

**MINUTES  
OF THE MEETING OF THE  
PARK BOARD  
HELD AT CITY HALL  
OCTOBER 11, 2011  
7:04 PM**

***I. CALL TO ORDER***

Chair Hulbert called the meeting to order at 7:04 pm

***II. ROLL CALL***

Answering roll call were Members Jacobson, Jones, Segreto, Hulbert, Lough, Steel, Peterson, Neville, Weicht

***III. APPROVAL OF MEETING AGENDA***

**Member Peterson made a motion, seconded by Member Lough, approving the meeting agenda.**

Ayes: Jacobson, Jones, Segreto, Hulbert, Lough, Steel, Peterson

Motion Carried.

***IV. ADOPTION OF CONSENT AGENDA***

**Member Peterson made a motion, seconded by Member Lough approving the consent agenda as follows:**

***IV.A. Approval of Minutes – Regular meeting of September 13, 2011***

Ayes: Jacobson, Jones, Segreto, Hulbert, Lough, Steel, Peterson

Motion carried.

***V. COMMUNITY COMMENT***

None

***VI. REPORTS/RECOMMENDATIONS***

***VI.A. Braemar Golf Course Action Plan – Braemar Golf Course Manager Todd Anderson***

Mr. Anderson went over the primary 8 points that the consultant “NGF” felt were most important:

1. No change in existing management structure
2. Invest in remodeling the Braemar range and executive course (Par-3)
3. Invest in new cart path system at Braemar 27  
Member Lough asked if anyone has put any actual numbers to the additional revenues realized from rounds made possible by the building of the cart paths. Mr. Anderson replied they have not and added it would be a huge variable depending on the weather. He noted that he could try to come up with a range but that there would be no set number. Member Lough asked Mr. Anderson if he could come up with an average over the course of three years because he would think it might be possible that the return on investment might justify drawing that forward. Mr. Anderson replied he would try to come up with an average.
4. Improve and modernize marketing practices and move away from previous “out-of-date” business practices.  
Member Jones indicated that she is not familiar with all of the pricing and asked Mr. Anderson if he could draw up with some kind of model. She noted if they were to have a lousy year this year what the revenue would look like and if they have a great summer this is what they will see.

She indicated that she would like to see a range of what they might expect with the changes. Mr. Anderson replied that he will expand on that.

5. Get all revenue centers on the same PSO system
6. Resist large-scale capital projects that have low return on investment, such as:
  - a. Golf Dome lobby replacement
  - b. Remodel Clunie 9
7. Create a reserve for replacement for the Braemar irrigation system

Member Segreto asked what are some of the ideas about the possibility of creating a reserve and how would they go about doing it. Mr. Keprios replied that the financial challenges facing the golf course are going to be a difficult issue for the City Council. He noted it's going to be up to the City Council to decide at what point do they use dollars other than Golf Course funds to do some of the improvements and where do those funds come from.

Member Segreto asked Mr. Anderson in terms of irrigation how long does he think it will last, what is the useful life. Mr. Anderson replied that the nice thing about irrigation is that it does not totally fail. He explained that sections fail and they have been replacing them for years and years so it's not an all or nothing. He indicated that he thinks it would be prudent to schedule it and that tentatively they would like for it to start in 2017.

Member Lough indicated that if they create a reserve then that means they would be charging an accrual against current operating revenues and then they would have the social security trust fund dilemma as to whether they actually put that money into a savings account or whether they spend it now in the general revenues and make up for it later. He stated that he would agree this is a City Council issue and he would think it would be primarily an accounting issue and he is not sure how they deal with that. Mr. Keprios responded that technically they can't create a reserve until they have paid off their debt. He explained that there is a reserve in the Braemar Memorial Fund and technically there could be donations towards that which could increase what is truly a reserve. He noted that the language in there specifically states that it will not go to pay off debt; however, those funds can be used to make improvements to the golf course.

8. Watch the performance of the Braemar Grill and consider concessions if there is not improvement by the end of 2012

Member Lough noted that the report states if you don't see a marked improvement in the grill operations to consider a concession agreement. He asked Mr. Anderson if he has considered exploring that over the winter so that if he sees mid or late summer there isn't a step up he is looking for that he has done due diligence and knows what it is they may want to do. Mr. Anderson replied that he will do that.

Member Jones asked Mr. Anderson that after watching this and seeing how it goes how would he define success. Mr. Anderson replied he knows there are a lot of opinions from the Park Board as far as that component of the operation so he thinks if they provide an objective summary of where they were at, where they are now and where they are going hopefully it can be a cooperative decision.

Member Jones asked if they are back here in a year and she would like to know how they will know when they might need to change what they are doing. Mr. Anderson replied he will do his due diligence and will explore talking to some of the potential concession vendors. He noted he will be interested to find out what their arrangement is because currently there are some expenses that are charged to the grill operation that no vendor in the world would walk into and

say they are going to cover that cost. They are going to be looking for the best deal possible so if they want to go down that road they have to be able to compare apples to apples. Member Jones stated that she is trying to come up with a goal where you would say I would like the grill to . . . and then fill in the blank and she is not hearing that. Mr. Anderson replied that is something he is hoping to establish and some benchmarks that they would find appropriate and relay that to you. He noted that he has not gotten that far in the process yet.

