Actual Expenses were [displayed on-screen](#) for the current fiscal year (pg. 7) as follows (Black made the following notes about this slide):
 - This does not include personnel expenses
 - It is assumed that all Grounds Maintenance will be spent
 - Proshop is slightly over for the year and water is already significantly over
 - The fiscal year is not over so more expenses will be incurred
 - Total budgeted for all three (3) categories displayed = \$150,124
 - Total YTD Expenses = \$181,718
 - The golf course is already approximately \$30,000 over budget



- Black [displayed a chart on-screen](#) (pg. 8) that shows the distribution of Materials and Supplies
 - Under a Normal fiscal year: Water is 19%; Grounds Maintenance is 45%; Proshop is 36%
 - Current fiscal year: Water is 43%; Grounds Maintenance is 20%; Proshop is 37%
- Black provided three (3) projections that illustrate the severity of the issue
 - Projection 1: Water 100% with City Water (watering at level if TID were available)
 - Budgeted Biennium = \$300,248
 - Projected Biennium = \$479,002
 - Projection 2: Cut water by 50% and cut proshop and grounds maintenance by 50% in the second year
 - Budgeted Biennium = \$300,248
 - Projected Biennium = \$381,128 (likely to result in less revenue due to course conditions)
 - Projection 3: Cut all materials and services in year two (2) to \$0 except water (keep at 50%)
 - Budgeted Biennium = \$300,248
 - Projected Biennium = \$320,564 (likely to result in less revenue due to course conditions)
- Black stated the Golf Committee will eventually make a recommendation to the Commissioners at a future meeting
- Black reviewed potential options that are likely to be brought up in discussions

- One-time Funds
 - Black stated an infusion of one-time funds would not provide funds to sustainably run the course year after year
- Increase Revenue
 - Black stated that funds cannot be spent based on projected revenue
- Decrease Expenses
 - Black stated that there is not very much that can be cut from the golf course budget, which has a separate budget from other APRC activities
- Modify Course
 - Could the course be modified to be more attractive to golfers and/or other user groups
- Outsourcing
 - This has been done in the past and did not work out, so outsourcing would need to be structured in a way that makes sense
- Closing Course
 - If funding cannot be identified, it may be necessary to close the course. If the course is closed, it would not be easily recovered

Black stated that going over budget is not an option and asked if committee members have questions.

QUESTIONS

- DeForest stated his understanding that the cost of water used in September or October of 2021 was \$78,000 and asked why was that allowed to happen
 - Black said the amount stated by DeForest is not accurate and referenced the actual expenses by month [displayed on pg. 5 of his presentation](#)
 - Black added that golf course staff came to administration and stated that if city water is not used, it would be necessary to close the golf course. The estimate provided by staff to use city water was less than what the actual expenses ended up being
 - Oropallo stated the water used in the past season is in line with how much a golf course is typically watered
- Black clarified that the problem at hand was created because too much money was spent on water and the next step is to figure out what to do next with the golf course

PUBLIC INPUT

John Maurer of Ashland stated involvement with many community organizations and noted that golf courses in southern California have figured out how to operate and noted that the Indian Wells spends \$2,000,000 to operate the golf course. Maurer suggested re-designing the course into a links golf course similar to Bandon Dunes and added that Oak Knoll is the only municipal golf course in the valley and deserves to be saved.

Noah Horstman, owner of West Coast Golf Academy and the SOU (Southern Oregon University) Golf Coach, stated this situation could be an opportunity to change some things on the property and has ideas about increasing revenue (e.g., rent out space as an RV Park). Horstman stated the historic nature of the course is unique and noted it could be the home for the SOU Gold Program. Horstman stated that bonds could be issued to update the irrigation system to better manage the course.

Jim Hatton, a loyal Oak Knoll Golfer, stated that he would have liked to see information on the revenue brought in and added that the greens don't take up 50% of the course so water could be cut more. Hatton continued that the tees are in bad enough shape already, it is not worth maintaining them aside from the par 3 holes. Hatton stated general disappointment with the current condition of the course and wondered why so much tree work was done on the course. He stated that the property should not be allowed to be overrun with star thistle and praised Oropallo for his management of the course

DISCUSSION

- Black started discussion with the following points

- Oropallo has done a great job and should be commended for his efforts at Oak Knoll
- Roughly \$100,000 has been spent on Irrigation system improvements in recent years
- APRC provides a wide range of amenities and services. Ideally, funds could have been set aside for a rainy day, but those rainy-day funds are already being used to keep other facilities open such as the Nature Center and Lithia Park. Although the golf course is a priority for APRC, it is not the number one priority for the organization
- Oropallo clarified that he has been with APRC for 3.5 years and feels he has been supported by the executive team. Oropallo added that his main concern is that there is not enough water to maintain the course to a proper level and he decided to leave APRC for that reason
- Black stated it is his goal to keep the golf course open and asked what ideas committee members have to achieve that without closing one of the other programs down
 - Oropallo stated that Oak Knoll should be reimagined to move away from long/wide lush green fairways and suggested closing the course by July 1, 2022 and hire an architect to design the course in a more sustainable way. Oropallo clarified that he does not know what the cost would be to redesign and re-open a course
 - Black stated that capital expenditures are a good use of one-time funds, if one-time funds were available, such funds could be used to redesign the course to keep operational expenses sustainable
 - Lewis stated the following
 - Using potable water on the golf course would not be a good use of a scarce resource and stated that courses in arid areas, such as southern California, utilize reclaimed water, which are not currently available locally
 - TID is also used at Lithia Park and North Mountain Park and the water scarcity is going to be an issue throughout the entire park system
 - Are there short-term options to allow for a longer planning period such as trucking-in water or drilling a well?
 - If the golf course does remain operational it will take a considerable amount of taxpayer subsidy, which should be taken into consideration
 - Ideas from the community should be considered, but they need to be realistic and doable
- Kiewel clarified that the annual taxpayer subsidy of the golf course is approximately \$275,000 (this does not include revenue generated by the golf course)
 - Landt noted this is another headwind for keeping the golf course operational because APRC funds continue to be reduced
- DeForest stated that even though not everyone partakes it is important for a community to have a wide variety of recreational opportunities, including the golf course
 - Black agreed with this point, which is why APRC tries to spread subsidies across different uses and that using tax dollars to subsidize facilities and services but must weighed against the benefit to the community as a whole
- Rothermel stated that she has seen the highest number of women's golf club participants in years and attributed this to Oropallo. Rothermel stated a need to leave the meeting (departed at 2:13 p.m.)
- Black stated he is looking into ideas and wants to open a line of communication with committee members. The plan is to meet again in April and present to Commissioners in May
- Lewis said it could be possible for user groups to raise one-time funds to cover the overage in water expenses to temporarily keep the course operational and provide more time for planning. Lewis added that he is resistant to closing the course unless there are no feasible solutions

Black stated that the committee will need to make a recommendation to Commissioners and staff will work on scheduling a meeting in 2-3 weeks. Staff will also be making a recommendation to Commissioners.

DeForest stated he does not want to see the course closed and does not have any solutions at the moment.

Patrick stated the importance of municipal golf as it provides an inclusive environment.

VII. ITEMS FROM COMMITTEE

None

VIII. ADJOURNMENT

The meeting adjourned at 2:27 p.m.

Respectfully Submitted

Sean Sullivan, APRC Business Operations Manager