Pusch Ridge Operations Analysis

1 Analysis

1.1 Summary:

This analysis includes a thorough review of the Pusch Ridge 9-Hole Golf Course ("Pusch Ridge") operations and facilities on an 'as-is' basis, as well as an examination of the continued feasibility of the course and associated capital requirements.

The analysis includes an evaluation of the system as it is presently operated and assumes continued operation as a golf facility. The Town can always consider outright closure of the golf course, although this would create a separate set of issues that would need to be reviewed and planned for, which are not considered in this analysis.

The Pusch Ridge 9-Hole Golf Course is likely to be able to cover its operating expenses through its gross income. This is largely possible by strong annual numbers of golf rounds.

Such a positive net operating income is made possible by a couple of key factors:

1. *The course benefits from Indigo's management and the associated economies of scale and shared resources that come from being part of a 45-hole golf operation.*
2. *The Friends of Pusch Ridge Golf (FOPRG) provide much assistance in sales, marketing, and organizing events, leagues, and a general sense of community at the course. This drives strong golf rounds numbers.*

The course's operations do not cover capital expenses associated with the course. Regular capital expense items can largely be kept to around $150,000 annually. However, three large projects will likely be required in the next ten years and their associated estimated costs create spikes in capital expenditures:

1. *Hole 7 bridge reconstruction; $318,270 anticipated in FY 2026*
2. *Cart path spot surface treatment and spray seal; $364,652 anticipated in FY 2028*
3. *Irrigation sleeving under roads; $210,153 anticipated in FY 2030*
4. *Pond bank stabilization/re-build; $517,505 anticipated in FY 2032*

The Pusch Ridge 9-Hole Golf Course is irrigated using potable water. While some small reductions in water use can be found, there is no clear path to mitigating the course's use of 30 to 40 million gallons of potable water annually.

1.2 Background

1.2.1 Policy History

On February 17th, 2021, Council directed that "staff to return with a plan for operating the Pusch Ridge 9-Hole Golf Course (Pusch Ridge) to be evaluated within three years as to its continued feasibility, capital improvement requirements while also looking at alternatives to look at water usage, potential new configurations and a third-party lease.".

On March 3rd, 2021, staff presented to Council the Pusch Golf Major Action Framework and Recommended Timetable. Included within Item L of the Timetable was for staff to "present the potential options for course investment…" in January 2024. Mayor Winfield stated the majority of the Council was satisfied with the framework as presented and confirmed that the direction to staff was clear.

With direction from Council, staff began preparations to reopen the course in November 2021, after having been closed since March 2020.

This analysis includes a thorough review of the Pusch Ridge 9-Hole Golf Course ("Pusch Ridge") plan of operations on an 'as-is' basis, as well as an examination of the continued feasibility of the course and associated capital requirements. Later sections of the analysis consider alternatives related to water usage, configuration, and management structure within the framework of assessing the feasibility of operations for the course.

1.2.2 History of Course

In May 2015, the Town purchased the former El Conquistador Country Club ("El Conquistador") from Hilton El Conquistador Golf and Tennis Resort ("Resort"). The acquisition included the following amenities:

- 45 holes of golf, driving range, maintenance facilities and pro-shops. Golf is comprised of two 18-hole courses (Conquistador and Cañada) and one 9-hole course (Pusch).
- 3,000 sq. ft maintenance facility (including cart storage area) at the Pusch Course.

The Town contracted with a management company to provide golf, food and beverage, tennis, and swimming pool operations for the entire El Conquistador acquisition.

In early 2019, Town Council tasked staff to further analyze and evaluate the Town's golf course operations, with a desired outcome of reduced public subsidy and a long-term plan for the courses.

In February 2020, Town Council entered a Memorandum of Understanding with the Resort, as the former owner, to exercise their option under the original purchase agreement to lease back the Pusch Course effective October 1, 2020. However, due to significant impacts of the coronavirus pandemic, the Resort notified the Town in late summer that it would be unable to take on the financial responsibility of the golf course. The Resort has expressed a willingness to consider some level of financial commitment towards supporting golf operations when their business is financially able.

