



STAFF REPORT

AGENDA ITEM 3B

Report To: Parks and Recreation Commission

Meeting Date: August 20, 2019

Staff Contact: Jennifer Budge, CPRP, jbudge@carson.org; Scott Wackowski, scottw@dmgolf.net

Agenda Title: For Discussion Only: Presentation by Duncan Golf Management regarding operations and management of Eagle Valley Golf Course.

Staff Summary: Carson City owns Eagle Valley Golf Course located in JohnD Winters Centennial Park. In March of 2018, the City entered into a 5 year License Agreement with Duncan Golf Management DBA TDS Golf at Eagle Valley LLC (Duncan) for operations and management of the course. Duncan was selected as the most responsive and responsible bidder as a result of a Request for Proposal process. This item will provide an overview of their first year of operation.

Agenda Action: Formal Action/Motion

Time Requested: 20 minutes

Proposed Motion

N/A

Board's Strategic Goal

N/A

Previous Action

March 1, 2018: The Board of Supervisors approved a License Agreement between Carson City and Duncan Golf Management DBA TDS Golf at Eagle Valley LLC for operation, management, and maintenance of Eagle Valley Golf Course.

December 7, 2017: The Board of Supervisors selected Duncan Golf Management DBA TDS Golf at Eagle Valley LLC as the most responsive and responsible bidder as a result of Request For Proposal No. 1718-096 for operation, maintenance and management of Eagle Valley Golf Course; and authorized the City Manager to sign on behalf of the City a Temporary Right of Entry Agreement; and directed staff to draft a 5-year license agreement with terms consistent with RFP No. 1718-096 and the proposal submitted by Duncan Golf Management for future consideration by the Board of Supervisors.

Background/Issues & Analysis

Carson City owns two 18-hole golf courses, situated in the foothills of Carson City, which collectively comprise portions of six separate parcels known as Eagle Valley Golf Course (EVGC). EVGC consumes approximately 25% of the total available effluent water in Carson City. The course was previously operated and maintained by Carson City Municipal Golf Corporation, a private non-profit corporation, through a lease agreement which expired December 31, 2017. Through a competitive Request for Proposal process, Duncan Golf Management was selected as the most responsive and responsible bidder and the City entered into a 5-year License Agreement in 2018 to operate and maintain the course.

Terms of the Agreement include:

- 5 year agreement for full operations, maintenance and management of the golf course, with a 5-year renewal option at year 3, upon satisfactory evaluation
- \$90,000 annual investment by Duncan toward capital equipment to be owned by the city upon termination of the agreement
- Joint investment between the City and Duncan in capital improvements after year 3

The Parks, Recreation and Open Space Department oversees the agreement on behalf of the City and works cooperatively with Duncan Golf to ensure that the course is well maintained and provides fair and equitable opportunities consistent with the municipal golf market. Duncan Golf will provide an overview of the first year of operations and maintenance. A copy of the PowerPoint presentation is provided.

Applicable Statute, Code, Policy, Rule or Regulation

N/A



DUNCAN GOLF MANAGEMENT

**EAGLE VALLEY
GOLF CLUB**

EAGLE VALLEY & DUNCAN GOLF

2018 YEAR IN
REVIEW

WHERE WE STARTED

- ▶ Shortly after approval of awarding the contract we got started right away on a bridge agreement with the city
- ▶ Golf course was in desperate need of TLC and even water though it was December!
 - ▶ Fertilized in early January and performed agronomic practices we wouldn't usually do until early spring
- ▶ Golf Carts were unacceptable and unable to make 18 holes of golf
 - ▶ Moved 30 carts from Dayton the first week to secure quality experience
- ▶ Finalized formal agreement and started April 1st
 - ▶ Immediately ordered cart fleet and maintenance equipment



GOALS FOR THE FIRST YEAR

- ▶ Establish RATE INTEGRITY
- ▶ Improve golf course condition
- ▶ Secure maintenance equipment to improve and maintain conditions
- ▶ Secure NEW cart fleet to accommodate golfers
- ▶ Improve the overall golfing experience
- ▶ Get the word out there and WIN back the business that had gone some place else



