

M-NCPPC



Montgomery County Department of Parks  
THE MARYLAND NATIONAL CAPITAL  
PARK AND PLANNING COMMISSION  
8787 Georgia Avenue  
Silver Spring, Maryland 20901

MCPB  
Item: 12  
9/21/06

September 12, 2006

Memorandum

TO: Montgomery County Planning Board

VIA: Mary Bradford  
Director of Parks

FROM: William Mooney,  
Acting Deputy Director

SUBJECT: Golf Course Lease with Montgomery County Revenue Authority

**SUMMARY and RECOMMENDATION:**

**Recommendation:** Authorize continuation of Revenue Authority operation of park golf courses under a long-term lease, which incorporates the terms from the letter of intent and the operating agreement.

This action is being pursued in accordance with Section 1-500 of the Commission's procurement regulations as an intergovernmental agreement, and is therefore not subject to competitive bidding provisions.

The provision and business terms of the operating agreements remain the same with the two exceptions: 1) how the lease deals with the deferred maintenance issues, including storm water management facilities and the water allocations at Little Bennett, and 2) if in the *extremely* unlikely event that the Commission should decide to sell any of the properties during the Lease Term, MCRA would have first opportunity to purchase, subject to our legal requirements.

On April 6, 2006 the Planning Board approved an operating agreement with the Revenue Authority that transferred the operation of the four Park golf courses from the Enterprise Division to the Revenue Authority (RA). The RA is operating the courses as part of a nine course public system, which includes the four courses they have operated for some time. This memorandum reviews: the background that lead to the recommendation of last spring; the challenges that the RA has identified during the 2006 season and how staff proposes to deal with them; the 2006 operating season

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including preliminary customer reactions; and, the preliminary plans the RA is pursuing for the courses.

**Background:**

During the past three years, there have been three studies conducted that analyzed different aspects of the operations of the Park golf courses. Management practices, financial comparison to the RA, and strategies to improve the performance of the system have been studied. Changes were made in the operations, marketing was strengthened, debt was restructured, and other efforts were made. In the FY 06 budget preparation, the Planning Board considered several options for the golf courses, which included transfer to the RA. At that time, the board chose to continue operating and develop stronger marketing, among other strategic changes. As part of those initiatives, the Board approved seeking partnerships that would benefit the golf system. Staff initiated this effort in the fall of 2005. However, after reviewing the updated financial projections, staff concluded that seeking partnerships and the continued strategic initiatives was not going to meet the expectations of the Board for operation of the golf system nor for providing relief to the Enterprise fund.

In the face of a national trend of flat demand for golf, mounting financial losses and an inability to make the capital improvements that would enable park courses to be competitive; staff concluded that the timing was right for the recommended merger of the golf systems. While it may seem to those not involved in the ongoing analysis and operation that the change happened in a hasty or rapid manner, the option to merge has been under consideration for well over a year and there has been recognition for much longer that substantive changes are needed in order to operate the system in a fiscally responsible way. The decision to begin the transfer on April 15, 2006 was in recognition of the start of the golf season and the cash flow necessary for the RA to sustain the operations.

In January 2006, the Planning Board authorized the staff to enter into negotiations with the Revenue Authority (RA) with the objective of transferring to the RA the operation of the M-NCPPC's four Montgomery County courses. The Board was told that staff<sup>1</sup> had met December 6 to review Golf issues and had concluded from this review that the continued decline in the fiscal health of the golf program (FY05 actual net cash flow: -\$497,344; latest FY06 year-end projected net cash loss of approximately \$1 million) precluded the use of more measured turn-around actions and demonstrated the urgency of taking a significant new approach.<sup>2</sup> Further, the Board was told that the Council was expecting a report soon setting forth the Planning Board's latest action proposals regarding golf.

**Proposal:**

The staff recommended in January and April and continues to recommend that the M-NCPPC complete a long-term lease with the RA for the operation, maintenance, and

<sup>1</sup> Johnson, Barney, Mooney, Keogh, Bush, Warnick, and Kendal, plus consultant Don Zuchelli.

<sup>2</sup> The Parks' staff has, in fact, launched a number of initiatives to address the financial condition of the golf program. Examples are listed in the Appendix. However, the senior staff has concluded that these actions will take too long to have a beneficial turn-around effect, and the financial drain will be too great during the wait.

capital improvement of all four courses (putting operation of all nine county-level courses under one government agency).