On February 17, 2021, the Town Council voted to operate and evaluate the Pusch Golf Course over the next three years to assess its continued feasibility and capital improvement requirements, look at

alternates for a reduction in water usage related to potential new course configurations and a lease with an outside lessee/operator. The Pusch Course is currently being managed by the Town's contracted lessee/operator of the two 18-hole Conquistador and Cañada golf courses.

Following direction from Council, staff conducted a competitive proposal process with the intent of seeking individual lessee/operators, joint venturers or firms who were interested in leasing and operating the Pusch Course. Under the proposed agreement, the lessee would be responsible for the day-to-day operation and management of the golf course, including, but not limited to, golf course maintenance, golf course operations, clubhouse operations, special events, promotion/marketing, and maintenance.

The Town conducted a formal Request for Proposal in November 2021 and received no proposals from a responsible firm or team with demonstrated substantial experience in the operation and maintenance of golf courses and sufficient financial capability to operate and maintain the facilities.

Ultimately, the Town was not successful in securing an outside operator. The Town's golf facilities are currently operated via contract with Indigo Golf Management ("Indigo"), a nationally recognized golf management entity that has considerable experience in managing high quality golf facilities nationwide, including other clubs in the Tucson market area. Operation of Pusch Ridge was added to Indigo's contract with the Town. In November 2021, Indigo began preparations to open the facility after being closed for 19 months.

1.2.3 Description of Course

Originally conceived as an 18-hole course to serve the destination resort, legal battles and

property disputes soon resulted in only nine holes being built. According to Jeff Hardin, the co-designer of the course, Pusch Ridge became an "orphaned" golf layout with no land on which to build a second nine holes. The resulting decision was to build an entirely new course further down on the slopes of the mountain, now the home to the El Conquistador 36-hole layout.

Opened in the early 1980s, the course winds around the Hilton El Conquistador Resort and

between patio homes. Distant views are dramatic, and even more so are views up to the Santa Catalina Mountains and the prominent Pusch Ridge feature.

Design

Pusch Ridge is an unusual 9-hole course in that it is generally a difficult layout with very tight and demanding holes. Most stand-alone 9-hole courses across the U.S. are typically easier layouts with many being well less than regulation par-36 designs. The par-35 design of Pusch Ridge is not for the faint at heart. Fairways are very narrow, lined with dense desert brush and are undulating. Elevated greens occur at five of the nine holes. The course plays to about 2,800 yards with some yardage flexibility from forward tees. Bunkering is sparse, but formidable - bunkers are deep and many require high recovery shots to reach the green. The course has dramatic views and, while technically walkable, is made difficult by the severe slopes and a few long spans between holes. Aside from a small practice putting green and hitting cages purchased by FOPRG, there are no practice facilities at the course.

It is noted that corridor widths of holes, while in some locations too narrow, are consistent with a course of this age. Design guidelines and golf use widths have increased over time, so it cannot be expected that older courses will have widths of golf corridors that match what would be required in recent times.

Style and Course Description

The Pusch Ridge golf course is a challenging and scenic 9-hole golf course incorporating unrivaled views of the Santa Catalina Mountains and dramatic elevation changes. Greens are Bermuda and over seeded with Poa Trivialis during winter months. The bunkers are very large and require both machine and hand maintenance. Edges are severely scalloped and require hand raking in many locations to complete bunker maintenance. The surrounds are severely sloped with noses and mounds that require careful maintenance.

In large part, the course is a very simple design that was built minimally to take advantage of natural terrain and gradients. The water features, the bunkering and the changes in elevation create a dramatic and beautiful setting.

Pusch Ridge Golf Course Acres: 47.05 Acres
- Total Grass Area: 36.6 Acres
  - Turf/Rough Area: 25 Acres
  - Greens Area: 1 Acre
  - Fairway Area: 10 Acres
  - Tee Box Area: 0.6 Acres
- Sand Trap Area: 0.1 Acres

Food Concession Area

There is currently no dedicated food or concession area at this location.

Pro Shop

The pro shop has a space for operations, space to display equipment inventory, restrooms, a front desk for point-of-sale transactions, limited food and beverage service including alcoholic beverages and a dedicated general storage space.