ESTABLISH RATE INTEGRITY

- ▶ As stated in our RFP we held firm on our rate structure raising the AGF - we stood firm to our posted rates and there was NO discounting at the point of check in
 - ▶ What is posted is what we charge- we eclipse each month's revenue each month of the year- although overall round counts were down, revenues were up
 - ▶ Honored all contracted events and moving forward have continued to work with past clients on the new structure
 - ▶ Over this operational year we have regained the trust of the golf community and have earned their loyalty with consistent pricing



IMPROVE GOLF COURSE CONDITIONS

- ▶ This work started immediately
 - ▶ Irrigating and fertilizing in January
 - ▶ Typically 3/1 to 4/1
 - ▶ Began verticutting in February
 - ▶ Again typically 3/1 to 4/1 to start these practices
 - ▶ Began purchasing sprinkler heads and installing over 50 new heads by 7/1
 - ▶ Approximately \$10K in sprinklers!
 - ▶ Sound and foliar fertility
 - ▶ Air2G2 new “era” aerification



EQUIPMENT PURCHASE

- ▶ Majority of existing equipment was inoperable
 - ▶ We brought loaner equipment from our other golf courses to get the course going in the right direction
- ▶ Ordered the maintenance equipment 4/1 and began to take shipment of equipment by second week of May
- ▶ Over \$350,000 of new equipment was in full swing by 7/1



Date: February 26, 2018

Quote No: 608369-00

Quotation for Eagle Valley Golf Course

Prepared For: Scott Wackowski	Quote No: 608369-00
Eagle Valley Golf Course	iQuote No: 2279299
1400 Wolf Run Road	Sales Person: Don Kittilsen
Reno, NV 89511-7710	don.kittilsen@turfstar.com (916) 861-7901

*Toro Large Package/Partnership Program
Minimum Purchase of \$300,000.00 Required
Financing:
60 Month Dollar Buyout Lease*

Summary

Configuration Name	Qty	Unit Price	Sub Total	Sales Tax	Total	Finance Terms	Monthly Payment
010-Groundsmaster 4000-D T4 Compliant Diesel 54HP	2	\$55,456.00	\$110,912.00	\$8,429.31	\$119,341.31	60-CSC	\$2,237.65
020-Greenmaster 3400 TriFlex Hydraulic-Diesel 23.5HP	2	\$31,525.05	\$63,050.10	\$4,791.83	\$67,841.93	60-CSC	\$1,272.03
030-Reelmaster 5510-D T4F w/ ROPS Diesel 36.8HP	2	\$49,938.00	\$99,876.00	\$7,590.60	\$107,466.60	60-CSC	\$2,015.00
040-Workman GTX Gas (Bucket Seat)	2	\$0.00	\$0.00	\$0.00	\$0.00	60-CSC	\$0.00
050-Sand Pro 3040	1	\$13,751.00	\$13,751.00	\$1,045.08	\$14,796.08	60-CSC	\$277.43
060-Workman HD Gas	2	\$16,345.00	\$32,690.00	\$2,484.45	\$35,174.45	60-CSC	\$659.52
070-Workman HDX-D Sprayer 200 Gal Diesel 23.3HP	1	\$35,837.48	\$35,837.48	\$2,723.67	\$38,561.15	60-CSC	\$723.01
Totals:			\$356,116.58	\$27,064.94	\$383,181.52		\$7,184.64

NEW CART FLEET

- ▶ Ordered new cart fleet 4/1 and unfortunately was a back log in Atlanta due to timing of order
- ▶ Received first shipment of new carts mid June and in complete fleet by middle of July
- ▶ New cart were the latest and greatest version Yamahaa has to offer with all the bells and whistles including USB ports!



IMPROVE THE OVERALL GOLF EXPERIENCE

- ▶ With the before mentioned we noticed a significant change in customer expectation of Eagle Valley
- ▶ Online reviews went to the worst to what felt like the best the golf course had ever seen
- ▶ From the course improving, trusted rates, and amazing golf carts the golf experience had improved dramatically
 - ▶ This was HUGE for our local hotel partners that had stopped sending golf groups to Eagle Valley



EAGLE VALLEY & DUNCAN GOLF

MARKETING

MARKETING REVIEW

- ▶ DGM has utilized these marketing avenues:
 - ▶ TV
 - ▶ Weekly Email Messaging
 - ▶ Member of the Month Contests
 - ▶ Magazines
 - ▶ Golf Shows
 - ▶ High School Sponsorships
 - ▶ Cart Sponsorships with local Hotels
 - ▶ Concert Under the Stars
 - ▶ Aces Game Promotions
 - ▶ Fred Alexander Clinic



