

COUNCIL OF THE COUNTY OF MAUI

**ECONOMIC DEVELOPMENT, AGRICULTURE,
AND RECREATION COMMITTEE**

September 16, 2011

**Committee
Report No.** _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Economic Development, Agriculture, and Recreation Committee, having met on June 30, 2011, August 18, 2011, and September 1, 2011, makes reference to a Miscellaneous Communication dated May 26, 2011, from the County Clerk, reporting that on May 24, 2011, the Council referred the matter relating to the overall condition and operation of the Waiehu Municipal Golf Course to your Committee.

Your Committee notes that in 2008, the Council authorized the Council Chair to contract for a performance audit of the Waiehu Municipal Golf Course (Resolution 08-38). In lieu of a performance audit, the Council Chair approved a contract with the United States Golf Association ("USGA") for a review of the operations and facilities at the Waiehu Municipal Golf Course. On October 29, 2008, the USGA conducted a turf advisory service visit of the Waiehu Municipal Golf Course and subsequently submitted its report to the Council.

Your Committee further notes that during the Budget and Finance Committee's review of the Fiscal Year 2012 Budget, the Committee questioned the overall condition and operation of the golf course since the 2008 USGA visit. The Council referred this matter to your Committee for further review (Committee Report 11-45).

Your Committee received a presentation from representatives of the Department of Parks and Recreation detailing the improvements made to the Waiehu Municipal Golf Course since the 2008 USGA visit.

The Chair of your Committee transmitted the following proposed resolutions for consideration:

1. A proposed resolution entitled "AUTHORIZING THE COUNCIL CHAIR TO CONTRACT FOR AN UPDATED TURF ADVISORY SERVICE VISIT AT THE WAIEHU MUNICIPAL GOLF COURSE". The purpose of the proposed resolution is to authorize the Council Chair to contract for

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an updated turf advisory service visit and evaluation of the Waiehu Municipal Golf Course.

2. A proposed resolution entitled "AUTHORIZING THE COUNCIL CHAIR TO CONTRACT FOR AN OPERATIONAL REVIEW REGARDING THE FUTURE OPERATION AND MANAGEMENT OF THE WAIEHU MUNICIPAL GOLF COURSE". The purpose of the proposed resolution is to authorize the Council Chair to contract for an operational review of the Waiehu Municipal Golf Course.

Your Committee supported objective third-party reviews of the Waiehu Municipal Golf Course to independently assess the condition of the golf course and the improvements that may be needed. Your Committee recommended that the Council Chair contract for two reviews; one review to update the 2008 USGA report and a second review to explore the future operation and management of the golf course. The operational review could include options to improve the management, condition, and financial feasibility of the Waiehu Municipal Golf Course.

Your Committee revised both resolutions to specify a completion date prior to the Council's discussion of the Fiscal Year 2013 Budget. Your Committee revised the resolution authorizing a turf advisory service visit to require that the report be completed and submitted to the Council Chair by February 1, 2012. Your Committee revised the resolution authorizing an operational review to require that the draft findings be completed and submitted to the Council Chair by February 28, 2012.

Your Committee voted 6-0 to recommend adoption of the revised proposed resolution authorizing an updated turf advisory service visit. Committee Chair White, Vice-Chair Cochran, and members Baisa, Couch, Hokama, and Pontanilla voted "aye". Committee member Carroll was excused.

Your Committee voted 7-0 to recommend adoption of the revised proposed resolution authorizing an operational review. Committee Chair White, Vice-Chair Cochran, and members Baisa, Carroll, Couch, Hokama, and Pontanilla voted "aye".

Your Committee is in receipt of both revised proposed resolutions, approved as to form and legality by the Department of the Corporation Counsel.

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Your Economic Development, Agriculture, and Recreation Committee
RECOMMENDS the following:

1. That Resolution _____, attached hereto, entitled
"AUTHORIZING THE COUNCIL CHAIR TO CONTRACT FOR AN
UPDATED TURF ADVISORY SERVICE VISIT AT THE WAIIEHU
MUNICIPAL GOLF COURSE", be ADOPTED; and

2. That Resolution _____, attached hereto, entitled
"AUTHORIZING THE COUNCIL CHAIR TO CONTRACT FOR AN
OPERATIONAL REVIEW REGARDING THE FUTURE OPERATION
AND MANAGEMENT OF THE WAIIEHU MUNICIPAL GOLF
COURSE", be ADOPTED.