Liquor License

The liquor license for this property is currently held by Indigo Golf, the Town's contracted golf operator for the Conquistador and Canada Courses. Indigo Golf is willing to surrender the license so that it would be available for the lessee/operator for the Pusch Course.

Maintenance Facility

The Maintenance Facility is a 3,000 sq. ft. building.

Golf Cart Storage

The cart storage area is located within the maintenance building.

The cart storage area provides stations for charging 28 electrical carts but may hold up to 40 carts. The Town installed new electrical service for the 28 cart charging stations.

Irrigation System

The Pusch Ridge course is irrigated with potable water as there is no available supply of effluent water.

The irrigation system is old and simple. Water is pumped uphill from a small pond through a booster pump within the system. The single irrigation pond is reported to be soil sealed with no formal edge treatment.

The irrigation system pump station is a Flowtronics system consisting of two (2) horizontal 75 HP variable speed pumps with a 10 HP jockey pump. The system is gravity fed. The pump station is in excellent condition.

The irrigation control system consists of Toro Link system with radio-controlled irrigation capabilities. While the satellites appear to be in good working order, many stations are paired up on a single wire. While this allows basic functionality, this makes adjustability difficult.

There is no weather station at this location.

The Town has completed some irrigation replacement and repairs including to the pump system, as well as irrigation heads and valves.

Water Usage-Water Allocation

The Pusch Ridge Golf Course uses potable water provided by Oro Valley Water Utility. The use of reclaimed water is not available at this site. The Pusch Course is charged a fixed tier 1 potable water rate unless the water usage exceeds the Arizona Department of Water Resources allotment of 59 million gallons of water use annually.

Fuel Tanks

There are no fuel tanks at this location.

Driving Range

There is no driving range at this location.

Friends of Pusch Ridge Golf (FOPRG), with help from the Town's Public Works Department, has installed two (2) driving nets for golfers to warm up.

1.2.3.1 Indigo Assessment

In August 2023, Indigo's Director of Science & Agronomy, David Stout, prepared an assessment of the property through the lens of long-term sustainability. Below are highlights from that assessment. The full assessment can be found in the Appendix.

Irrigation System:

While the satellites appeared to be in good working order, it was discussed that many stations are paired up on a single wire. While this allows basic functionality, this makes adjustability difficult.

Some components of the system are relatively new and are in great shape. The pump station looked to be in excellent condition and if maintained, should offer years of smooth operation.

Putting Greens:

The greens are maintained minimally during the summer closure; they are being maintained in an appropriate manner that will have them in good playing condition for the golf season in the fall. This is a sound strategy.

More sand topdressing would make for enhanced playing conditions during the playing season.

Bunkers:

The bunkers are the weakest area of the course and require ongoing investment to keep them in acceptable condition.

It would be recommended to remove as many of the bunkers as tolerable.

Fairway and Rough Management:

The fairways and rough are not maintained to playing conditions during the summer closure. Irrigating using the current potable source would be very costly and does not make financial sense in the current operation model.

Further maintenance would require regular irrigation, which would come at a very large expense during a time of closure.

Tees:

The decision not to irrigate this turf saves millions of gallons of water per year and contributes to the ability to run the facility during the playing season.

There has been no adverse effect on the overseed process, or the ability to produce high quality Ryegrass playing surfaces in the fall.

Water Features/Lake:

The lake appears to be in need of additional maintenance. Cattails and other vegetation, in addition to algae can decrease water quality, and over time, can accumulate excessive organic matter and decrease the overall water holding capacity of the lakes. Additional devegetation around the lake edges would be recommended as well.

Cart Paths:

The cart paths were generally in good condition, and it appeared that there has been investment in recent years to protect them from deteriorating. Provided that there is an ongoing schedule for repair and seal coating, they should last as long as other courses that have asphalt paths.

Equipment and Maintenance Facility:

The equipment used to maintain the golf course could use some upgrades and additions. The shared use of equipment between Pusch Ridge and the other 36 holes of El Conquistador makes sense from an economy of scale perspective, but this means at times, some important cultural practices aren't completed at the frequency they should.

Sustainability and Financial Results:

The Course operating calendar has created a very sustainable path forward. In the Desert Southwest, we have the unique scenario where our longest hours of daylight typically incur the highest operating expenses coupled with the lowest revenue generation; this is not the case for the majority of the country.