TV EXPOSURE

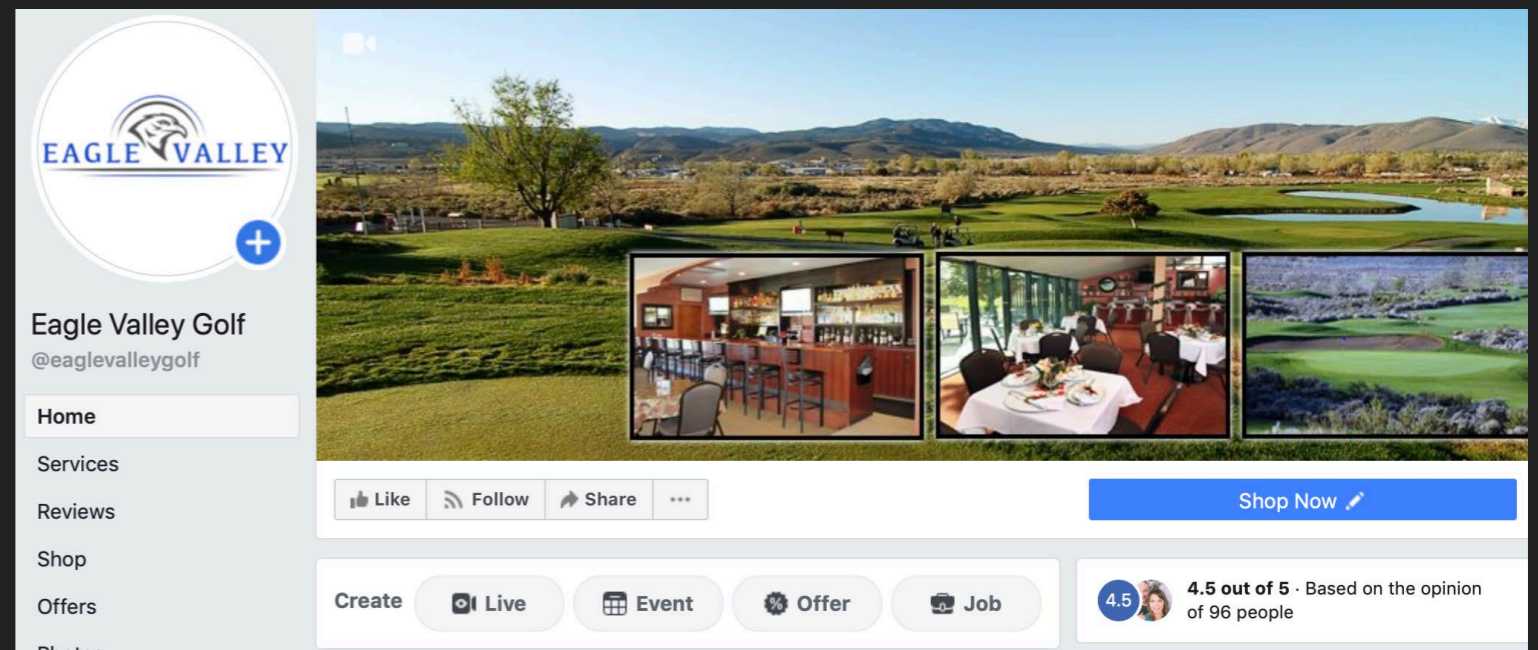


Commercials with Sinclair Media Group. Seen on local channels 4, 11 & 21



SOCIAL MEDIA

- ▶ Actively on posting on Facebook, Yelp, Instagram and Twitter
- ▶ Promoting:
 - ▶ Seasonal Rates
 - ▶ Membership details
 - ▶ Public special events
 - ▶ Golf instruction tips
 - ▶ News and updates



MEMBER OF THE MONTH

- ▶ Drawing held each month at all SIX DGM properties, all five Flowing Tide Pubs & Sierra Gold
- ▶ Consumers fill out a simple data capture form to enter to win a membership for a month
- ▶ More people come out to the courses
- ▶ Winners like the “Trial Membership” so much that they want to get a full membership

ENTER TO WIN A
MEMBERSHIP FOR A MONTH



Unlimited Golf at Wolf Run, Lakeridge,
Dayton Valley, Eagle Valley & Wildcreek!

