

Val Halla Board of Trustees

Wednesday, March 9, 2011 at 6:00 p.m. to 7:25 p.m.

Town Office – Council Chambers

Meeting Minutes

Present: Steve Sloan, Judy Ingraham, Rick Scott, Norene Ward, Tim Moody, John Zappia and Paul Dugas.

Absent: Bill Putnam, Jeff Porter, Council Liaison, Brian Bickford, Director of Golf & Recreation Director and Toby Young, Golf Course Superintendent.

Others Present: Bill Shane, Town Manager, Alex Kimball, Finance Director, Bill Stiles, Council Liaison, Cynthia Stennett, Jack McCarthy, Mike and Lovell Smith.

I. Welcome & Introduction of Guests –Steve Sloan called the meeting to order at 6:00 and thanked everyone for attending. Steve introduced Paul Dugas, the newest Board Member, to all of the other Board members. He also introduced Mike and Lowell Smith, the new operators of “Rachel’s on the Green” and extended a greeting to Jack McCarthy.

Bill Shane also introduced Mike and Lowell Smith and told the Board that they had been selected to run the bar and grill from the four individuals who had submitted proposals to the Town for this purpose. The new restaurant will be called “Rachel’s on the Green” and he stated that everyone was very excited about working with Mike and Lowell. He also stated that the contract date will be effective on Monday, April 4, 2011. Bill Shane explained that they were currently work with Charlie Sparrow to do some renovations and would be finishing up shortly and they will be “ready to go” for the Open House on April 9th.

Mike and Lowell Smith presented some sample menus of the type of items that would be offered and discussed their vision for the operation of “Rachel’s on the Green” and how they planned on doing business. Lowell did express some concern about the liquor license and Bill Shane stated that they anticipated that would be done on a case by case basis. He also stated that the MSGA will not be booking any more events in the banquet room for the remainder of the year and that they plan on building offices in that space and not using it as a banquet center.

Norene stated that she hoped that the emphasis would be on their running a “grill” which just happened to have a bar; not a bar that has a “grill”. She also stated that she felt it was important for them to able to attract golfers as well as non-golfers and both Lowell and Mike stated that they felt it was important that everyone feel welcome and emphasized that they will be offering “table service”.

Judy asked what was planned for the deck and Mike and Lowell stated that they are in the process of looking at purchasing some patio furniture and chair sets versus picnic tables. They both indicated that there will be table service on the deck as well. The general consensus was

that the picnic tables would be the less desirable option and the patio furniture was more desirable.

There was some discussion about providing a location for smokers away from the deck or restaurant area.

Bill Shane extended his thanks and appreciation for Steve, Norene and Rick Scott for their efforts in going through the selection process and stated that he hoped that this would be a long and successful partnership for all parties.

Lowell stated that they will be adequately staffed and that the staff will be wearing different color shirts – black for the cooks and yellow for the wait staff. He also stated that both he and Mike were very open to any suggestions, comments or concerns. Lowell's position will be that of hiring, overseeing operations and staff training and Mike will be the on-site manager, occasional bartending, cleaning tables and ordering and receiving products. They also gave a break-down of the staff they intend to hire.

Bill Stiles indicated that he felt it was important that it be prominently displayed who will be the "Manager on Duty" at all times. John asked if the hours were always going to be the same and Mike indicated that they would like to keep the hours consistent throughout the summer, with some modifications during the non-golf seasons. Mike emphasized that it is a golf course first and a restaurant second and indicated that they were thinking about some type of board outside of the restaurant, which announces when tournaments were going on so that the public could be aware and plan accordingly.

Tim stated that he felt everything sounded great and hoped that they would get a good response from both golfers and non-golfers in the community. Mike also informed the Board that they have purchased a brand new point of sale system to be used in two locations, which they feel will greatly assist in tracking staff and keeping track of what is going on in the restaurant insofar as sales and inventory goes.

II. Approval of December 8, 2010 Minutes – Steve Sloan asked if everyone had an opportunity to review the December 8, 2010 minutes in their packets. Seeing that there were no corrections, additions or deletions, a motion to accept the minutes as written was made by Norene Ward and seconded by Tim Moody.

VOTE: MOTION PASSED UNANIMOUSLY.

III. Election of 2011 Officers – Steve indicated that he had received an e-mail from Bill Putnam indicating that he was willing to serve again, but stated that Bill will be traveling quite a bit and wanted to make sure that the Board knew that in before any decision was made. Steve nominated Tim Moody, the Vice-Chair, to move into the Chair position and Norene seconded it.

VOTE: MOTION PASSED UNANIMOUSLY.

Norene nominated Rick Scott to serve as Vice-Chair and it was seconded by Steve Sloan.

VOTE: MOTION PASSED UNANIMOUSLY.

IV. Val Halla Golf Association – Steve stated that the Tournament Committee has been very active and all of the men’s and ladies tournament dates have been set, and they are meeting tonight to finalize the remaining tournaments. He stated that at the Executive Board meeting last week it had been decided to increase the Val Halla Golf Association membership to \$35 per year to cover increased operational costs.