Title to all four park courses will remain with M-NCPPC, and the Planning Board will retain a significant policy role with regard to environmental protection, public access, possible additional facilities and uses on the golf course land, and the impacts of capital improvements. Through the comprehensive ability and expertise of the RA to manage golf operations and the combined assets of the two existing systems, M-NCPPC and the RA anticipate that the combined system will be stronger than either of the current operations.

There are outstanding responsibilities of the M-NCPPC that still must be addressed. These include clarification of the sufficiency of the water appropriation for Little Bennett golf course and the deferred maintenance requirements to bring all of the storm water management facilities into compliance with their permit requirements. The latter was a known condition in April, although the RA and Park staffs are still determining the extent of the work and associated costs. The lease provision dealing with this issue has been strengthened to ensure that the responsibility is clear. The former issue has been identified as a result of due diligence during the 2006 season which has revealed that there are certain confusing aspects of the water allocation permits for Little Bennett that need clarification in the immediate future as well as problems with the maintenance of the equipment that monitors water usage.

As a result of entering onto a long-term lease, M-NCPPC will, after resolving the storm water facilities deferred maintenance and Little Bennett water allocation issues, be relieved of the fiscal exposure and capital investment burden expected, under current policies, to adversely impact the Enterprise and Park Funds. The RA would become the sole provider of public golf in the county<sup>3</sup> with the opportunity to market "Montgomery Golf" at all nine courses.

The financial transaction as proposed meets the interests of both agencies, including the ability to retire the debt for Little Bennett and a sharing of revenue (after capital investment) by both the RA and M-NCPPC.

**Challenges identified:**

See attached report from Revenue Authority

**Experience of the 2006 season:**

See attached report from Revenue Authority

The desired outcomes from this initiative are:

- The long-term availability of affordable high-quality golf opportunities at all levels for County citizens and visitors on the four courses currently operated by the Parks Department through their integration into the golf program managed by the RA;

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<sup>3</sup> Other than the City of Rockville.

- The opportunity for the RA to improve its offerings by spreading its programming and costs over more courses;
- The strengthening of the Parks' fiscal condition by the removal of a program that will likely drain Enterprise Fund funds away from non golf activities and may require continuing tax supported subsidies; and,
- Continued support for the First Tee program and the high school golf program.

**Issues:**

Major issues for the RA and MNCPPC include the following:

- Course conditions and standards;
- Debt obligations for Little Bennett;
- Storm water management facilities;
- Water allocation for Little Bennett.

Both parties remain strongly committed to making this transition and new partnership a long-term success. **Requested Action:**

- Discussion and decision by the Planning Board.

**Attachments:**

Report from Revenue Authority

Operational assessment of Acting Chief of Enterprise Division, Department of Parks

Draft lease

**GOLF TRANSITION  
M-NCPPC – MCRA  
SUMMARY REPORT**

**September 5, 2006**

Prepared By

Keith Miller  
Executive Director  
Montgomery County Revenue Authority

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Attachment 1

The following document will provide an overview of the transition of the Park and Planning courses to the Montgomery County Revenue Authority. In general the transition has been relatively smooth with many of the expected hurdles and challenges taking place.

We will review the transition as it relates to timing, staff, customers, course conditions, performance, survey results, and future plans.

### TIMING

The official transfer of the courses happened on April 15, 2006. MCRA worked diligently in the background doing everything it could prior to the Planning Board approval of the Letter of Intent and the Operating Agreement in early April short of spending money and hiring personnel. The main objective was to ensure that the M-NCPPC courses remained open for business and people could play golf. Hard work and dedication from the staff helped us achieve our main objective.

Although the main objective was achieved, the date did have an impact on numerous items that effected the operations, staffing, and course conditions for the entire 2006 season. While the date is still early in the spring, maintenance practices are well under way in order to have courses achieve their pristine playing conditions for the season. Considering this, most if not all, qualified and experienced staff had been hired for the year, which led to a staffing challenge for the season. The MCRA has continued our recruiting practices throughout the year with minor improvements and our plan is to use the upcoming off-season to secure our teams for the 07 golf season. During the 2006 season we also shared resources with our current facilities to get the job done.

