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CITY OF SAN CLEMENTE

MINUTES OF THE REGULAR GOLF COURSE COMMITTEE MEETING

THURSDAY, JULY 3, 2014, 7:00 P.M.

A regular meeting of the Golf Course Committee of the City of San Clemente was called to order on Thursday, July 3, 2014, at 7:00 p.m., at City Council Chambers, 100 Avenida Presidio, San Clemente, California 92672.

1. ROLL CALL

Committee members present: George Gooch, Rick Divel, Parker Steel, Nick Azzollini, Tim Kiernan, Kevin Kellerman

Committee members absent: Dick Veale

Staff present: Gus Nelson, Golf Course Manager
Mary Colletti, Recording Secretary

2. ELECTION OF OFFICERS FOR FY 2014/15

A. CM Divel nominated CM Azzollini for Golf Course Committee Chair. The nomination was seconded by CM Gooch, and unanimously approved, to elect CM Azzollini as Chair of the Golf Course Committee for FY 2014/15.

B. CM Kiernan nominated CM Gooch for Golf Course Committee Vice Chair. The nomination was seconded by CM Kellerman, and unanimously approved, to elect CM Gooch as Vice Chair of the Golf Course Committee for FY 2014/15.

3. APPROVAL OF MINUTES

Chair Azzollini called for approval of the minutes of the Regular Meeting of the Golf Course Committee held May 1, 2014.

MOTIONED BY COMMITTEE MEMBER DIVEL, SECONDED BY COMMITTEE MEMBER KIERNAN, AND UNANIMOUSLY CARRIED (WITH CM KELLERMAN AND CM GOOCH ABSTAINING), TO APPROVE THE MINUTES OF THE REGULAR MEETING OF THE GOLF COURSE COMMITTEE HELD MAY 1, 2014.

4. NEW BUSINESS

Review of Private Cart Policy

This item (originally item #6 on the agenda) was moved up to item #4 to accommodate the residents in attendance. For additional details on the background of this item, refer to Golf Course Manager Nelson's Memo entitled "Private Carts", dated 6/27/14, included in the CM packets.

GC Manager Nelson read two communications, one an email to him from residents Mr. and Mrs. Adams, dated 7/3/14, who would like the City Council to reconsider and allow the use of private carts on the Golf Course. The second was distributed by Mr. Murphy, a resident in attendance. It was an email to Mr. Murphy from resident Mr. Stabley, dated 7/2/14, who asked for a repeal on the ban on private golf carts.

Resident Dan Harney showed a summary and a timeline of cart rental fees versus private cart fees since the City Council decision in 2004 to discontinue private golf cart usage in 2014. He said that once private carts were phased out (which began in 2004), the projection was for a 50-80% increase in revenues from cart rentals. Mr. Harney said that as of now, the actual "increase" in cart rentals is "minus 6%". Mr. Harney would like this Committee to recommend that City Council reinstate the use of private golf carts.

Resident Jonathan Greer said it is short-sighted to eliminate electric carts; they allow easier parking and get more cars off of the streets. He believes that actual cart rental revenues fall far below those projected. He would like to see the use of private carts on the Golf Course reinstated.

Resident Pete Fort dislikes the idea of taking up a parking space at the Golf Course to park his private cart, and then renting a Golf Course cart to use on the course. He wants to see the ban on private golf carts repealed.

Resident George Horn said he plays 30 rounds a year and paid \$375 a year for a private cart. He sees private cart fees as a revenue maker. He would like to see the ban on private golf carts repealed.

Resident Derek Duesler asked why the repeal was being mandated in order to increase City revenues. He said he thought the Golf Course was meant to benefit San Clemente's citizens, not to just generate revenue. He would like to see the ban on private golf carts repealed.

Resident Tim Murphy would like to see the ban on private carts repealed, and he asked this Committee to glean the reasons for the ban and to see if revenues really have increased sufficiently to make it worthwhile.

