



Date: 1/5/2021
To: City Council
From: Maria V. Kachadoorian, City Manager
Via: Eric C. Crockett, Deputy City Manager
Subject: E-comment response to Golf Course

Below are staff's responses to the e-comments received by Mr. Stahl with an updated attachment "2" for the Master Fee Schedule to correct a few items that were missed in the original report. City staff and representative of Touchstone will be available during the meeting to address any additional questions or comments.

A. The largest increase is senior rate, is this fair for seniors on fixed/limited income?

A thorough analysis was conducted with our competitive courses (attachment "1" of the agenda) and found that the senior rate along with all our rates would continue to be fair and practical rates for our golfers.

B. Senior residents pay same rate as non-resident seniors, is this fair for resident seniors?

Senior Residents do not pay the same as Non-Resident Seniors. The senior resident card rate is \$11 and any non-resident is \$25 Monday thru Friday.

C. Senior hours 8:00am to 12pm, but for many years seniors have played from sunrise on at senior rate, do seniors now have to pay non senior rate to play before 8?

Senior hours are from sunrise to sunset.

D. A onetime, lifetime fee of \$25 dollars buys a non-resident the status of a resident, is that fair to residents who pay taxes yearly and generally shop in this City?

The requirement is that you join the Men's club membership \$80 and continuation of an active membership of \$12 annually is required after the \$25 payment for non-resident fee.

E. Operator raised cart fees 7 months ago from \$12 to \$15 (reason given was COVID-19 to disinfect carts, however, this procedure lasted only for a short time, and is rarely if ever done now,) can operator arbitrarily change this fee?

The operator controls the rates of the cart fees and they are not part of the city master fee schedule. Due to the volatility of many factors including, electricity, demand, staffing, cleaning and use of the golf carts the cart fees were raised. The carts are disinfected daily with an approved disinfectant by the county of San Diego called Strike Bac.

F. Currently the operator charges Holiday rates on non-designated days (Dec. 24th and December 31), can operator do this?

The comment is correct, and amendments are being proposed to the Master Fee Schedule to address the issue.

Chula Vista Golf Course Revenues and Expenditures:

In 2016 the City changed the management of the golf course from a lease model to an operator model and the Chula Vista Golf Course was converted to an enterprise fund. For the 30 years prior to 2016 the lease revenue was a revenue to the General fund. However, since 2016 the golf course revenues are used **ONLY** for the operations and maintenance of the Chula Vista Golf Course and no longer are a revenue to the General fund or used by the General Fund. The following is how the last four years of available resources were reinvested back into the course:

2017: revenues over expenditures provided \$83,333 dollars in needed improvements.

2018: revenues over expenditures provided \$176,279 dollars in needed improvements.

2019: due to a big decline in revenue primarily due to weather and the Willow Street Construction project there were no revenues over expenditures.

2020: due primarily to the pandemic revenues over expenditures provided only \$15,000 dollars in needed improvements.

Over the years we have also invested \$104,900 dollars toward new sod and bunker refacing. We have some funds available in the enterprise fund which will be allocated to the list of necessary improvements that are identified on Attachment 3 of the item. The Golf Course continues to operate in the black but just barely as labor, water and energy increase all continue to climb however, with the Pandemic there has been an increase in rounds played so additional resources should be available for improvements.

As of close of books at the end of November we were \$175,000 in the black for the current fiscal year. At the same point last year we were \$80,000 in the red. As of this morning the Golf course has \$373,776 in its accounts.

Cash to General Fund

In total we deposited into the General Fund \$162,580 the first two years from Golf Course revenue. David set up an Enterprise fund to cover expenses for the transition and needed those funds. We have not taken anything out since July 2018.

Finally, attached is a letter from a golfer that I think reflects the majority of the golfers that are currently using our course.