As indicated above, the April 15<sup>th</sup> date is significant as it relates to course conditions. During the early spring there are many cultural practices and applications that are completed which impact the conditions of the course throughout the season. These processes impact items such as weed control, green conditions and speed, and overall health of the turf. Considering the timing of the transfer we were not able to fully implement our approach but we are excited about the upcoming fall and spring seasons as we ready the courses for 2007.

### STAFF

One of the most difficult aspects of taking over an operation is dealing with the change in culture and training staff. While we were up and operating the four new golf courses, some things were not being done the same way. Many former M-NCPPC employees

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whom we had hired entered a new culture, which was a bit of a shock to some. There are simply differences between the operations of the two golf systems, which is part of the reason why M-NCPPC came to MCRA in the first place. Changing culture is hard work. In spite of some issues along the way, employees are beginning to appreciate what we are attempting to do.

From an operational perspective we had no choice other than to make the transition to one point of sale system. The logical choice for us was the IBS system. This meant not only introducing staff to a new culture but also training them on a new system, which can be overwhelming. Just setting the new courses up on the new system took some quality time early in the transition. Additionally, we dealt with many connectivity issues that needed to be resolved. Together the two agencies have managed around and through a number of operating system issues. Currently we have a stable system that is serving us well and a staff that is trained to operate it.

### CUSTOMERS

For the customer all of this change in staff, operating procedures, and systems is difficult. Our goal was to make this transfer/change as seamless as we could but to be completely seamless is impossible. We all know and can sympathize with the difficulty of change and the challenge of learning something new. Coming back to play a golf course and finding all new faces, some new rules, new procedures, and new cultural practices can be upsetting and difficult. Two of the more significant changes as indicated by the golfers are discussed below.

**Loyalty Programs.** Many customers were concerned about the elimination of the Players Choice Program that had been implemented by M-NCPPC and eliminated when MCRA began operation. Some of those customers were concerned that their loyalty points would just disappear and were reassured early on. Others were upset that the process of receiving credit for their loyalty points was too slow, which the two agencies fixed as soon as possible. Other Players Choice participants indicated that they did not like the MCRA program that required golfers to play five different courses to receive a free round, despite the 17 percent discount in the overall price of golf. Instead, they preferred the Players Choice program because they could play at one or a couple courses and get free rounds, even though the overall discount was significantly lower. MCRA is constantly reviewing our loyalty programs.

**On Line Tee Times.** We also heard from customers who liked to book tee times on line. The temporary elimination of on line tee times was a casualty of the two different point of sale systems. As we speak, we are beta testing our new on line tee time reservation system. Likely, on line tee times will return in the spring of 2007.

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## COURSE CONIDTIONS

The practice of agronomy is not an exact science and there are several different approaches. The MCRA approach is again different than the M-NCPPC approach and we recognize that currently the course conditions are not up to MCRA standards. Over the next season or two we will aggressively attacking course conditions consistent with our established agronomic practices to promote significant improvement in playing conditions.

In this section, we will provide a brief course-by-course discussion of course conditions.

**Sligo Creek.** There is evidence that cultural practices, especially aerification and topdressing, have not been done with regularity. As a result, the fairways and tees have very weak turf and there is a thick thatch layer on the greens that does not allow air, water and nutrients to penetrate to the roots of the grass plants. We will introduce and aggressive aerification and topdressing program for the next season or two in order to address these deficiencies. We will also continue with a regularly scheduled program to ensure no long-term problems. Another turf problem at Sligo Creek is the large variety of grass species, many of them undesirable. This problem will be addressed over time by following an agronomic program.

**Northwest.** There were a number of challenging conditions that we were presented with at Northwest in April. Just after our arrival, Annual Bluegrass seed heads emerged on the putting surfaces that have large populations of Annual Bluegrass. The seed head growth lead to very poor putting quality. We will implement a program of growth regulators that can effectively control the annual seed head growth. We also noted no core aeration of tees, greens and fairways had occurred. The lack of aeration and topdressing of the putting greens lead to poor putting quality and weak turf due to thatch, poor air circulation, poor water movement and significant mower scalping. Consistent with Sligo Creek we will address a two-stage approach of aerification and topdressing. The first being more aggressive and frequent to address the immediate concerns and the second being a regularly scheduled program to ensure no long-term issues.

