



City of Longview

1525 Broadway
Longview, WA 98632
www.ci.longview.wa.us

SPECIAL MEETING Agenda

Mint Valley Golf Advisory Board

Wednesday, August 21,
2024

4:00 PM

Parks & Recreation Board Room
2920 Douglas Street

NOTICE IS HEREBY GIVEN, in accordance with RCW Chapter 42.30, that the Mint Valley Golf Advisory Board of the City of Longview, Washington, will be holding a SPECIAL meeting on Wednesday, August 21, 2024, at 4:00 p.m. in the Conference Room, at the Recreation Office, 2920 Douglas Street, Longview. The meeting is also available online.

[Click here to join the meeting](#)

Meeting ID: 280 177 959 282

Passcode: LwwuUM

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Or call in (audio only)

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Phone Conference ID: 373 459 110#

The Recreation Office is accessible for persons with disabilities. Special equipment to assist the hearing impaired is also available. Please contact the Office at 360.442.5400 48 hours in advance if you require special accommodations to attend the meeting.

1. **HYBRID MEETING**
2. **ROLL CALL**
3. **APPROVAL OF MINUTES**
4. **CONSTITUENT COMMENTS**
5. **BOARD MEMBER COMMENTS**
6. **REPORTS**
7. **OLD BUSINESS**
8. **NEW BUSINESS**
24-00767 Potential Funding Options - Review of Documents for City Council Meeting (08/27/2024)
9. **ADJOURNMENT**



Mint Valley
GOLF COURSE

FUNDING OPTIONS – MINT VALLEY

- 1. COURSE COMPARISONS TO OTHER LOCAL COURSES**
- 2. 2024 RATE INCREASE FROM FEBRUARY - HISTORY**
- 3. POTENTIAL IMMEDIATE IMPLEMENTATION – LOW IMPACT**
- 4. POTENTIAL FUTURE IMPLEMENTATION – LARGE IMPACT**
- 5. POTENTIAL FUTURE IMPLEMENTATION – GRUMBLING**

PROPOSED Recommended Action:

1. Implement Section 3: A, B, C, & D Immediately
2. Review Section 4: Annual Passes for Alternatives
3. No Other Action Recommended to be Taken at This Time

1. COURSE COMPARISON TO OTHER LOCAL COURSES

COURSE	9 – WALKING	18 – WALKING	9 CART FEE	18 CART FEE	9 TOTAL	18 TOTAL
Three Rivers	\$27	\$42	\$9	\$18	\$36	\$60
Longview CC	\$30	\$55	\$10	\$20	\$40	\$75
Lewis River	\$27	\$46	\$11	\$18	\$38	\$64
Riverside	\$27	\$43.50	\$12	\$17	\$39	\$60.50
Tri-Mountain	\$31	\$51	\$14.25	\$19.50	\$45.25	\$70.50
Newaukum	\$28	\$38	\$12	\$17	\$40	\$55
Mint Valley	\$22	\$33	\$9	\$18	\$31	\$51
BUNDLE DEAL					\$37	\$48

This is a comparison of weekday rates before 1PM. Some courses have guest rates or subscription plans that lower the cost. Carts are price per seat, so if someone want their own cart, they would pay double.

The Mint Valley bundle deal is strategically priced to offer superior value compared to other local courses. It aims to attract golfers by offering an all-inclusive package, ensuring a more predictable and appealing cost for a day of golf. This strategy not only fills our tee sheet but also contributes to the local economy by encouraging visitors to spend more time and money in our town. It's been a smart approach to balancing competitive pricing with added value, ensuring Mint Valley remains a top choice for golfers in the region.

Value Proposition:

- **Added Benefits:** The bundle deal includes a sleeve of balls, which adds value and convenience for golfers.
- **All-Inclusive:** Offering an all-inclusive package simplifies the decision-making process for golfers, making Mint Valley an attractive choice.

Strategic Attraction:

- **Full Tee Sheet:** The aim is to fill tee times by offering a compelling value. An empty tee time is a lost opportunity, and our bundle deal helps ensure more slots are filled.
- **Economic Impact:** Attracting golfers from nearby areas not only increases our golf course revenue but also benefits the local economy. Visiting golfers are likely to spend additional money in town on dining, shopping, and other activities.