Some of the residents in attendance chorused that Dave Cook was a very genial person, who "does not mind" private golf carts on the Golf Course. GC Manager Nelson suggested that might be him being diplomatic to the players, but may not reflect how he feels about it. Mr. Nelson mentioned the drastic drop in Mr. Cook's retail revenues due to the bad economy, citing that as another

reason to ban private golf carts to increase cart rental revenues. Mr. Nelson said that private cart ownership has been dropping off since the 2004 City Council decision, and as of then, no new private cart ownership was added. He said that now that the end of that “grandfather clause” is “coming due”, those private cart owners (120 carts in 2004; now down to 25 private carts) who gave up their carts over the past 10 years would feel cheated if this ban was repealed.

Resident Murphy said that maintenance of golf carts is “expensive for the City”. GC Manager Nelson said that golf cart rental is profitable to the City. Mr. Murphy went on to say that San Clemente has its “jewels” and private golf carts is one of them, and a dollar amount should not be put on them. He said losing this is like losing some of our local color. He likened them (private carts) to the Ole Hanson sites the City strives to preserve and said that keeping our unique attractions is critical to San Clemente.

Resident Leslie Harney feels loyal to the municipal Golf Course. She said otherwise, she could play at Talega, pay a fee up-front and get unlimited play. She wants to see a repeal on the ban on private carts.

Resident Rebecca Farrow is a self-titled “life golfer” at the Golf Course. She said that on her street there are many golf carts, but none of them have permits for the municipal Golf Course, so the owners all go to other courses. She thinks the Golf Course is losing a lot of revenue by not allowing private carts.

CM Kellerman agrees that private carts add to the San Clemente “ambience”. CM Steel is concerned that if private carts are again allowed, 10 years from now (or sooner), the Golf Course might again have underused cart rentals.

GC Manager Nelson and the CMs discussed the comments from the public, including the possibility of repealing the cart ban and having Dave Cook charge a trail fee per play, in addition to the annual fee for usage of a private cart. GC Manager Nelson said the original decision to eliminate private carts was prompted by financial concerns and other considerations. He referred to his report to the committee.

He pointed out that the golf industry has changed a lot since the projections of 2004, and projections from that time probably would not be relevant now. At that time, he said no one expected the business model for golf courses to decline as much as it has currently. He said that another reason for the 2004 decision was as a concession to contractor Dave Cook. He added that private carts hinder the revenue of the operator of the pro shop/rental concession, and that was part of the reason for the decision—to protect the revenue of a possible future private owner of the Pro Shop operations. He said in 2004 the City was just trying to provide themselves with future options 10 years ahead.

MOTIONED BY COMMITTEE MEMBER KIERNAN, SECONDED BY COMMITTEE GOOCH, AND UNANIMOUSLY CARRIED, TO TABLE THIS ITEM TO THE ADJOURNED REGULAR MEETING OF THE GOLF COURSE COMMITTEE TO BE HELD AUGUST 7, 2014, at 7:00 p.m. in City Council Chambers.

GC Manager Nelson will notify private cart owners of the date and time of the above meeting.

5. PUBLIC INPUT (Re-ordered from item #4)

Resident Pete Fort asked for more sand in the #10 bunker. He also said that the course is in great shape, and that GC Manager Nelson "is a hero" for keeping it in such good condition.

6. COMMUNICATIONS (Re-ordered from item #7)

Read by GC Manager Nelson during the "New Business" segment of tonight's meeting.

7. OLD BUSINESS (Re-ordered from item #5)

Update on Greens and House Subcommittee Meetings

See report (included in CM packets) entitled "Golf Course Review, Friday May 9, 2014 (The Subcommittee on Greens – Dick Veale, Nick Azzollini, Rick Divel). GC Manager Nelson and the CMs discussed the report, and issues on the Golf Course, including how to resolve chronic bare spots.