Name: _____
Phone: (____) _____ - _____
E-Mail: _____

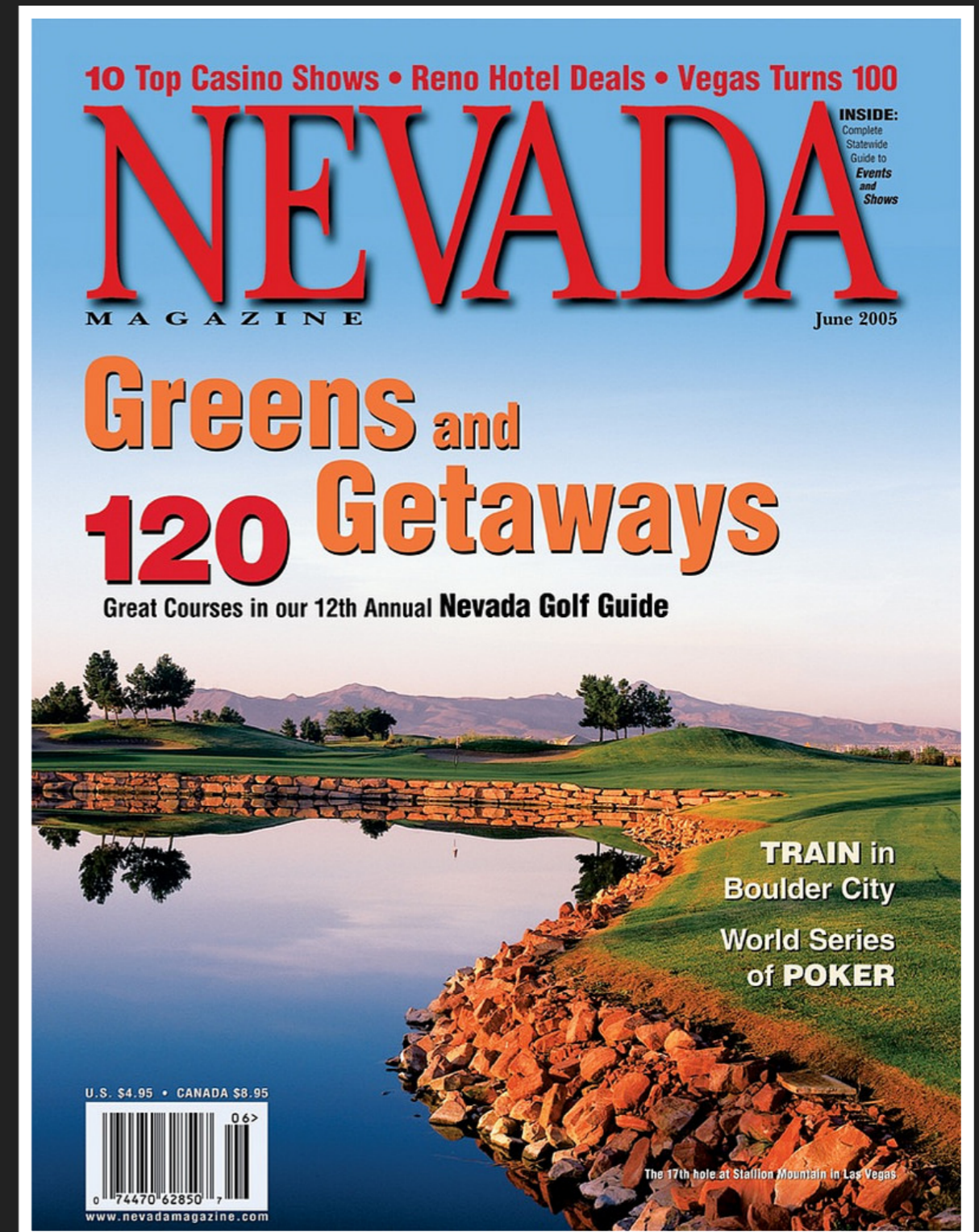
Interested in Information from:

- Lakeridge Golf Course
- Wolf Run Golf Club
- Dayton Valley Golf Course
- Eagle Valley Golf Courses
- Wildcreek Golf Course



MAGAZINES & PUBLICATIONS

- ▶ DGM purchased advertisements featured in Golfing Nevada Magazine
 - ▶ Golfing Nevada Magazine is the directory for the golf lifestyle for all of Northern and Southern Nevada
 - ▶ Featured in the Reno News & Review with Lakeridge being voted the #1 Golf Course in Northern Nevada for 2017!
 - ▶ Advertisement featured Multi-Round Packages at ALL SIX courses.