Driving Distance and Cost Consideration:

- **Convenience Factor:** While price is a key factor, golfers also consider convenience. Offering a slightly cheaper rate may not be enough to lure players from 15+ miles away. Our bundle deal provides clear, added value, which can make the extra travel worth it.
- **Comprehensive Appeal:** By providing a package deal that includes everything a golfer needs for a day on the course, we enhance our appeal to those willing to travel for a better overall experience.

2. 2024 RATE INCREASE FROM FEBRUARY – HISTORY

2024 RATE COMPARISON

PASSES	2022	2023	% Change	2024	% Change
Senior (65+)	\$1,399	\$1,449	3.45%	\$1,499	3.34%
New Member Price		\$1,449		\$1,549	6.46%
Adult Couple	\$2,099	\$2,199	4.55%	\$2,299	4.35%
Junior	\$195	\$199	2.01%	\$199	0.00%

9 HOLES - WALKING RATE

MON – FRI	2022	2023	% Change	2024	% Change
Open - 1PM	\$18	\$20	10.00%	\$22	9.09%
1PM - 4PM	\$16	\$18	11.11%	\$20	10.00%
4PM - Close	\$14	\$15	6.67%	\$16	6.25%

9 HOLES - WALKING RATE

SAT - SUN	2022	2023	% Change	2024	% Change
Open - 1PM	\$28	\$30	6.67%	\$33	9.09%
1PM - 4PM	\$25	\$26	3.85%	\$28	7.14%
4PM - Close	\$20	\$22	9.09%	\$24	8.33%

18 HOLES - WALKING RATE

MON – FRI	2022	2023	% Change	2024	% Change
Open - 1PM	\$28	\$30	6.67%	\$33	9.09%
1PM - 4PM	\$24	\$26	7.69%	\$28	7.14%
4PM - Close	\$20	\$22	9.09%	\$24	8.33%

18 HOLES - WALKING RATE

SAT – SUN	2022	2023	% Change	2024	% Change
Open - 1PM	\$38	\$40	5.00%	\$44	9.09%
1PM - 4PM	\$32	\$35	8.57%	\$38	7.89%
4PM - Close	\$28	\$30	6.67%	\$33	9.09%

3. POTENTIAL IMMEDIATE IMPLEMENTATION – LOW IMPACT

A. TAX NO LONGER INCLUDED:

Currently all prices include tax for almost everything outside of merchandise – so a greens fee that is \$33 posted, is really \$30.50 in the system. We could make the greens fees \$33 and then add tax which would be \$2.67 extra revenue a round. This was based on many years of being a cash-based business and ease of coin exchange (industry standard). With the rise of credit/debit card usage, this is no longer readily needed, and we have been incurring the merchant card fees on top of that. Additionally, it's extra work on staff as we have to work all of the prices backwards in the system which is cumbersome when we changed from 8.1% to 8.2% and back to 8.1%.

Last year that revenue pre-tax would have been \$1,224,243 and would have been 8.2% higher, had we not removed the tax there would be an additional **↑ \$100,387+** (This would take a rate resolution change)

B. RECOVER BANK CARD FEES:

There was discussion earlier this year about recovering bank card fees as a City for all business done in the City – finance, recreation, library, utilities, golf, etc. Currently we absorb bank card fees as the cost of doing business. The system has the ability to tack on a 3% merchant card fee to recover the cost of using credit cards.

Last we budgeted for \$15,000 and we expended/could recover: **↑ \$38,627**

C. DISCONTINUE PUNCH PASS SALES: (Oct – Dec ~ Good Anytime)

Total Punch Revenue: \$19,643 (2023 Sold: 53 18 Hole/83 9 Hole)

Total Punch Pass Rounds if Total Cards Used: 1,171 (18 Hole-424, 9 Hole-747)

Price Per Round on Punch Pass: 18 Hole - \$24.87, 9 Hole - \$14.33

- This was started to get money during slower times of the year with previous contractor.
- Suggest honoring all current punch passes, discontinue sales of punch passes.