Problems with maintenance equipment at Northwest and the lack of a full time mechanic exacerbated course conditions. There were maintenance issues at Northwest, but the biggest equipment problem was the absence of a usable triplex mower for tees and approaches. Therefore, the staff had to use fairway units to mow these areas, which contributed to turf damage in key areas.

The heavy rains in late June led to significant turf loss especially on the 13<sup>th</sup> and 16<sup>th</sup> holes. These areas were heavily flooded for several days which completely killed the grass from 150 yards and in on the 16<sup>th</sup> hole and a large area from 150 yards to the green on the 13<sup>th</sup>. The extreme heat that followed the rain in June, precluded attempts to

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establish turf until the weather broke in late August. We will work within our Master Plan to develop a more permanent solution to the problems in these areas.

Lastly, the weir system that was installed to divert irrigation water to the pond was not working, because the stream was not kept clear and the water has diverted in a different direction no longer feeding the weir. The original weir system that was supposed to be removed with the installation of the new one allowed the pond to leak down several feet costing even more water. MCRA has been purchasing water continuously since early July in order to keep up however the rate the water comes in does not equal the rate it is put out on the golf course. Therefore, we have been managing water since late July on our in play areas such as greens, fairways, and tees. To date, we have purchased over 20 million gallons of water and pumped it in to the irrigation system. We will continue to review the water system over the upcoming off-season to ensure a more viable level of water for the future.

**Needwood.** The tee boxes on the main course were not aerified and top dressed. As a result the tee boxes needed to be seeded. Once seeding commenced it was not possible to put down any pre-emergent controls, otherwise the chemicals would have killed the grass seedlings. The result was a healthy stand of goose grass and crabgrass. Attempts have been made with extra labor and cost to control the problem using post-emergent applications. We will implement a plan of aerification and slit seeding of the tee complexes in order to bring the turf levels back to a healthy standard. We will then use a tee maintenance program of tee rotation, divot filling with seed mix, and aerification to maintain the health.

Consistent with Northwest, the greens on the main course were very bumpy through the first week of June, because no growth regulator was applied to the greens. Additionally, there were nine greens on the main course that were bumpy and inconsistent as putting surfaces because the turf was very thin. The thin and weak turf areas were prone to weed infestation and required a lot of hand watering at additional labor cost. As indicated with Northwest and Sligo we will initially use an aggressive aerification and topdressing program to correct any problems and then use our approach of regularly scheduled aerification and topdressings to maintain health.

The tee boxes on the executive course had no existing turf when we took over operation. So, one of the first orders of business was to aerify and seed all of the tee boxes. The mounds on all of the greens on the executive course had very little turf. Hand watering techniques must be used to maintain healthy turf on the mounds. To address the problem the mounds were seeded and nursed back to health with hand watering. Our maintenance approach to the executive course will be consistent with the 18-hole course.

**Little Bennett.** The course conditions at Little Bennett have been the biggest challenge for the 2006 season. Tee and green damage is in the process of being repaired and as indicated above we will initially use an aggressive program to return the golf course to health and then implement a more routinely scheduled program to maintain healthy conditions.

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## IRRIGATION SYSTEMS

One of the most important aspects to healthy turf is the proper amount of water. The following is a course-by-course discussion of irrigation challenges. These issues will be reviewed over the next off-season and in the Master Plan to determine the best way to proceed.

**Sligo Creek.** The irrigation system at Sligo is inefficient and inadequate to maintain healthy turf. Over the years it has been cobbled together with a combination of plastic, copper and steel pipe. There is no pump for the irrigation system. It is tied into the public water system and the water pressure is so weak that maintenance staff cannot use more than two sprinkler heads at the same time.

**Northwest.** There were some immediate challenges with the irrigation system that needed to be addressed. We found a number of unmarked and grown over sprinkler heads and valve boxes. There were a number of significant sprinkler coverage issues, including inconsistent coverage in some cases and no sprinkler coverage at all on some of the forward tees. When we arrived, the meter for public water in the pump house was broken. Additionally, as discussed under course conditions, the weir system failure has led to a large expense of water purchasing.

