

February 8, 2021

Mayor Robert Simison & City Council City of Meridian, Idaho

## Re: NGF Opinion - Urgent Need for Golf Carts & Maint. Equipment at Lakeview GC

Dear Mayor Simison and Councilmembers,

As you know, a key component of NGF's strategic master plan for Lakeview Golf Course is creating a prioritized capital improvement plan for the golf course. The full capital plan is under development and will delivered by early March. It will comprise items related to infrastructure, safety, playability, and course interest. Another key component of the plan is related to equipment needs – specifically, some "mission-critical" items that are necessary for Lakeview to remain a viable golf course under City of Meridian stewardship and are the focus of this summary letter.

NGF's professional opinions expressed in this letter are based on: conversations with the Lakeview superintendent; review of the equipment list showing age, condition and number of hours in service (maintenance equipment); the visual inspection of golf carts and maintenance equipment by NGF team member Forrest Richardson; and, extensive industry experience.

It is apparent to the NGF team that the City is essentially "starting from scratch" with respect to carts and maintenance equipment at Lakeview. We have seen this dynamic on numerous occasions when a municipality is "handed the keys" after a long period of leasing assets to a private operator. Some lessees invest little in golf course assets in the final years of their agreements, and that certainly appears to be the case with Lakeview. We believe that the City's investment in carts and equipment falls under the category of necessary start-up costs to maintain a good quality, competitive municipal golf course.

Having a fleet of reliable, quality carts in good condition ties directly to revenue generation and Lakeview's ability to compete effectively in a crowded market that includes many high-quality choices for daily fee golfers. Additionally, a new fleet could justify a modest fee increase for cart rentals (to be addressed in full NGF report). Finally, an important consideration for municipal clients that are new to the business of golf is that the golf carts are very public-facing, and reflect on the image of the City in the minds of customers.

In our view, good-quality maintenance equipment and a reliable irrigation source are the lifeblood of the golf course operation. Having poor-conditioned equipment that is in continual need of repair and under threat of breakdown results in inefficiencies and poor playing conditions, a dynamic that makes it difficult to compete for market share. (NGF golfer surveys consistently show that course conditions – especially greens - are the most important factor for golfers when choosing a place to play). Good golf course maintenance conditions also correlate positively to surrounding home values and the brand image of the municipal owner.

The NGF team has reviewed the priority equipment list prepared by KemperSports staff, including those items labeled as "ASAP", such as the rough mower and the two greens mowers. We concur that the cart and equipment items requested by KemperSports are both reasonable and essential to the operation of Lakeview GC, and to the City's successful stewardship of the golf course asset. Thank you.

Sincerely,

Actherall

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