Closing the course from mid-May through October has proven to be very wise. The savings in water from both a quantity and cost perspective are noteworthy and are a primary contributing factor as to why Pusch Ridge has a path forward where many courses in a similar situation may face a more difficult path. From an environmental sustainability perspective, this is simply a good story to tell.

1.2.3.2 Capital Investments and Major Repairs of Course and Facilities

Since Council's direction in February of 2021, the following capital investments have been made in the facility.

FY 2021

- Irrigation system improvements: replacement of some sprinkler heads and repairs to the pump station - $15,842
- Pond services: pond treatment and cleanup - $4,700
- Gopher removal services - $7,709
- Cleanup of SE Corner of Oracle and El Conquistador Way - $14,310

FY 2022

- Pusch Ridge Booster Demolition: at the request of neighboring residents, demolition, and cleanup of unused structures within the pump station - $28,823
- Rehabilitation of Golf Cart Barn: primarily electrical infrastructure for cart charging - $19,828
- Tree trimming, removal, and planting: Tree trimming and removal to improve grass and playing conditions; tree planting to provide buffer for El Conquistador Way between holes 5 and 6 - $18,620

FY 2023

- Cart Path Resurfacing: Spot filing and surface treatment of cart path - $77,232
- Pusch Ridge Facility ADA and Code Compliance: Reconfiguration of the Pusch Ridge facility parking and pedestrian approach to meet or exceed ADA and code requirements - $142,000
- Pusch Facility ADA Access: Addressing a variety of accessibility issues within the clubhouse and surrounding area - $59,411

FY 2024

- Pusch Ridge Facility ADA and Code Compliance: Pusch Ridge Tennis Center restroom upgrade (utilized by golf operations) - $203,507
- Pusch Ridge Golf Course Improvements: releveling five tee boxes to improve playability - $59,530

1.3 Financial performance

1.3.1 Revenue

The number of golf rounds played at Pusch Ridge has been strong and this has driven strong revenue numbers.

The total U.S. average rounds per 18 holes for the 2022 season was 31,527 for public golf courses, with a figure closer to 35,000 for Arizona golf courses. This shows Pusch Ridge operating around the industry standard for a U.S. course, averaged to 9-holes.

Nationally, there has a been a dramatic improvement in the overall financial health of U.S. golf facilities in recent years, a function of stabilizing participation, the closing of many lower-performing courses, and the added revenue generated by the surge in rounds played (NGF, 2023). The current financial condition of the course is on par with most public sector golf operations in the U.S., where 67 percent of municipal golf course operations can cover on-site expenses, but not able to cover both on-site expense and capital improvement (NGF, 2023).

Pusch Ridge 9-Hole Revenue, Actual and Projected Through FY 2024

Revenue Category	FY 2022 Actual	FY 2023 Actual	% Change	FY 2024 Projected	% Change
Golf Rounds	**15,248**	**16,266**	**6.3%**	**18,000**	**9.6%**
Revenue					
Green Fees	$299,097	$323,268		$370,000	
Cart Fees	$506	$235		$490	
Golf Cards/Passes	$19,783				
Pro Shop Sales	$14,231	$25,301		$27,000	
Food & N/A Beverage	$4,126	$4,464		$5,000	
Alcohol	$399	$18,092		$19,500	
Other Golf Revenues*	$6,208	$6,890		$11,000	
Monthly Dues	$13,750	$12,312		$14,000	
Miscellaneous Income*	$22,274	$26,363		$20,000	
Total Revenue	**$380,374**	**$416,925**	**8.8%**	**$466,990**	**10.7%**
Cost of Goods					
Pro Shop Sales	$6,462	$15,167		$17,820	
Food & N/A Beverage	$1,097	$1,526		$7,350	
Alcohol	$120	$5,024			
Total Cost of Goods	**$7,679**	**$21,717**	**64.6%**	**$25,170**	**13.7%**
Gross Income	**$372,695**	**$395,208**	**5.7%**	**$441,820**	**10.5%**

* Other Golf Revenues include club rentals, locker rentals and bag storage fees.
* Miscellaneous Income includes event revenue from disc golf, weddings, etc.