V. Green’s Committee Report – Due to the absence of Steve Quigley, there was no Green’s Committee Report this month.

VI. Public Comment - None

VII. Review of Revenue Reports – Alex indicated it was a very similar month to the previous year but that he wanted to point out to the Board that we are running about \$20,000 better than last year. He emphasized that this is a good number, but when looked at in relation to the fact that it was such a busy summer, the numbers are not that good.

Because of this information, Alex stated that he anticipates a net loss of approximately \$75,000 for the year. He stated that from a financial perspective, “the later the course opens, the better” because the course loses money in March, April and the first part of May as there are a lot of expenses and not enough revenues to cover them.

Alex brought the Board’s attention to the budget that had been presented and stated that it addresses the areas where there were shortfalls, i.e., greens fees and golf memberships. He brought the Board’s attention to the \$25 increase for residents and \$50 increase for non-residents, which was built into it.

He stated that the revenues for the Junior Golf and Tennis Programs and the Wine ‘n Nine Programs are reflected in the budget this year as opposed to prior years as well as the fact that a staff person will probably be going over to the Public Works budget, both of which have really helped to allow us to come closer to the budget this year.

Alex stated that the revenue for Other Rental Income, “Rachel’s on the Green” reflects the revenue anticipated from the recently negotiated contract. He also stated that the electricity costs for the tennis court lights will now be coming out of Recreation

Bill Shane emphasized to the Board that they have built in additional numbers, which should allow us to come in closer to the budget helping to make up the difference of the \$75,000 net loss. This was done operationally and also by shifting line items around. He strongly stated that he felt that the membership rates will have to be looked at if these numbers can’t be made up and will probably increase by \$50 for residents and \$100 for Non-Residents and stressed that the Board Members should be prepared to see that type of increase for memberships. With that being said, he stated that the membership rates are still much lower than 2003 rates and emphasized that the Town has shifted a lot of these funds into the General Fund and it would be a lot worse if that had not been done. Bill Shane stated that he felt there would have to be a

revenue adjustment, which will generate approximately another \$20,000 in additional revenues. He stated that this will eventually have to be paid down and that we would have to pay ourselves back and possibly write off some of the debt. He reminded the Board that they are a public golf course and we don't want to price ourselves too high.

Bill reiterated that the sale of the banquet center in the Fall would help take some of the debt off the books. Bill Stiles stated that he felt it was important to keep something in the membership book that entices people to have a membership. Judy brought up the issue of marketing to bring in friends of members, advertise the 10% credit, improving play on the course and the option of new carts usage with memberships.

Paul asked about bringing in more revenues and the recommendation was made by Bill Shane that he and Brian get together to discuss the \$75,000 loss and talk about how that gap is closing.

Alex stated that he felt that the memberships are a "wild card" as they are very unpredictable, which is why he is unsure about the amount of the increase for memberships. He also stated that, unfortunately, the past summer was probably the most disappointing one for Val Halla as they had not seen the types of revenues increases which they had hoped to see, even though it had appeared to be one of the better summers in recent years.

Norene stated that she felt that Val Halla was a premier course right now and she felt that people would not mind paying more for memberships in light of that fact.

VIII. New Business:

a. Business Reports:

I. Department Reports:

1. Brian Bickford – Pro Shop

In Brian's absence, there was no Pro Shop report this month.

2. Toby Young – Course

Tim asked how the course was looking and Bill Shane stated that he expects Toby to begin clearing off greens this week and get them up to temperature as he needs to have them exposed for 55 days.

Bill also stated that there had been some dredging done over the winter to help the suction lines of the irrigation system to prevent them from silting in and pumping mud all over the course. He also stated that it looks as though it will be a yearly project.

Steve asked about whether Toby and the other Golf Course Superintendents could form a regional group to bid on chemicals and Bill Shane indicated that he is currently doing that.

- b. Other New Business** – Steve asked about what the First Tee Program would do for Val Halla and Bill Shane stated that he felt it would help with capital projects, i.e., putting green and assistance with driving range and hole placements and that the Junior Golf Program will continue to grow. He stated that he will be meeting with Kate Boyle and Brian to go over the situation and added that this is a long-term commitment for the Town.

Bill Shane stated that the overhead garage door will be installed next week under the MSGA banquet room. He informed the Board that the agreement for the sale of the facility has been re-negotiated to just the first floor for \$500,000 and that the basement will be used for cart storage. The new carts will arrive next week and the project should be done by the end of the month.

Steve Sloan stated that he had heard that he is being blamed for who was and was not awarded the contract for the operation of the bar and grill. He stated that he wanted it documented for the record that it was not his decision, but that of a committee of Board Members who had met and reviewed the RFP's and made a recommendation to the Town Council, after a fair and thorough examination of all applicants.

IX. Old Business – Bill Stiles stated that the Charter needs to be amended to reflect up to 9 members serving three year terms and that it will be worked on.

X. Final Public Comment – None.

XI. Adjournment, next meeting, Wednesday, April 13, 2011, 6:00 p.m. in the Council Chambers at Town Hall. A motion to adjourn was made by John Zappia and seconded by Paul Dugas. There was some discussion about when to move the meeting to Val Halla and it was agreed that once the course is open, it should be looked at again and a decision will be made at that time. Meeting adjourned at 7:25 p.m.

VOTE: MOTION PASSED UNANIMOUSLY.

Respectfully submitted,

Cynthia A. Stennett
Recording Secretary