If we charged "\$33" for 18 Holes and "\$22" for 9 Holes: **↑ \$10,783**

D. RAISE WALKING RATES FOR UPCOMING WINTER

2024 Summer Rates Run April 1 – October 6 (Could Introduce Rate Resolution)

2024-2025 Winter Run October 7 – March 31 (Can do without Rate Resolution)

- **NOTE:** These rates will be higher than our summer rates, AND without the bundle deal (so no value added and heading into winter playing conditions – may reduce rounds).

TIME	HOLES	2023/2024	2024/2025	% CHANGE
OPEN – 1:00	18	\$28	\$35	25%
OPEN – 1:00	9	\$18	\$24	22%
SEN/MIL	18	\$24	\$28	17%
AFTER 1:00	18	\$24	\$28	17%
AFTER 1:00	9	\$14	\$18	28%
JUNIORS	ANY	\$10	\$10	0%

4. POTENTIAL FUTURE IMPLEMENTATION – LARGE IMPACT

A. ANNUAL PASS HOLDERS: (68 Singles/17 Couples/13 Juniors/21 Winter)

Total Annual Pass Sales: \$115,803.73

Total Member Rounds of Golf: 8,085

Average Price Per Round: \$14.32

- *May be "slightly" skewed because 9 holes versus 18 and of junior rounds – we don't differentiate "members" when they check in.*
- *No idea how to predict how many rounds we would lose due to removal of annual pass.*
- *May see greens fee increase as pass holders tend to take higher cost morning rounds.*
- *Additional options – 5 day M-F pass or discount card with monthly or one time fee.*
- *1 round of 4 people = \$200 ~ 8 of those a week equals 1 annual pass*
- *Potential increase in cart rentals due to loss leased cart storage*

If we charged an average of "\$33": ↑ Increase of **\$151,002**

B. KID'S PLAY FREE ON PAR 3:

Rounds in 2023: 166

If we charged regular rate @ \$8.00: ↑ Increase of **\$1,328**

C. SENIOR/MILITARY ROUNDS:

Senior Military has a discount of \$3 on 9 Holes and \$5 on 18 Holes

SEN/MIL 18 Holes: 4,507

SEN/MIL 9 Holes: 64

Total increase in revenue if we removed discount: ↑ **\$22,727**

D. DELETE THE BUNDLE BALL FROM BUNDLE: (BUT - Charge the same)

ProV1 Bundle Deals: 3,014

TRUFeel Bundle Deals: 11,677

ProV1 Ball is \$10.18 pre tax

TRUFeel Ball is \$6.48 pre tax

- *Realizing that we made \$253,537 in merchandise which includes the sale of all bundle balls. You would see an increase in greens fees revenue, and I am unsure of the correlation of decrease in merchandise sales.*
- *Additionally, people come for the bundle deal – unsure how this would affect play*

Total increase in revenue if you just remove balls from bundle price and we kept the same number of rounds, no decrease: ↑ **\$106,348**

E. SCHOOL DISTRICT/COLLEGE TEAM RESOLUTION RATES:

Teams of 1 – 5 Players: \$500

Teams of 6 – 10 Players: \$1,000

Teams over 10 Players: \$1,500

- *Rates are per team, per academic quarter – this is for practices and matches of school district and college teams, outside teams pay daily rates for matches, and tournaments such as districts and state pay discounted tournament fees.*

Rates could be increased, but unsure how significant the increased revenue would be as a suggested rate would need to be created and agreed upon.

5. POTENTIAL FUTURE IMPLEMENTATION – GRUMBLING

A. BOOKING FEES

Charging \$2.50 booking fee for calling the course rather than going online.
Would free up front counter staff if culture of booking changed and then revenue source would decrease.

Unsure financial impact, but on an estimated 15,000 rounds: ↑ \$35,000

B. MANAGING NO SHOWS:

Requiring credit cards for booking (TIME for front counter and higher merchant card fee) – then charge the golfers if they do not show.

This is not a major issue, but would provide for some additional revenue.

Unsure of financial impact.