Green fee revenues account for 79 percent of all revenue at Pusch Ridge, whereas monthly membership dues account for only 3 percent of all revenue.

When not accounting for discounts, the average weekend, peak-season green fee (with a cart) is $51 (NGF, 2023). This puts Pusch Ridge's undiscounted, weekend green fee of $32 slightly out of market. However, the rise in rounds and contributing green fee increases are important factors in the improved financial health of the course.

1.3.2 Expenses

The total expenses calculated here include the total cost of labor, maintenance and utilities, and other operational expenses.

Water utility costs dropped significantly for the FY 2023 year due almost exclusively to favorable weather and precipitation. Such savings are not expected to extend through FY 2024 and the loss of these costs savings largely accounts for the increased maintenance and utility expenses as well as the overall increase in total expenses.

The cost of water to irrigate the course accounts for over one-third of all costs over the last full two years of operations.

Pusch Ridge 9-Hole Expenses, Actual and Projected Through FY 2024

Cost Type	FY 2022 Actual	FY 2023 Actual	% Change	FY 2024 Projected	% Change
Golf Rounds	**15,248**	**16,266**	**6.3%**	**18,000**	**9.6%**
Labor					
Golf Operations Labor	$38,696	$57,602		$62,793	
Golf Course Maintenance Labor	$43,471	$45,307		$47,000	
Payroll Burden	$5,039	$15,509		$9,981	
Total Labor	**$87,206**	**$118,418**	**26.4%**	**$119,774**	**1.1%**
Maintenance and Utilities					
Maintenance	$37,459	$65,127			
Utilities	$155,559	$132,964			
Total Maintenance and Utility	**$193,018**	**$198,091**	**2.6%**	**$238,820**	**17.1%**
Other Operational Expenses					
Golf Operations	$1,743	$4,190		$4,500	
General and Administrative	$9,124	$10,926		$12,995	
Sales and Marketing	$155	$2,163		$2,800	
Leases, Taxes, and Insurance	$20,778	$35,454		$35,236	
Total Other Operational	**$31,800**	**$52,733**	**39.7%**	**$55,531**	**5.0%**
Total Expenses	**$312,024**	**$369,242**	**15.5%**	**$414,125**	**10.8%**
EBITDAR[1]	**$60,673**	**$23,266**		**$27,695**	
Major Repairs and Improvements (Indigo)					
Golf Course Improvements (Tree trimming and removal; Tree planting)	$18,620				
Cart Path		$27,500			
Total Major Repairs and Improvements (Indigo)	**$18,620**	**$27,500**		**$0**	
Net Income	**$42,053**	**-$4,234**		**$27,695**	

The table above includes project expenses accrued by Indigo, which they categorize as capital expenses. Capital costs borne by the Town are detailed in the next section.

[1]EBITDAR represents earnings before deducting interest, taxes, depreciation, amortization, and rent. It is used to assess operating performance.

1.3.3 Budgeted Capital Improvements

Capital investments in the course have already been summarized in earlier pages. In addition to those projects, two other large capital projects for Pusch Ridge were included in the FY 2024 Adopted Budget's 10-Year Capital Improvement Program:

- FY 2026: $275,000 for preservation of the golf course's cart path.
- FY 2027: $300,000 for erosion mitigation and bank protection improvements.

Pusch Ridge Golf Capital Improvements and Major Repairs - Actual and Projected in FY 2024 Budget

Project	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Projected	FY 2025 Projected	FY 2026 Projected	FY 2027 Projected
Irrigation System Improvement and Course Repair	$42,561						
Pusch 9 Pump Station Repairs		$28,823					
Pusch 9 Golf Cart Barn Repairs		$19,828					
Cart Path Resurfacing			$77,232				
Pusch Ridge Facility ADA and Code Compliance			$142,000	$203,507			
Pusch Facility ADA Access			$59,411				
Pusch Ridge Golf Course Improvements				$59,530			
Pusch Ridge Golf Course Pavement Preservation						$275,000	
Pusch Golf Course Pathway Bank Protection Improvements							$300,000
Total Capital Expenses	**$42,561**	**$67,271**	**$278,643**	**$263,037**	**$0**	**$275,000**	**$300,000**

In preparing this analysis, a detailed major repair and capital improvement program was developed for the Pusch Ridge 9-Hole facility and is detailed later in this report.