RELATIONSHIP WITH THE GOLD DUST WEST

- ▶ Established a great relationship with the Gold Dust West
- ▶ Cart Advertisements
- ▶ Numerous Group Outings
- ▶ FAM Event



FRED ALEXANDER JUNIOR CLINIC

- ▶ Over 350 kids & families attend every year
- ▶ Featured Trick Shot Artist Dean Davis
- ▶ Lessons from PGA Professionals on Full Swing and Short Game
- ▶ Free clubs for Juniors
- ▶ Lunch & Prizes



ACES GAMES

- ▶ Sponsorship with the Reno Aces Baseball Club
- ▶ Booths at two games promoting the courses and data capture
- ▶ Providing Information on Rates, Membership and Events



GOLF SHOWS & EXPOS

- ▶ DGM participates in numerous Golf Shows & Expositions
- ▶ Main focus on promoting ALL DGM courses and the area
- ▶ Data Capture from each show
- ▶ Multi-Round Packages for Purchase
- ▶ Golf Group and Tournament sales and promotion



BULLY'S BAR & GRILL FATHERS DAY PROMOTION

- ▶ Promoted through Bully's Website, Social Media and each Bully's location
- ▶ Enter to Win a Round for TWO at Eagle Valley, Lakeridge, Wolf Run or Wildcreek and \$100 in Bully's Bucks
- ▶ Over 550 Entries!!!



LEGISLATURE AD

- ▶ Promoting \$25 Green Fees at Eagle Valley and Dayton Valley for Members of the Legislature
- ▶ Promoted in the Nevada Appeal and online



CARSON HIGH SCHOOL

- ▶ Donated a Rough Mower to CHS
- ▶ Sponsor the Baseball, Golf & Football Teams at CHS



BASEBALL FEVER!

LAKERIDGE
WOLF RUN GOLF CLUB
DAYTON VALLEY GOLF CLUB
Eagle Valley

DUNCAN GOLF MANAGEMENT
IS A PROUD SUPPORTER OF THE
CARSON HIGH SCHOOL & BLUE JAYS
BASEBALL TEAMS!

 DUNCAN
GOLF MANAGEMENT
WWW.DUNCANGOLFRENO.COM

PROUD SUPPORTER OF
CARSON HIGH SCHOOL



WEEKLY EMAILS

- ▶ Consistently sent to entire data base weekly for each DGM property
- ▶ Includes:
 - ▶ Upcoming events at courses
 - ▶ Golf Instruction video tips
 - ▶ Current contests & promotions
 - ▶ Rate information



Wednesday, July 10, 2019
5:30 PM – 10:00 PM
Eagle Valley Golf Course

Duncan Golf Member Private Party on the Patio! RSVP TODAY!

Also... there will be a PRIVATE PARTY on the Patio during this event for DGM Members from 4:00-5:30pm with hosted food & drinks!