Results of the House Subcommittee meeting with the Clubhouse restaurant manager were discussed, including issues with alcohol served by groups other than the restaurant during shotgun tournaments (the restaurant has to supply alcohol, not the sponsor of the tournament), driving range improvements (improvements will continue gradually, they are not specified in the contract), and the possibility of posting additional signs stating that no outside food or alcohol is permitted on the course. In the Pro shop, the online tee times will start next week. The new computer system has the capacity to track resident card status (helping to capture more revenues from resident card renewal, and could track private cart registration if applicable).

8. ITEMS FROM STAFF:

Monthly report and ongoing business update

GC Manager Nelson summarized his report including tee maintenance and leveling, and the part-time seasonal staff hired (2 persons). He summarized the rounds and revenues, and will provide the CMs with an annual report at the next regular meeting. Gus attributed the decline in part to dry weather, and possibly the fee increase. But, he said, we have done 85,000 rounds, which indicates the course is still very popular, especially in light of other golf course closures (e.g. San Luis Rey golf course), and golf courses in the region that struggle to get 30-35,000 rounds.

The CMs and GC Manager Nelson discussed the possibility taking another look at their water conservation guidelines for the Golf Course (this plan was drafted by this Committee a few years ago). Elements of phase I have already been implemented, but were stopped when the course successfully negotiated a lower water rate. The contract for reduced rates has ended, and water

prices are going up. Additionally, the State may impose regulations requiring the Golf Course to cut back by 20% on water.

GC Manager Nelson said that the USGA, in conducting dual Men's and Women's US Opens at Pinehurst, was sending a message to educate players that "brown is okay" and that bunkers are hazards and should not be manicured for an "easy lie". Nelson said more education is needed since the average golfer equates green color with good conditions, but the realities of drought may force the issue regardless.

9. ITEMS FROM COMMITTEE MEMBERS

CM Divel distributed photos, including the red curbs behind #18 (GC Manager Nelson said they could paint over those and make the parking spaces), and Mr. Divel's proposed drop zone at #13, which he says will speed up play.

CM Kellerman is on the Men's Club board. He said that the Men's Club is generally the decision-making party when it comes to new drop zones/OB issues, etc., and GC Manager Nelson agreed that these issues should probably be left in the hands of the Men's Club, with this Committee being advisory in such matters.

CM Divel asked for a diverter on the #17 cart path. GC Manager Nelson does not favor this.

CM Kellerman discussed having a sand bin available to walking golfers for filling in divots.

The CMs and GC Manager Nelson discussed the private cart issue to be agendized to the next Adjourned Regular meeting of this Committee. They generally agreed to "hear out the issue" again.

CM Steel is pleased with the inception of electronic tee times, and the opportunity with the new software to start sending out email blasts.

CM Steel asked for directional signs from #6-7 tees and #9-10 tees, as well as a fence sign at the #7 tee, and GC Manager Nelson will look into this. CMs Steel and Gooch said the greens are slower due to the "cut level".

CM Divel and GC Manager Nelson discussed kikuyu grass—there is no chemical that can remove only kikuyu from cool season grasses, but a member of the USGA mentioned a chemical that could help—Mr. Nelson will give it a try.

CM Azzollini suggested offering 9-hole rates to fill tee-time gaps, but GC Manager Nelson said that had not been approved by City Council, but that with the new electronic tee time program, we might occasionally offer a "one time only" special price for specific unfilled tee times on a case by case basis, and alert the public to such a special by email blast.

10. ADJOURNMENT

MOTIONED BY COMMITTEE MEMBER DIVEL, SECONDED BY COMMITTEE MEMBER STEEL, AND UNANIMOUSLY CARRIED, to adjourn at 9:30 p.m. to the Adjourned Regular meeting of the Golf Course Committee, to be held August 7, 2014 at 7:00 p.m., at City Council Chambers.

Nick Azzollini, Golf Course Committee

Date: _____

Gus Nelson, Golf Course Manager

Date: _____