**Needwood.** The irrigation system on the main course has required spot repairs throughout the system. However, the irrigation system on the executive course is in worse shape. Half of the heads and valves on the executive course did not work when we took over. Seventy percent of the heads on the tee boxes did not work, which hastened the demise of the turf on the tees. In addition, there is a nagging problem with the automatic fill on the pump in Lake Needwood that a specialist is attempting to fix. Clearly, the system at Needwood has some needs, however, the irrigation systems at other courses may have be higher priority.

**Little Bennett.** There are significant problems with the irrigation system at Little Bennett. When we took over operations there were at least eight satellite control boxes, which control water output, that were not operational. Daily problems with controllers persist and eat up staff time. Another problem is that the sprinkler heads have been mismatched over time and the system is providing inconsistent coverage. Finally, the weir system, the pump house and the pump itself have been problematic requiring frequent repairs and inordinate staff hours.

## STORMWATER MANAGEMENT ISSUES

There are 11 ponds at the four M-NCPGC golf courses. We are in receipt of Stormwater facility inspection reports for the ponds at Northwest, Needwood, and Little Bennett. We note that there are 47 repairs that are identified in the inspection reports from minor

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vegetation clearing to major clearing of mature pines from a dam that is leaking to a broad range of other stormwater infrastructure repairs. Our expectation is that M-NCPPC will address these issues.

In addition to the pond issues, there are a number of significant drainage issues that surfaced after the heavy storm that we had in late June. The problems were particularly pronounced at Northwest where several golf holes were constructed in the flood plain. Drainage will be a major issue as we get into the Master Plan.

## **VEGETATION MANAGEMENT**

We have noted that there are a large number of dead trees across the properties. Given its relatively small size, the dead tree problem seems worst at Sligo Creek. When we took over the operation of the course, there were 15 dead trees that with diameters up to three feet. Five trees have now been removed for safety reasons and others will need to be removed at Sligo and elsewhere. There are needs for tree removal at other golf facilities as well.

We note that selective tree removal will be required, if healthy turf is to survive. These items were also referenced in the 2005 USGA reports, which were performed for the facilities. There are some places where growing conditions are so inhospitable that turf cannot thrive under even the best conditions. We will also address most of these issues in the Master Plan.

## **PERFORMANCE**

### **Rounds and Gross Revenue Performance: April 15 – August 30, 2006**

Attachment 1 summarizes rounds and revenue performance data from April 15, 2006 through August 30, 2006. Over the four and one-half month period since MCRA has operated the nine golf facilities, there have been 115,381 rounds have been played at MCRA golf courses, which has generated just over \$5.6 million in gross revenues, translating into revenue per round of \$48.32. The M-NCPPC courses played 102,793 rounds in the same period and generated \$3.9 million, which translates into \$37.54 per round. In summary, MCRA rounds played exceeded the number of M-NCPPC rounds by 12 percent. Revenue generated by MCRA courses exceeded revenues at M-NCPPC courses by 44 percent.

### **Relative Performance of Individual Golf Courses: April 15 – August 30, 2006**

Across the nine golf courses, the strongest revenue producer in the system is Falls Road (an 18-hole facility) at \$1.7 in gross revenue over the period. The second and third best

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performers from a gross revenue perspective are Northwest and Needwood (both 27-hole facilities), which generated \$1.4 and \$1.3 million over the period, respectively. Therefore, Falls Road revenues exceeded Northwest and Needwood revenues by 21 percent and 29 percent, respectively. The fourth, fifth, sixth and seventh positions in terms of gross revenue performance in descending order are held down by Laytonsville, Rattlewood, Hampshire Greens and Little Bennett followed by Poolesville and Sligo Creek (the only 9-hole course in the system).

#### **M-NCPPC Year Over Year Comparison – April 15 through July 31, 2005 and 2006**

In this section, we compare revenue and expenditure performance for April 15 – July 31, 2006 to the same period in the year prior for the M-NCPPC golf courses. As Attachment 2 indicates Total Revenues at the M-NCPPC golf courses in 2006 over the three and one-half month period were \$3,058,378 and revenues for the same period in 2005 were \$2,978,688. Therefore, revenues showed a slight increase of 2.7% for the period. An even more significant difference exists when expenses are compared year over year. Specifically, over the three-month period in 2006 expenses were \$1,327,483 and expenses in 2005 were \$2,119,035. Therefore, expenses in 2006 were lower than 2005 expenses by 37 percent. Furthermore, Net Income for 2006 over the three and one-half month period of \$1,730,895 exceeded Net Income for 2005 of \$859,653 by \$871,242.00 or 101 percent.