1.4 Usage

Across the country, play remained strong throughout the 2022 and 2023 golf season, it paced more 11 percent above the 10-year rolling average (NGF, 2023). Rounds at Pusch Ridge started strong and continue to increase at a relatively high rate. Member rounds account for a small percentage (10.1 percent) of all rounds played.

Pusch Ridge 9-Hole Rounds by Category, Actual and Projected Through FY 2024

Category	FY 2022 Actual	FY 2023 Actual	*% Change*	FY 2024 Projected	*% Change*
Rounds - Member	1,241	1,855	*33.1%*	1,900	*2.4%*
Rounds - Outing	2,361	1,952	*-21.0%*	2,100	*7.0%*
Rounds - Public	11,646	12,459	*6.5%*	14,000	*11.0%*
Total	**15,248**	**16,266**	***6.3%***	**18,000**	***9.6%***

1.4.1 Usage by Sub-Category

Indigo tracks specific sub-categories of rounds played at their point-of-sale system. These numbers are imperfect due to the challenge of accurately collecting full details at the point-of-sale system. For example, an Oro Valley resident may invite three friends who live in Marana to play. The Oro Valley golfer may pay the groups fee to be reimbursed later. In such a case, all four rounds would be categorized as OV Resident Riding rounds.

Pusch Ridge 9-Hole Rounds by Sub-Category, Actual Through FY 2023

Sub-Category	FY 2022 Actual	FY 2023 Actual	% of Total
Public Riding	7,288	7,338	*46.6%*
OV Resident Riding	2,381	2,391	*15.2%*
Member	1,241	1,583	*9.0%*
Neighborhood Outing	967	1,451	*7.7%*
League Round Bundle	879	920	*5.7%*
Comp Golf	713	876	*5.1%*
OV Outing Round	573		*1.8%*
Hotel Golf Package*	318	318	*2.0%*
Hotel Riding	184	304	*1.6%*
Public Junior	159	294	*1.4%*
Member Guest	239	271	*1.6%*
Public Walking	138	167	*1.0%*
Neighborhood Riding	73	92	*0.5%*
OV Resident Walking	51	35	*0.3%*
Neighborhood Walking	73		*0.2%*
Hotel Walking	8	33	*0.1%*
Troon Card	3	6	*0.0%*
Public Outing	3		*0.0%*
Total	**15,291**	**16,079**	*100.0%*

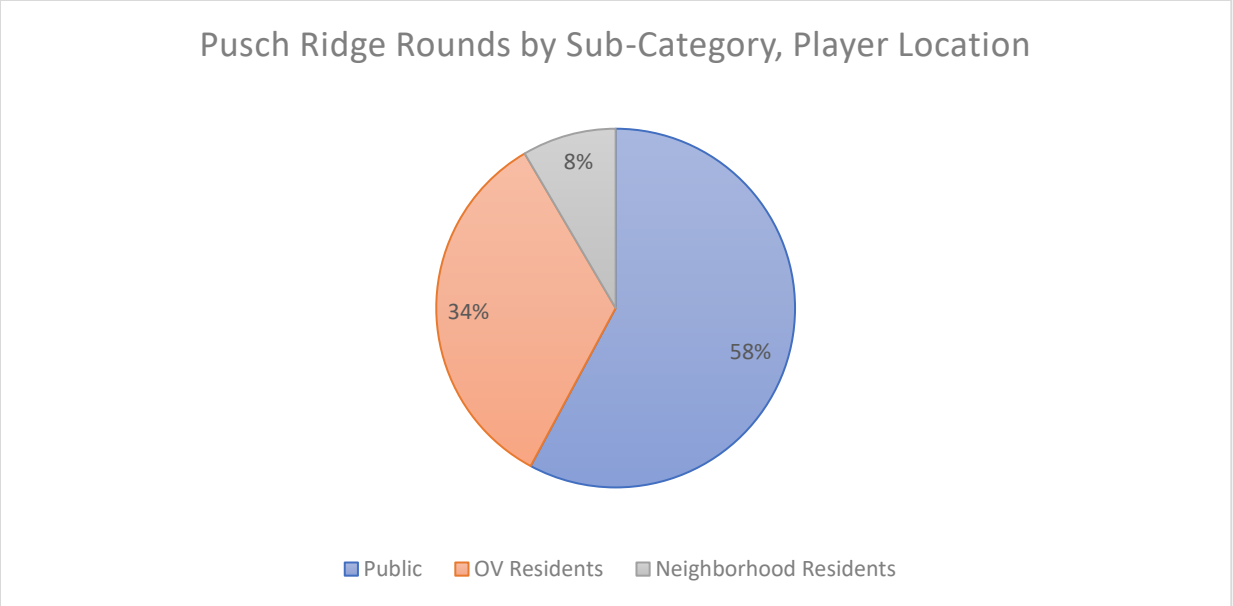
*Hotel Golf Package includes 9-holes of golf, rental clubs, and a sleeve of balls for $45 per player.