Member Peterson commented that the weather has been pretty good for business lately and that Mr. Anderson thought they would be somewhere around 95% plus recovery. Mr. Anderson pointed out that spring is much more valuable to them than the fall because people start to lose interest. He stated that even with the worst weather year in the history of Braemar he believes through the end of September their revenues were down 6% which he is sure very few courses even came close to that. He added that through the end of September their actual operating income is up 91% over last year which he thinks is pretty dramatic given that it's been the worst weather year.

Member Lough indicated that first to be clear he is a senior and enjoys senior discounts whenever he possibly can; however, are senior discounts the right way to go for a course like Braemar and its location. He noted he understands you're trying to make a trade-off and that there were some issues with some seniors who weren't offered a discount. He asked is it really a wise thing to do when seniors make-up a very large part of your constituency in the number of rounds played both prime time and non-prime time. Mr. Anderson replied they have been the exception for a long time and he doesn't know of any course anywhere near them that does not have a senior rate. He added that there is minimal in comparison to other golf courses. Member Lough asked if they really lose customers because they don't have a senior rate to which Mr. Anderson replied yes, they do.

#### ***VI.B. 2012-2016 Braemar Golf Course Capital Improvement Plan***

Chair Hulbert indicated that with the Natural Resources Inventory Assessment being taken out of the 2012 CIP he suggested they take and put that \$100,000 into Braemar Golf Course. It could be used as seed money allocated specifically for the driving range with some hope that the Braemar Memorial Fund be used for that as well. He stated that he realizes there is some thought that these items should potentially be paid for through revenues of the facility. However, if you look at other CIP items they are putting large sums of money into jungle gyms that are not revenue centers. He added this may be a little selfish but he is a parent who brings his kids to Braemar and it's a great resource for families who want to learn how to play golf.

Mr. Anderson informed the Park Board that he did contact an architect who came out to do an initial assessment and the architect felt that NGF's numbers were low (\$300,000-\$400,000). The numbers the architect gave were \$799,000 to \$1,137,000 which includes everything.

Mr. Keprios stated that he thinks it would be appropriate, if the Park Board would like, to have a show of support that the \$100,000 goes towards the golf course. He noted as far as making up the difference in funding that is something staff will need to work with the City Manager and Finance Director to get some direction on what is realistic. Member Segreto indicated as much as she would like to support redirecting the \$100,000 to the golf course it is a matter of equity because there is a long list of other park related capital improvements that could use some attention. She suggested maybe there could be a compromise and 50% could go to the golf course and 50% towards something else that is needed.

Member Steel indicated that she is struggling a little bit with that approach. She noted it was her understanding in talking to the City Manager about their budget targets that there is a specific cap on how much they get to spend and how much they don't get to spend. She stated she is having trouble

viewing it like “found” money. Member Lough stated he is in general agreement with what Member Steel is saying and doesn’t feel like it is Park Board’s money they can move in and out of various programs. He commented that to take a particular sum of money from one capital project and allocate it to another specific capital project doesn’t feel quite right. He indicated that he supposes they could recommend to the City Council that they consider something like that; however, he doesn’t think it’s a real money kind of a matter that they have control over.

Chair Hulbert indicated that he thinks getting that work done at the range should be a priority of the Park Board because it’s a great resource and it’s one of the major financial engines of the golf courses. He noted that it’s one of the first things people see, it’s the area of golf where children are introduced to the game and where their citizens with disabilities spend most of their time learning the game at the course. He added that one of the cheapest ways to learn how to play golf is at the driving range. He stated that he would like to see the Park Board lend a little support to let the City Council know that this should be a priority.

Mr. Anderson stated that another component to think about is Bloomington just converted one of their golf courses into a driving range and hope to open in June. At one point in time they were looking at gaining revenues but now may need to factor in revenues that they may lose if Bloomington has quality turf and Braemar doesn’t.

Mr. Keprios suggested to the Park Board to give staff the time to conduct further research to determine if this in fact is the real cost or find if there isn’t a cheaper way to do it. Secondly, what are the other financing options available to them and then they can bring those hard dollars back to the Park Board. He stated that then the Park Board can have the philosophical debate of where those funds have to come from and whether you would support that kind of dollar amount. He noted that this way they are not just wrestling with a show of support of \$100,000 knowing full well it won’t get the job done.

Chair Hulbert made a motion, seconded by Member Lough to accept the CIP as presented.

**Ayes: Jacobson, Jones, Segreto, Hulbert, Lough, Steel, Peterson**

Motion carried.

### ***VI.C. Fees and Charges***

Mr. Anderson informed the Park Board he has two changes on his fees and charges. He just received notice yesterday from the Minnesota Golf Association that they are raising their fees \$3.00 for the computerized handicaps. Therefore, he would like to pass that cost on versus absorbing it. He now proposes \$27.00 for residents and \$32.00 for non-residents for the computerized handicaps.