## **SURVEY RESULTS**

As part of data collection and performance evaluation both agencies have agreed to work together in conducting a survey of the golfers. The survey is designed and administered through the National Golf Foundation. To date the survey has had 1,667 responses of which 312 from Little Bennett, 684 from Needwood, 515 from Northwest, and 156 from Sligo Creek.

In the survey we asked 5 custom questions in order to determine what effect if any the change from Park and Planning to MCRA had on the golfers. The most objective way to determine that was through a series of questions about the golfers' frequency of play year over year both at the facility and as a total. We also offered an open-ended question, which inquired if there was a change at the facility that led to their change in play. A summary of these results is as follows:

### **Little Bennett**

There were a total of 295 responses to the custom questions of which 236 indicated that they had played the course last year and since April 15<sup>th</sup> 2006 and 59 indicated they were new to the facility this season. Of these responses 18 indicated their play at Little Bennett had increased significantly while 35 stated their overall play had increased

significantly, 61 indicated their play had slightly increased at Little Bennett and 74 their total play had slightly increased. 142 stated that their play at Little Bennett had remained the same while 133 indicated that their total play had remained the same and 44 indicated their play at Little Bennett had slightly decreased while 36 of them responded that their total play had slightly decreased. Lastly, 19 respondents responded that their play had significantly decreased at Little Bennett and 9 indicated that their total play had significantly decreased.

In summary, these responses indicate that Little Bennett is capturing 72% of the golfers who responded that their total play had increased and only 29% of respondents that responded their play decreased at Little Bennett did not indicate that their total play had decreased. This shows that based solely on the play of the golfers at the facility there is minimal impact based on any changes at the facility.

### **Needwood**

There were a total of 636 responses to the custom questions of which 555 indicated that they had played the course last year and since April 15<sup>th</sup> 2006 and 65 indicated they were new to the facility this season. Of these responses 62 indicated their play at Needwood had increased significantly while 87 stated their overall play had increased significantly. 182 indicated their play had slightly increased at Needwood and 199 their total play had slightly increased. 285 stated that their play at Needwood had remained the same while 265 indicated that their total play had remained the same and 70 indicated their play at Needwood had slightly decreased while 65 of them responded that their total play had slightly decreased. Lastly, 24 respondents responded that their play had significantly decreased at Needwood and 16 indicated that their total play had significantly decreased.

In summary, these responses indicate that Needwood is capturing 85% of the golfers who responded that their total play had increased and only 24% of respondents that responded their play decreased at Needwood did not indicate that their total play had decreased. This shows that based solely on the play of the golfers at the facility there is minimal impact based on any changes at the facility.

### **Northwest**

There were a total of 486 responses to the custom questions of which 426 indicated that they had played the course last year and since April 15<sup>th</sup> 2006 and 42 indicated they were new to the facility this season. Of these responses 51 indicated their play at Northwest had increased significantly while 64 stated their overall play had increased significantly. 114 indicated their play had slightly increased at Northwest and 134 their total play had slightly increased. 215 stated that their play at Northwest had remained the same while 214 indicated that their total play had remained the same and 64 indicated their play at Northwest had slightly decreased while 55 of them responded that their total play had slightly decreased. Lastly, 30 respondents responded that their play had significantly decreased at Northwest and 12 indicated that their total play had significantly decreased.

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In summary, these responses indicate that Northwest is capturing 80% of the golfers who responded that their total play had increased and only 29% of respondents that responded their play decreased at Northwest did not indicate that their total play had decreased. This shows that based solely on the play of the golfers at the facility there is minimal impact based on any changes at the facility.

### **Sligo Creek**

There were a total of 154 responses to the custom questions of which 120 indicated that they had played the course last year and since April 15<sup>th</sup> 2006 and 11 indicated they were new to the facility this season. Of these responses 7 indicated their play at Sligo Creek had increased significantly while 6 stated their overall play had increased significantly. 15 indicated their play had slightly increased at Sligo Creek and 33 their total play had slightly increased. 76 stated that their play at Sligo Creek had remained the same while 54 indicated that their total play had remained the same and 15 indicated their play at Sligo Creek had slightly decreased while 18 of them responded that their total play had slightly decreased. Lastly, 7 respondents responded that their play had significantly decreased at Sligo Creek and 6 indicated that their total play had significantly decreased.