Over the first two full years of operations, Pusch Ridge saw only 505 walking rounds (public walking, OV resident walking, neighborhood walking, hotel walking). This represents 1.6 percent of all rounds played.

Categorizing the rounds by sub-category into general geographic location of players suggests that many rounds played at Pusch Ridge are played by folks who live outside of Oro Valley.

Pusch Ridge 9-Hole Rounds by Sub-Category, Actual Through FY 2023, By Player Location

Sub-Category	FY 2022 Actual	FY 2023 Actual	Public	OV Residents	Neighborhood Residents
Public Riding	7,288	7,338	14,626		
OV Resident Riding	2,381	2,391		4,772	
Member	1,241	1,583		2,824	
Neighborhood Outing	967	1,451			2,418
League Round Bundle	879	920		1,799	
Comp Golf	713	876	1,589		
OV Outing Round	573			573	
Hotel Golf Package	318	318	636		
Hotel Riding	184	304	488		
Public Junior	159	294	453		
Member Guest	239	271		510	
Public Walking	138	167	305		
Neighborhood Riding	73	92			165
OV Resident Walking	51	35		86	
Neighborhood Walking	73				73
Hotel Walking	8	33	41		
Troon Card	3	6	9		
Public Outing	3		3		
Total	**15,291**	**16,079**	**18,150**	**10,564**	**2,656**



1.4.2 Leagues and Events

One of the keys to successful public golf operations and generating green fee revenue is the continued promotion and hosting of group activities such as leagues, outings, and tournaments. These activities are a key to maximizing rounds activity at public golf courses and there is strong correlation between an active calendar of organized events with strong economic performance. These events tend to stimulate activity and encourage repeat play, generating more rounds per golfer than without the event calendar.

Current programs at Push Ridge include:

- Pusch Ridge has several league playing opportunities for Men, Ladies, and couples. Most of the leagues at Pusch Ridge start in the morning and include a shotgun start; allowing for everyone to finish at the same time.
    - Monday: ***Monday Men's Club*** 40-50 players weekly, morning shotgun
    - Tuesday: ***Lady Quails*** 30-40 players weekly, morning shotgun
    - Wednesday: ***Prickly Pairs*** couples' event 40-50 players weekly, afternoon 3pm shotgun
    - Thursday: ***Pusch Ridge Ladies Club*** 30-40 players weekly, morning shogun
- Pusch Ridge will play host periodically to local high schools for practice, PGA Junior League, and Pima Community College.
- Free Green Fees for Juniors after 2:00pm with a paying adult. Pusch Ridge is a great place to learn the game or even "re-learn" the game if a golfer has been out of the game for a season or two. Juniors can play free after 2pm with a paying adult, promoting quality time on the golf course with families.
- PGA Professional on site – On course playing lessons available for one on one, Juniors and couples. Putting and chipping lessons are also available.
- Ten Dollar Wednesday Clinics – Every Wednesday (except the 1st Wednesday of each month) at 1:30pm. Clinic is for anyone interested in improving their golf game. Cost is $10 per person and the clinic runs for 30 to 40 minutes in length.

During the FY 2023 fiscal year, Pusch Ridge played host to two disc golf events, including the Disc All Star event in February 2023. Pusch Ridge also hosted the PGA Jr. League Finals, two Oro Valley Chamber of Commerce Golf Tournaments, a Pusch Ridge High School golf match, and a 5K run for the International Doctors Alcohol Anonymous event in June.