This report is submitted in accordance with Rule 8 of the Rules of the Council.



MIKE WHITE, Chair

Resolution

No. _____

AUTHORIZING THE COUNCIL CHAIR TO CONTRACT FOR AN UPDATED TURF ADVISORY SERVICE VISIT AT THE WAIEHU MUNICIPAL GOLF COURSE

WHEREAS, the United States Golf Association (“USGA”) conducted a Turf Advisory Service Visit at the Waiehu Municipal Golf Course on October 29, 2008; and

WHEREAS, the stated intent of the report issued by the USGA following this visit was to provide unbiased information for the betterment of the golf course and players while keeping the budget in mind; and

WHEREAS, Larry Gilhuly, the Northwest Director of the USGA Green Section, stated that the visit provided a complete audit of the golf course maintenance operation and resulted in specific recommendations for improvement at the golf course in order to make the golf course a stand-alone enterprise fund; and

WHEREAS, among the observations made was the suggestion that a follow-up visit or audit be conducted to assess the progress made by the golf course management; and

WHEREAS, nearly three years have passed since the visit and, although efforts have been made by both the supervisory personnel and the maintenance staff to follow the recommendations of the 2008 report, only a new Turf Advisory Service Visit will allow such improvements to be objectively evaluated; and

WHEREAS, the 2008 report cited an operational loss of approximately \$300,000 over 80,000 rounds of play, but indicated that fees that could generate a healthier enterprise fund should not be raised until conditions improve; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That it hereby authorizes the Council Chair to contract for an updated Turf Advisory Service Visit at the Waiehu Municipal Golf Course;
2. The the updated turf advisory service visit report be completed and submitted to the Council Chair no later than February 1, 2012; and
3. That certified copies of this resolution be transmitted to the Mayor, the Managing Director, the Director of Finance, the Director of Parks and Recreation, and the Superintendent of the Waiehu Municipal Golf Course.

APPROVED AS TO FORM AND LEGALITY:



JEFFREY UEOKA

Deputy Corporation Counsel
County of Maui

Resolution

No. _____

AUTHORIZING THE COUNCIL CHAIR TO
CONTRACT FOR AN OPERATIONAL REVIEW
REGARDING THE FUTURE OPERATION AND
MANAGEMENT OF THE WAIIEHU MUNICIPAL GOLF
COURSE

WHEREAS, the Waiehu Municipal Golf Course is the only County-owned and operated golf course in Maui County; and

WHEREAS, it is projected that over 83,000 rounds of golf will be played this year at the Waiehu Municipal Golf Course by residents of Maui County, visitors from the neighbor islands, and tourists; and

WHEREAS, recommendations have been made to the Department of Parks and Recreation on how best to improve conditions at the golf course with a limited financial commitment; and

WHEREAS, the concessionaires at the golf course have stated in the past that the conditions of the golf course have impacted their ability to operate their businesses; and

WHEREAS, the County has continued to supplement the golf course special fund and struggles with the challenge, imposed by ordinance, to make the golf course self-supporting; and

WHEREAS, the Council is considering alternatives to the current operational structure of the golf course, including the possibility of a private management company taking over the facility; and

WHEREAS, matters that are essential to this discussion include obtaining accurate information regarding the current operations, conducting an assessment of the market that the Waiehu Municipal Golf Course competes in, and related issues; and

WHEREAS, a professional third-party study could present additional options available to the County to improve the management, conditions, and financial feasibility of the Waiehu Municipal Golf Course; now, therefore,

Resolution No. _____

BE IT RESOLVED by the Council of the County of Maui:

1. That it hereby authorizes the Council Chair to contract for an operational review regarding the future operation and management of the Waiehu Municipal Golf Course, including possible privatization or concession;
2. That the draft report resulting from this operational review be completed and submitted to the Council Chair no later than February 28, 2012; and
3. That certified copies of this resolution be transmitted to the Mayor, the Managing Director, the Director of Finance, the Director of Parks and Recreation, and the Superintendent of the Waiehu Municipal Golf Course.

APPROVED AS TO FORM AND LEGALITY



Department of the Corporation Counsel
County of Maui

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