In summary, these responses indicate that Sligo Creek is capturing 69% of the golfers who responded that their total play had increased and only 8% of respondents that indicated their play decreased at Sligo Creek did not indicate that their total play had decreased. This shows that based solely on the play of the golfers at the facility there is minimal impact based on any changes at the facility.

## **FUTURE PLANS**

The future is bright for public golf in Montgomery County, Maryland. As we close out this initial transition period, we know a lot more about what needs to be done. The transition will be a work in progress for some time. All one needs to do is to go to Falls Road or Laytonsville after the complete renovations of buildings, facilities and the golf courses to get a sense about what is possible at the four M-NCPPC golf courses. There is a lot to do and we have already done a lot to raise the bar for public golf in our County.

As mentioned in the early pages of this report, we are using a business model that has been successful in the past. We know that culture change is hard work, but we are making substantial headway in that arena. Simply put, employees are getting it. In addition, you will find us very receptive to the concerns of customers as we address the issues of loyalty programs, on line tee times and their other concerns outlined by our customers in the surveys.

We have already begun to aggressively attack course conditions. It will take a growing season or two to get turf conditions to an acceptable level, although improvement in turf

quality will occur as soon as the first major round of aerification is complete this month. Appropriate turf management programs, including capable staff, proper cultural practices, acceptably equipped and maintained irrigation systems and properly maintained rolling stock will go a long way to turning around the quality of the turf at the four M-NCPPC golf courses.

We are aware that a sufficient amount of properly maintained equipment is essential to quality course conditions. We have assessed the equipment that is owned by M-NCPPC additional equipment is required to do the job that needs to be done. We have also noted that there are some pieces of equipment that need to be replaced.

We are also aware that it takes much more than a high quality maintenance effort to ensure the quality of the turf. Given the significant drainage issues at the four courses, more permanent solutions to turf issues will need to be addressed. Because we are concerned about the maintainability of the facilities, we are looking seriously at drainage issues in our Master Plan effort.

MCRA will also be considering addressing playability of the golf courses in the Master Plan process. One of the issues related to golf facility performance is the level of enjoyment one gets playing the facility. There are some issues related to playability, especially, at Little Bennett, but other courses as well that should be addressed to make the facilities more playable to a broader range of golfers. For instance, we are looking the issues of long, difficult carries and installation of additional forward tees to attract more golfers and to make a golf round as pleasant as can be so that golfers of all skill levels will come back.

Our Master Plan will also include several revenue generation opportunities in the future of the four M-NCPPC golf courses. We feel that a number of improvements will be immediate and potentially significant revenue generators.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Department of Parks, Montgomery County, Maryland  
9500 Brunett Avenue, Silver Spring, Maryland 20901



September 6, 2006

**MEMORANDUM**

TO: Mary Bradford, Director of Parks  
FROM: Jerry Bush, Acting Chief, Enterprise Division  
SUBJECT: Assessment of Revenue Authority Performance

Per your recent request, the following is a brief staff assessment of the Revenue Authority's performance in managing the Department's four golf courses since the transfer of operations on April 15, 2006.

To date, the Enterprise Division Office has received few if any calls from the general public regarding the Revenue Authority's management of the courses. This assessment is largely a compilation of observations by staff, both former golf employees and non-golf employees, and other anecdotal information.

This assessment is in three parts: general operational matters, course conditions, and environmental issues.

General Operational Matters

Overall, our experience in working with the Revenue Authority (RA) staff has been positive. Since April 15, there have been two meetings and countless e-mails and phone conversations between Enterprise Division and RA management. For the most part, we have found them to be reasonably, if not very, responsive.

Park Development staff has interacted with RA staff on a couple stream projects on the golf courses and has found them to be cooperative.

The main difficulty we have experienced is in coming to an understanding on how the security alarms at the courses are to be maintained and monitored. However, I believe we are sorting through the confusion and have general agreement on each party's respective responsibilities.

