

MINUTES

Board of Directors Meeting Douglas Public Facility Municipal Property Corporation

Tuesday, March 17, 2020, at 5:30 p.m.

at

Douglas Golf Course
1372 Fairway Drive
Douglas, AZ 85607

1. Call to Order

Meeting was called to order by Mr. Selchow at 5:34 pm

2. Roll Call

Board Members present were: Bosco Selchow, Ruben and Manny Robles, Francisco "Tachi" Durazo, Kevin Alvarado, Nick Forsythe and David Arzate. City Official(s) present was Luis Pedroza, City of Douglas Management Services Director/City Treasurer, along with Ken Nelson as a guest.

3. Persons wishing to address the committee in writing or verbally on any item not on the agenda.

(NONE)

4. Report on Balance Sheet and/or Bank Balance(s) update/report on current months for the Douglas Public Facility Municipal Property Corporation, as well as discussion/presentation on the MPC Golf subsidy.

The Board chair noted that budget presented was a bit inaccurate on the food number, and that on the budget submitted all passes were combined under greens fees. Mr. Pedroza noted that otherwise the figures are representative of the overall actuals and the comparisons are mostly representative. Mr. Pedroza went on to say that revenue collections are at about 50% as to this budget, with greens fees down but beverage sales are up (along with the attendant purchases that are also up) as compared to budgeted amounts. Actuals thru December are correct and variances compared to budget need to be confirmed per the submitted budget per Tachi Durazo as to what has been done against the subsidy. On the expense side it was reported to be at 55%, slightly over by 5% due to unexpected/emergency pump motor repair expenses, plus 2 air conditioners that had to be installed (these are rolled into 1 overall golf/clubhouse maintenance line item). Utility expenses were briefly discussed as also holding to a reasonable level. We are over by \$26K currently in the budget, and are still awaiting numbers from Larry Moss. Current

bank balance is \$24,457 (RV Park revenues really helping out at this time) with anticipated payroll expenses, along with chemicals (undisclosed amount) and back-taxes that have been paid around \$5K.

5. Information/Discussion, Reporting and possible Decision or Direction pertaining to aspects presented in the periodic standing report from staff regarding maintenance of the golf course MPC facility, equipment and water delivery system.

Bosco Selchow announced/reported project to use putting green to be used to patch 9 and 12 greens, and maybe move putting green. Mr. Arzate reported green problems will be ongoing, and may be a violation of having a sod farm per Mr. Forrest. Tachi Durazo proposed maybe looking into buying sod to put down before the Labor Day tournament and Ruben Robles and Tachi Durazo brought up time line as to where green conditions need to be and as to the aeration that is currently behind this schedule noted Bosco Selchow. Prioritization list has not been formalized per Bosco Selchow, but then Mr. Durazo suggested that Robert Forrest should be the one to formalize the golf course priority list (issues and actions) and asked about fairway herbicide applications and efficacy as to any such application. Greens should be number 1, and decaying on tee boxes with rodent infestation on numbers 2, 3, 4 5 and 8 and 15 noted Ruben Robles. Accountability was raised by Mr. Arzate and Tachi Durazo along with working capital usages. A motion was made by Manny Robles and seconded by Tachi Durazo for Robert Forrest to prepare a list of priority list and action plan for course and the item was approved unanimously.

Bathroom repairs were briefly identified and discussed. Paper supply inventories and the ordering of same were discussed along with comments by City staff that there is a back-order issue on paper supplies. Electric control panels testing as coordinated by David Arzate were also briefly raised, and are to be reported on in the near future.

6. Information/Discussion and possible Decision or Direction regarding MPC Administrative Action Plan to improve the course and overall condition of the facilities.

(PREVIOUSLY DISCUSSED AS PART OF AGENDA ITEM # FIVE)

7. Discussion/Decision regarding approval of facility's rental property lease terms and rate.

A tenant has moved in and positive rental payment reports were received for this item along with the news that a lease agreement is to be signed as provided by the city's legal department; as reported by the Board chair.

8. Information/Discussion and possible Decision or Direction regarding fees of RV Park and report from City staff on status of talks with City regarding possible access to private RV, as well as any report from City Staff.

The new rates need to be upgraded/uploaded on our website per David Arzate and then Board heard from Luis Pedrosa about Jim Schumacher access requests from the City, and how these included 3 options presented by Mr. Schumacher. City rejected all 3 options and is pragmatically considering access through Golf Course Road on the west side of the

Foreman property but nothing has been formalized in terms of moving that request forward by the City. Then several board members explained that there is insufficient room there to put in or create an ingress/egress type ROW due to the 4 green and it would parallel the 5 hole to the north causing potential loss of golf play area. Manny Robles suggested an easement could be sought by Jim Schumacher from the Curfman brothers that hold real estate nearby. Liability still remains as an issue that needs to be resolved prior to any access being granted was mentioned by several members.

9. Information/Update with a possible Discussion/Decision on current events, updates or concerns at the golf course since the January, 2020 meeting.

Chair noted that despite the current pandemic situation there has been no closure directive from the City. Bosco Selchow commented that future functions will have to be limited in size and under 10 people (including employees) and the food service will likely be reduced to strictly take-out service, and social distancing protocol was discussed but it will be left up to the Board for now, with likely cancellations of large gatherings occurring for the clubhouse and operations will be on a semi-hold for the unforeseeable future. Safety/sanitation measures were also discussed for the golf facility and seem to be already implemented to some degree at the facility. Light the D tournament was cancelled and the walk-in cooler is still out of order, and requested from City staff to remove the cooler from the women's bath room.

10. Discussion and direction/consensus for items to be discussed at future meetings.

Items to be presented at next meeting to include standing financial and facility reports and priority documents from Mr. Forrest (as acted upon by Board per agenda item # 5) and blending items 4 & 5 into one item.

11. Adjournment

A motion was made by Ruben Robles and seconded by Tachi Durazo to adjourn the meeting at 6:19 pm, and the motion was approved unanimously.

Prepared by Juan Pablo Flores, Douglas City Attorney