

AGENDA

**GOLF COURSE AD-HOC COMMITTEE MEETING**

465 FIRST AVENUE  
HOLBROOK, ARIZONA  
November 29, 2006  
4:00 P.M.

1. 4 pm meeting start
2. Roll Call
3. Review and approval of November 13th meeting minutes
4. Vote on recommendation to Sell or Don't Sell Golf Course
5. As needed, vote on recommendation for City Resolution to Don't Sell Golf Course
6. Vote on recommendation to form Golf Course Advisory Committee
7. Finalize recommendations to City Council (see Pages 2 and 3)
  - a. Golf Course Advisory Committee
    - b. Course Assets and Liabilities
    - c. Improve Course profitability
    - d. Sale or Lease Issues
    - e. Send final recommendations to City Staff and Council by December 5th
8. Adjourn 5:30 pm

Dated this 20th day of November 2006.

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Cher Millage, CMC, CPM, City Clerk

1. Course Liability
  - a. Annually, course requires \$120k to \$180k fund transfer
2. Course Assets
  - a. Provides marketing opportunity for City, to attract new businesses and residents
    - b. Provides quality-of-life venue to retain area residents
    - c. Generates hotel, restaurant and retail income from interstate travelers
    - d. Generates income by Holbrook, Winslow, Joseph City, Snowflake, Show Low, Flagstaff, and interstate golfers
    - e. Developed and paid for with an estimated replacement value of \$3M
    - f. Economically reuses wastewater
3. Course Profitability Improvements
  - a. Install driving range – opportunity to partner with developer
    - b. Partner with developer to build second 9 holes, using wastewater efficiently, increasing rounds per year and attracting larger tournaments
    - c. Increase green and cart fees, while remaining competitive with area courses
    - d. Increase individual membership fees to \$400/year
    - e. Increase family membership fees to \$500/year for two people plus \$100/year for each additional family member, with a cap of \$1000/year
    - f. Include membership fee in monthly water/waste bill
    - g. Assess storage, path and maintenance fee for privately owned golf carts
    - h. Install golf course sign on I-40 on both sides of exit 284.
    - i. Link Holbrook web page to Hidden Cove web page
    - j. Make course brochure for local restaurants, hotels and Chamber of Commerce
    - k. Solicit advertisements on course benches, clubhouse and hole signs
    - l. Advertise on Channel 57
    - m. Build RV park site at golf course
    - n. Develop youth golf program to build present and future income
    - o. Solicit bids for contract maintenance and operation of golf course
4. If Council decides to sell or lease the golf course
  - a. Decrease water/waste bill by \$36/year

- b. Get cash, with no financing
- c. Get competitive bids
- d. Prior to sale, get master plan for golf course and housing development
- e. Build second 9 holes and driving range as part of purchase price
- f. Build equal or better holes before selling part of the golf course
- g. Sell or lease with reversion clause for failure to maintain course

#### Facts

- \$804M/year course fees and 3.4B/year golf industry in Arizona and growing
  - 1 Snowflake golf membership \$1000/person base fee + \$480/yr
- a. \$60/yr for 2 people and \$70/year for family
- Snowflake has 3 greens keepers in winter and 5 to 6 in summer
  - 1 Silver Creek has 4 greens keepers in winter and 12 in summer