Attachment 2



The few operational related comments we have received are from former employees who have played the courses since April 15, and have to do with the lack of employees in the pro shops and out on the course (rangers). No one has specifically complained that service was adversely affected due to fewer employees.

#### Course Conditions

Course conditions have been a subject of considerable conversation over the past several months. General observations and comments about the current condition of the courses include the following.

- Greens are diseased and weed infested.
- Porta johns and clubhouse bathrooms are not regularly cleaned.
- Tees are weed infested and badly damaged from the divots.
- Fairways and out of bounds areas are brown; grass growth on some fairways is sparse.
- The new no-mow areas collect trash and some are in locations that affect pace of play.
- Selected flower/landscape beds are weed infested.
- There seems to be deterioration in the general upkeep of the grounds around the clubhouses, driving ranges, and maintenance yards (grass cutting, trash pickup, maintenance of ornamental beds, etc.)
- Simple equipment and facility repairs go unattended.

All of these conditions are not necessarily found at every course. Where found, they are not necessarily pervasive. For instance, all greens at a particular course may not have problems.

The turf conditions cited above appear to be spotty and, in some cases, involve areas of the courses that were difficult to maintain under Commission management, and/or may have been particularly affected by the rain in late June/early July.

The most serious complaints involve Northwest and Little Bennett. In addition to the general problems noted above, these two courses suffered particularly severe damage to selected holes.

The chipping green and at least four of the on-course greens at Little Bennett are experiencing significant problems, to the point that one or more holes have makeshift temporary greens.

Northwest was hit particularly hard by the rain in June/July. The RA reported turf damage on several holes due to silt deposits and ponding water. To a lesser degree, the same type of damage was experienced at Little Bennett and Needwood.

There are a number of extenuating circumstances that could have, and in some cases definitely did, contribute to the above-described conditions.

- The very nature and timing of this transfer made the transition difficult for all concerned. For the most part, RA staff walked in cold with little or no knowledge of the particular

idiosyncrasies of their respective courses. For instance, the composition of the greens at both Northwest and Little Bennett are challenging to maintain under the best of conditions and are particularly unforgiving for the uninitiated.

- By all accounts, the RA has had difficulty finding enough qualified maintenance staff to take over and sustain these operations, at least during the initial weeks after April 15. Little Bennett Golf Course, for one, is still looking for maintenance staff.

- The extreme rains in late June and early July had a singular effect on course conditions and playability. It would be difficult for any golf course to bounce back immediately after such damage.

The degree to which play has been affected by these conditions is unknown. The RA has reported rounds for all four courses totaling 79,783 for the period April 15 through July 31. For the same time period last year, golf rounds under Commission management totaled approximately 75,884. In addition, the National Golf Foundation is currently conducting a survey of current and former golfers at our four courses, the results of which should give us more statistically compelling evidence of the golfers satisfaction with current management.

#### Environmental Issues

Natural Resources staff was asked to visit the golf courses and assess conditions from an environmental standpoint.

Several NPDES (National Pollutant Discharge Elimination System) violations were found in the maintenance yards. The staff report on those violations is attached. The report was forwarded to the RA on August 28, and they were instructed to correct the problems.

Some concerns were raised initially by Natural Resources staff about the RA's intentions with respect to tree removal on Commission golf courses. These concerns were passed on to RA staff early on, and there have been no indications that there has been wholesale tree removal on any of the courses. By all rights, certain trees need to come out from time to time due to damage, safety concerns for golfers, or for turf management purposes. Sligo in particular has a number of trees that should be removed to improve turf conditions on greens and tees.

To date, no other environmental concerns have been brought to the attention of the Enterprise Division Office.

#### Conclusion

Differences were anticipated in the manner in which the RA would manage and maintain the golf courses versus the Commission. Certainly differences have been seen. Former golf staff and other employees who have played the courses perceive of the differences as dramatic. How the public perceives the differences remains to be seen in the results of the survey.

likely the public testimony this fall when the lease comes up for review by the Board and the Council, and ultimately the number of rounds played.

Even if future course maintenance under the RA is not on par with previous maintenance efforts under the Commission (which came at a price), it is apparent that there are immediate problems that need to be addressed. It is up to the RA to speak to these issues in front of the Board, the Council, and the public in the upcoming hearings regarding the lease.

Attachment