Member Jones asked Mr. Keprios to talk a little bit about the Senior Center because she always thought it was one of their enterprise facilities. Mr. Keprios explained that the Senior Center is covered under the operational budget and Sue Weigle is a Recreation Supervisor and not a Facility Manager. The Senior Center is not an enterprise facility. He noted that the Senior Center operations require a subsidy to sustain. Mr. Keprios asked the Park Board if they would like Sue Weigle to give them a presentation and answer any questions they may have about the Senior Center and its operations. Member Lough commented that he thinks would be a great idea.

Member Steel asked Ms. Kattreh what the rationale is regarding the sales tax separate from the fee. Ms. Kattreh replied that they’ve always included the sales tax in the fee and they decided since they have not raised their rates for a couple of years that would be a good way to raise their rates without actually changing the fee. She also pointed out that since they have just added a new guest services and a concession stand their lines should no longer be backed up to the main entrance. She explained because it was such a bottleneck she didn’t want her staff dealing with nickels, dimes, pennies, etc., because it

was already taking people awhile to get through such a congregated area. Now they are in a much more open setting.

Member Lough asked when they charge fees do they generally have subsidies or scholarships for people who apply to offset the fees because of hardship. Mr. Keprios explained when it comes to scholarships they have what is called a “grant-in-aid” for financially challenged Edina families and explained how that process works.

Ms. Aarsvold explained to the Park Board how the adaptive recreation programs work with regards to subsidies.

**Chair Hulbert made a motion, seconded by Member Segreto to accept the fees and charges as outlined.**

Ayes: Jacobson, Jones, Segreto, Hulbert, Lough, Steel, Peterson  
Motion carried.

#### ***VII. CORRESPONDENCE AND PETITIONS***

None

#### ***VIII. CHAIR AND BOARD MEMBER COMMENTS***

Chair Hulbert reminded the Park Board that due to Election Day the next Park Board meeting will be held on Monday, November 7<sup>th</sup>.

Member Steel informed the Park Board that they recently held their first meeting for the “User Fees Working Group” where they had a brief discussion on the history. She noted that at their next meeting they are going to focus on the participant fee for athletics and the relationship document.

**Member Steel made a motion, seconded by Member Peterson to nominate Jennifer Janovy to join the User Fees Working Group.**

Ayes: Jacobson, Jones, Segreto, Hulbert, Lough, Steel, Peterson  
Motion carried.

Member Jones informed the Park Board there are eight people on the “Naming and Donations Working Group”. She noted they have already had two meetings and have tackled the basic policy and background.

#### ***IX. STAFF COMMENTS***

Mr. Keprios indicated that at the last meeting the Park Board asked for a copy of the master plan for VanValkenburg Park which was included in the packet. He noted it’s been a while since it was done and when it is ready to be put on the CIP he would envision revisiting the plan with the neighborhood to be sure that it meets the neighborhood’s current needs and desires.

Mr. Keprios handed out a photocopy of the front page article in the Minneapolis Star Tribune regarding the Veteran’s Memorial.

Mr. Keprios informed the Park Board that by consensus the City Council did give the nod for the public process for the Veterans Memorial that was approved at the last Park Board meeting.

Mr. Keprios informed the Park Board that Ms. Kattreh and her staff have been working tirelessly on the concession stand at Edinborough Park. The grand opening will take place this Saturday. He noted they’ve done a wonderful job and would like to give credit to Susie Miller, Assistant Manager at Edinborough Park, who went to concessions training and is now a certified concessions operator.

Mr. Keprios informed the Park Board that Mr. MacHolda attended the first "Tour de Edina" which was a 5.2 mile bike ride that began and ended at the Courtney Ball Fields.

Mr. Keprios introduced the new Assistant City Manager, Karen Kurt, to the Park Board.

Ms. Kattreh gave an update to the Park Board on the "Sports Dome Study Committee" and noted that their mission statement is now completed. She indicated she has been working with Member Deeds for the last couple of weeks on a need and desires survey which will be going out to all potential users in Edina. She stated that she is also working with some neighboring associations and so far has received commitments from St. Louis Park and Bloomington. She added that she is still working on a couple of others to do a survey of their user groups as well to determine if they might be interested in possibly utilizing a dome in Edina. She informed the Park Board that another thing that is big on the horizon is a request for proposal for a consultant.

Member Jones asked Ms. Kattreh to talk about the Proragis System. Ms. Kattreh explained that this system is a benchmarking tool that is offered through the National Park Association. It can benchmark Edina against anyone in the country that they would like to compare themselves to. She noted you can compare programs, budgets, anything you can think of that's park related. She stated that it's going to be a very valuable tool and is something they will update every year as budgets and amenities change.

**There being no further business on the Park Board Agenda, Chair Hulbert declared the meeting adjourned at 8:35 pm.**