

# 2 Year Renovation Project Concerns

If we undertake the renovation plan, we will need to decide if we want to make it a one year project or a two-year project. The majority of the golfers that I have visited with would like us to make it a two-year project. This is understandable given the inconvenience of having to drive to a different golf course and pay more to play golf. But there are major drawbacks to making it a two-year project. Here are our concerns.

## **Irrigation**

1. River Pump: The pump station is 10 years old and has never pumped under pressure. It has only pumped river water into our irrigation lake at 5 to 10 pounds of pressure. It would need to operate at 80 pounds of pressure to be effective. It is possible that it could function for an entire year without breaking down, but it is unreasonable to assume that if it did break down that repair parts would be available in a day or two or that the pump could be removed, repaired, and reinstalled in less than a week. In a worst-case scenario, it is possible we could lose the greens while the pump or motor is being repaired.
2. Pipeline: Part of pipeline to the course is 30 years old and has also never been under pressure. It is doubtful that it will not leak or rupture when subjected to the pressures required to irrigate. If it does rupture in one spot, it is likely that the line will experience more leaks.
3. Pump Capacity: The pump can only supply 200 gallons per minute of water or 108,000 gallons per night. That will leave us 60,000 gallons a night short. That doesn't sound like much, but it means we will only be able to use two-thirds of our sprinklers per night. Priority will be given to greens and tees and the fairways will suffer during dry periods.

## **Golf Course Maintenance**

1. When the grow in of new grass begins on the back nine in May of the project's first year our staff will concentrate on the back nine. Maintenance and mowing of the front nine will undoubtedly be curtailed.
2. When the grow in of new grass begins on the front nine in May of the project's second year our staff will not be able to maintain the back nine and grow in the front nine. We will need additional staff members for the grow in. Finding people who are qualified to operate machinery and are willing to only work for a few months will be difficult.

## **Contractor Availability**

1. Requiring a contractor to perform this task over a two-year period will reduce the number of contractors who bid on the project. Spreading it over two years will mean they have to bring equipment and crews in twice instead of once. The extra mobilization and housing costs will be reflected in their bids. It will also limit the income they can generate in one year if they are only getting paid for the renovation of nine holes.

### **Parts and Turf Availability**

1. If all the irrigation sprinklers, fittings, pipes, and wiring are not purchased at once a parts shortage in the second year could delay the project and turn it into a three-year project.
2. If the weather conditions or supply shortages do not allow for the same type of grass to be purchased in the second year of the project it is possible that we may end up with different varieties of grass on the front nine greens, tees, and fairways.
2. If weather conditions or supply shortages do not allow the for the purchase of enough sprigs and sod to finish the front nine in the second year it may turn the project into a three-year project.

### **Financial Concerns**

1. Project Costs: NGF estimates that splitting the project will cost 10 to 30 percent more than if it was done in one year. This is primarily attributable to extra mobilization fees and the probability that materials will cost more in the second year.
2. Overtime Costs: During the renovation we will need all hands-on deck seven days a week. The city will need to pay overtime to the maintenance crew. A two-year project will double those numbers.
3. Operating Losses: If we do a two-year renovation we will need to be fully staffed and operating costs will only be slightly lower than normal. With only nine holes available for play we will not come close to covering our expenses. We estimate that we will lose \$650,000 each year or \$1,300,000 overall. This will be a result of only having nine holes available for play and reducing the prices to accommodate this. If we are closed for one year, we will still have an operating budget. We estimate the operating loss for closing one year to be \$850,000.
4. Bond Payment: Splitting the renovation will result in an additional operating loss of \$450,000 and add \$643,000 to the cost of the project. This could potentially raise the total cost of the project by \$1,093,000. It will result in a bond payment that is \$62,300 a year higher than the bond for a one-year project and end up costing the city an extra \$1,557,000 in bond payments.

### **Staff Recommendation**

Based on all the practical and financial problems associated with a two-year project Staff recommends that we undertake a one-year renovation plan.