C. REMOVE OR REDUCE CART STORAGE:

Cart storage is \$600 annually per cart. Regular cart rental fee for 18 holes is \$18. After 34 rounds, those with stored carts are using them for “free”.

This would be additional wear and tear on the course carts.

We lease 50+ cart storage or more annually.

Could reduce to just “old” cart storage facility.

There is still a bond to pay for the “new” cart storage facility.

Clearing out the “new” cart storage would allow housing of more course carts.

Unsure of financial or play impact.

Slide 1: Title Slide

- **Title:** Funding Options and Revenue Strategies for Mint Valley Golf Course Irrigation System
- **Subtitle:** Presented to the City Council
- **Date**

Slide 2: Introduction

- **Overview:** Briefly introduce the purpose of the presentation.
- **Agenda:** Outline the main topics to be covered: Project Overview, Revenue Strategies, and Funding Options.

Slide 3: Project Overview

- **Current Situation:** Describe the current state of the irrigation system and the need for replacement.
- **Funding Gap:** Explain the total cost (\$5 million) and the existing \$2 million funding from the state legislature.
- **Impact of Project:** Highlight the benefits of the new irrigation system, such as improved course conditions, water savings, and long-term cost reductions.

Slide 4: Revenue Strategies Overview

- **Introduction:** Explain the need to explore additional revenue sources for the course.
- **Categories:** Introduce the three types of revenue strategies: low impact, high impact, and controversial.

Slide 5: Low Impact Revenue Strategies

- **Examples:** Enhanced pro shop sales, increased marketing for tournaments, offering golf lessons.
- **Pros:** Minimal disruption to users, relatively easy to implement.
- **Cons:** Limited revenue potential.
- **Expected Revenue:** Provide estimates if available.

Slide 6: High Impact Revenue Strategies

- **Examples:** Membership programs, dynamic pricing, corporate sponsorships.
- **Pros:** Significant revenue potential, long-term benefits.
- **Cons:** Requires investment and changes in operations.
- **Expected Revenue:** Provide estimates if available.

Slide 7: Controversial Revenue Strategies

- **Examples:** Increased green fees, course redesign for housing development, adding non-golf events (e.g., concerts).
- **Pros:** High revenue potential.
- **Cons:** Potential pushback from users, could alter the course experience.
- **Expected Revenue:** Provide estimates if available.

Slide 8: Golf Advisory Board Recommendations/Feedback

- **Surveys/Meetings:** Share any feedback collected from course users and stakeholders about the proposed revenue strategies.
- **Concerns:** Address the primary concerns and how they could be mitigated.

Slide 9: Funding Option 1 - ARPA Funds

- **Description:** Explain the potential of using the remaining ARPA Funds.
- **Pros:** Immediate availability, no need for repayment.
- **Cons:** Opportunity cost of using these funds for other potential projects.
- **Financial Impact:** Detail how much of the shortfall this would cover and any remaining gap.

Slide 10: Funding Option 2 - General Fund Reserves

- **Description:** Describe the option of drawing down general fund reserves.
- **Pros:** No borrowing costs, flexible use of existing funds.
- **Cons:** Reduces reserves, potential impact on city's financial stability.
- **Financial Impact:** Amount available and how it would affect the reserves.

Slide 11: Funding Option 3 - Loan

- **Description:** Discuss the possibility of taking out a loan.
- **Pros:** Preserves existing funds, spreads out cost over time.
- **Cons:** Interest costs, adds to city's debt burden.
- **Financial Impact:** Loan terms, interest rates, and repayment schedule.

Slide 12: Comparison of Funding Options

- **Table/Chart:** Compare the three options side-by-side, highlighting the pros, cons, and financial impact of each.
- **Recommendation:** If applicable, present your preferred option with reasoning.

Slide 13: Conclusion and Next Steps

- **Summary:** Recap the funding options and revenue strategies discussed.
- **Next Steps:** Outline the proposed timeline for decision-making and implementation.

- **Call to Action:** Encourage the City Council to deliberate and provide direction on the preferred funding option and revenue strategies.

Slide 14: Q&A

- **Open Floor:** Invite questions and discussions from the City Council members.