

Committee Approved Minutes May 17, 2012

MINUTES

CITY OF SAN DIEGO GOLF DIVISION – BUSINESS PLAN UPDATE COMMITTEE

Meeting of March 8, 2012

Meeting location:
City of San Diego Public Utilities Department
Wastewater Branch
Auditorium
9192 Topaz Way, San Diego, CA 92123-1119

Mailing Address:
11480 North Torrey Pines Road
San Diego, CA 92037

Members Present

Ginny Barnes, Chair
Susan Casagrande
Doris Cronkhite
Patrick Duffy
Dan Fullen
John Hoffman
Syd Jones
Holly Kennedy
Alan Kidd
Peter Ripa

Members Absent

Tony Perez

Staff Present

Mark Marney, Deputy Director
Scott Bentley
Alex Bragado
Paul Cushing
Julie Humphries
Lew Millburn
Jim Ruhland

CALL TO ORDER

Meeting called to order at 6:00 PM. All members of committee meeting in attendance with exception that Mr. Perez was absent from the meeting. Ms. Jones joined at 6:06 PM.

APPROVAL OF THE MINUTES: The February 9, 2012 meeting minutes were modified by the committee to reflect discussion of Golf Division television spot ads during the Farmers Insurance Open. Mr. Fullen made a motion to approve the minutes as modified and there was a second by Ms. Cronkhite. Minutes were approved by 8-0 with Mr. Kidd abstaining from the vote due to his absence from the February 9 meeting. Mr. Perez and Ms. Jones were not present for the vote.

CHAIRPERSON'S REMARKS: Ms. Barnes made a reminder announcement that all public comment for the committee sent via email would be consolidated and sent to all the committee members as a single email if received on the Monday prior to the committee meeting. The public could bring hard copies of documents to the committee meeting for distribution if they miss the Monday submission deadline.

NON-AGENDA PUBLIC COMMENT: Mr. J. Early comments included that the Golf Advisory Committee (GAC) voted 8-3 not to support the previous golf business plan. Says the Golf Advisory Committee was in existence for 16 years before it was disbanded in 2006. He recommends that the GAC be reinstated. According to Mr. Early the Golf Enterprise Fund started paying rent for the golf course property locations starting in 1995. He asked why does the Enterprise Fund pay rent?

STAFF REPORT: Mr. Marney provided breakdown of rounds played at Torrey Pines Golf Course between the North and South course as requested by the committee at the February 9, 2012 meeting. Golf play is up at all three City operated courses. Staff will monitor if the increase is seasonal or permanent. Next meeting will come back with draft business plan document. Need internal City reviews and approvals of the draft business plan document before draft will be available to the committee for review.

Tentative future committee meeting schedule: March 22 and April 12. Proposes to committee to add April 26 as a meeting date if needed. The Business Plan will be docketed as an item at a future Park Board meeting date.

Ms. Barnes informed staff to add April 26 as a tentative meeting date on the committee website. Also, add the Park Board meeting date to the committee website information when date scheduled. She moved, without opposition, to move the marketing plan presentation as the first item on the committee's March 8 meeting agenda.

INFORMATION ITEM:

Review of Marketing Plan Outline. Mr. Millburn, staff, made a presentation.

Mr. Martin, public speaker requested that the term yield management be defined. Mr. Millburn response included that green fees could be reduced during times of slow play in order to increase play and revenue. Mr. Martin stated that the objective at each course is different so the marketing plan should specific to each course. Identify groups to market to. Do not market just to increase play during slow times. Use Return on Investment (ROI) model.

Mr. Campbell, public speaker, comments included what will be the budget for the marketing plan? Will there be non-green fee revenue generated from the marketing plan? When the marketing plan is adopted will the committee going to be disbanded? Will there be performance measures with the marketing plan? What will the new green fee rates be and will they be disclosed?

Ms. Barnes stated the draft business plan document will include any green fee proposals. The document will be reviewed at a future meeting.

The committee members discussed the Marketing Plan Outline item.

Review of Proposed Capital Improvements Program (CIP). Mr. Marney, staff, made a presentation.

Mr. Martin, public speaker, comments included is there Golf CIP Fund? The expenditure estimate ranges vary greatly for the various proposed CIP projects presented. Estimates should be better in future as estimates are refined. There should be the ability to add additional CIP projects in the future. For Mission Bay Golf Course the facilities master plan is a separate plan from the course CIP infrastructure plan that will result limiting the ability to change the infrastructure plan in order to accommodate the Master Plan. The infrastructure planning is usually incorporated in the master planning. Might be a good idea to have a master plan for Torrey Pines North Course. Develop the master plan and let the public react to it. It is important to prioritize CIP projects.

Mr. Campbell, public speaker, comments included the need to improve the golf courses first. The FY 2011 Comprehensive Financial Annual Report (CAFR) Golf Enterprise Fund net income is at the lowest amount in the past couple of years. Funding of Capital Improvements Program (CIP) projects in FY 2011 was from the Golf Enterprise Fund Balance and not from net income. Identify CIP projects required for the next 12 months. Fix the courses first. Mission Bay and Balboa Park Golf Courses need infrastructure first. The CAFR shows the financial performance of the Golf Enterprise Fund

Ms. Barnes asks staff to provide to committee the FY 2011 CAFR and the prior two years.

Mr. Marney stated that the CAFR expenses includes a calculated expense for infrastructure depreciation. CIP cost estimates, especially in the preliminary phase have a wide estimated cost range.

Committee members discussed the Golf Division proposed Capital Improvements Program (CIP)

Ms. Barnes asked staff to post the Golf Division CAFR information on the committee website.

ACTION ITEMS: None

ADJOURNMENT: The meeting was adjourned at 8:00 PM.

Please Note:

A website with committee meeting documents is available at <http://www.sandiego.gov/park-and-recreation/general-info/golfbusinessplancommittee.shtml>.

If there are any questions regarding the minutes, please contact staff representative Julie Humphries at (858) 581-7831 or e-mail, HumphriesJ@sandiego.gov. This information will be made available in alternative formats upon request.

Submitted by,

A handwritten signature in cursive script that reads "Mr. Alex Bragado". The signature is written in dark ink on a light-colored background.

Alex Bragado, Supervising Management Analyst
Golf Division