*****RSVP TO JNOBIS@DGMGOLF.NET FOR THE MEMBER PARTY!**
[CLICK HERE NOW](#) to Purchase Tickets!

**SUPER TUESDAYS
at Eagle Valley!!!**

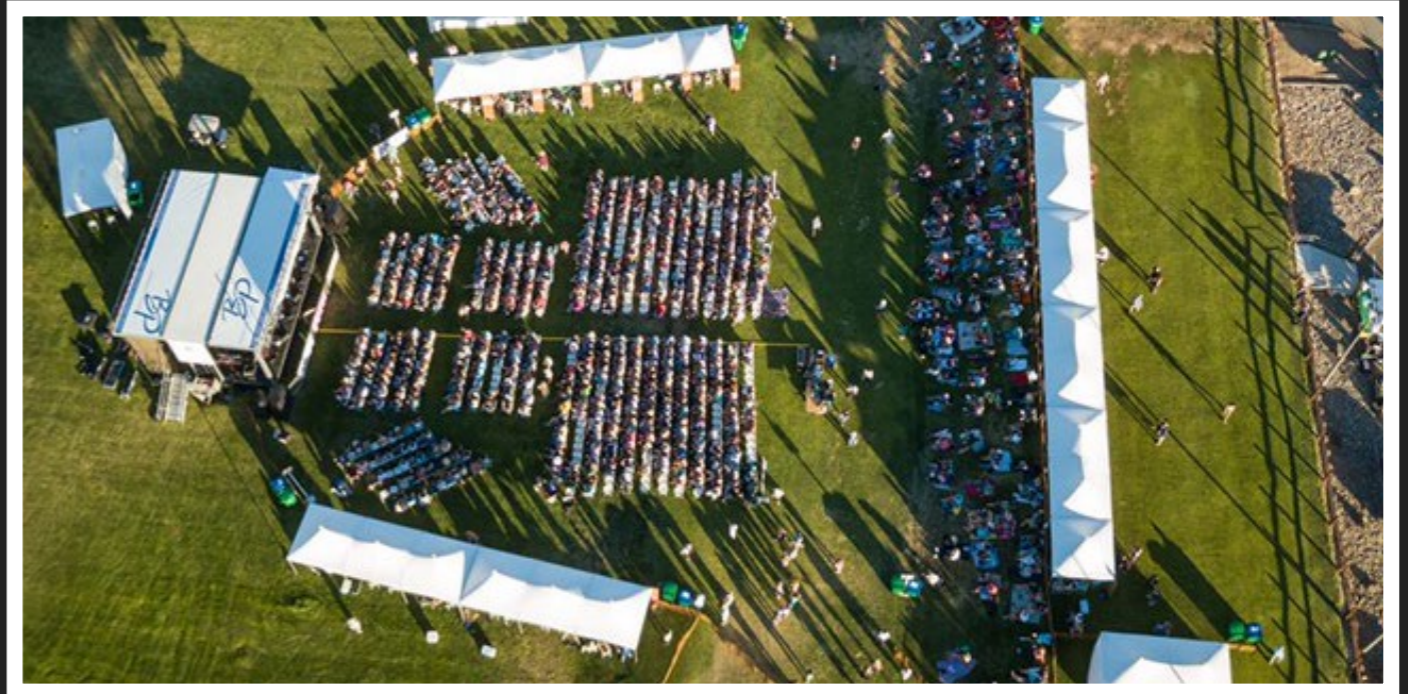
\$25 East Course & \$35 West Course
**Good for 18 holes of golf after 9:30am, with cart and choice of lunch or beverage.*

Begins June 4th!
Call to make a Tee Time TODAY!
(775) 887-2380

TUESDAY

CONCERT UNDER THE STARS

- ▶ The 11th Concert Under the Stars was a SOLD-OUT event for The Greenhouse Project
- ▶ We signed a two-year agreement with them and excited about this new partnership at Eagle Valley!!!!



SO WHAT DID THIS ALL PRODUCE.....

- ▶ Eagle Valley recorded a profitable year for the first time in a long time!!!! We recorded profits of close to \$66K which is about \$150K turn around to previous operators' performance!
- ▶ Although we did not reach our overall revenue goal in the first year, we were able to exceed \$1.4M in total income
- ▶ As of end of July we are projecting to exceed \$1.5M in total revenues in 2019!!!
- ▶ Golf course conditions have improved, overall customer experience improved and our bottom line supports those improvements!!!



THE FUTURE IS BRIGHT AT EAGLE VALLEY!

- ▶ After the first year of DGM successfully operating the facility we will contribute over \$6K to the Eagle Valley Capital Fund!
- ▶ Membership sales have remained consistent and close to 100 full members!
- ▶ Even after the soft start to 2019 with a rough winter we have completely recovered with round counts exceeding paid rounds March thru July this year by nearly 1,300 rounds! Total rounds by over 3,000!
- ▶ Driving range revenue exceeding previous year by \$5K!!!
- ▶ Added Jim Kepler as General Manager to continue the charge of putting Eagle Valley back where it belongs, on the top of Carson City golf!





DUNCAN GOLF MANAGEMENT

**EAGLE VALLEY
GOLF CLUB**