The Disc All Star event was the course's most successful event. Taking place from February 15th – 19th, 2023, the event purchased all tee times over those days, resulting in $13,822 in revenue for the course.

1.4.3 Usage by Time

Indigo was able to achieve high utilization of tee times at Pusch Ridge. A strong utilization average is between 50% - 65% per hour. Utilization data is important in setting fees and identifying time periods of revenue opportunities with leagues, events, and on course experiences.

Pusch Ridge Rounds by Time by Month, Actuals Through FY 2023

Month	8-9 am	9-10 am	10-11 am	11 - 12pm	12-1 pm	1-2 pm	2-3 pm	3-4 pm
Nov-21	X	89.3%	80.9%	69.3%	56.6%	83.3%	62.4%	38.6%
Dec-21	X	78.6%	77.0%	72.3%	69.6%	57.8%	53.3%	26.4%
Jan-22	X	94.2%	93.5%	93.7%	93.3%	84.8%	57.1%	41.1%
Feb-22	83.8%	91.2%	89.1%	90.8%	89.0%	83.0%	73.6%	62.2%
Mar-22	84.3%	87.9%	88.0%	86.4%	87.0%	84.7%	75.3%	67.2%
Apr-22	87.8%	83.3%	84.6%	73.9%	66.4%	64.4%	57.3%	56.7%
May-22	73.1%	55.4%	50.2%	34.8%	24.3%	29.2%	24.4%	41.5%
Off-Season								
Nov-22	X	78.7%	68.3%	59.8%	61.1%	75.1%	69.1%	40.4%
Dec-22	X	62.8%	42.8%	45.3%	49.7%	57.1%	46.1%	29.3%
Jan-23	X	77.5%	66.9%	70.7%	70.0%	80.3%	70.1%	51.1%
Feb-23	72.8%	73.4%	74.6%	76.6%	76.9%	87.6%	84.3%	62.0%
Mar-23	78.7%	84.6%	86.7%	84.8%	88.3%	93.9%	91.3%	86.6%
Apr-23	78.9%	78.4%	70.6%	55.9%	60.7%	76.3%	61.8%	72.4%
May-23	66.4%	67.5%	58.6%	31.2%	31.8%	38.9%	40.9%	50.4%

In reviewing data from the last two years of operations, we can see low utilization of the course later in the day in May and trends showing overall lower utilization as the weather warms up in April.

Pusch Ridge Rounds by Time by Month Combined Actuals Through FY 2023

Month	8-9 am	9-10 am	10-11 am	11 - 12pm	12-1 pm	1-2 pm	2-3 pm	3-4 pm
November	x	84.0%	74.6%	64.6%	58.9%	79.2%	65.8%	39.5%
December	x	70.7%	59.9%	58.8%	59.7%	57.5%	49.7%	27.9%
January	x	85.9%	80.2%	82.2%	81.7%	82.6%	63.6%	46.1%
February	78.3%	82.3%	81.9%	83.7%	83.0%	85.3%	79.0%	62.1%
March	81.5%	86.3%	87.4%	85.6%	87.7%	89.3%	83.3%	76.9%
April	83.4%	80.9%	77.6%	64.9%	63.6%	70.4%	59.6%	64.6%
May	69.8%	61.5%	54.4%	33.0%	28.1%	34.1%	32.7%	46.0%

The data shows a strong seasonality of the Pusch Ridge operation and suggests limited interest in summer golf outside of a few hours early in the morning.

1.4.4 Cart Usage

The Pusch Ridge course has operated with 28 golf carts. With increased play, the average number of golf carts used per day was significantly above 28 carts, although there were very few incidents of golfers waiting for carts. Indigo was able to manage tee times and turn carts around multiple times in a day due to the quicker turnaround time of a 9-hole golf course.

Pusch Ridge Golf Cart Average Use per Day by Month by Year

Month	2021	2022
November	43	37.4
December	29.1	29.6
January	49.4	37.6
February	45.2	40.3
March	59.7	56.8
April	46.5	39.8
May	26.2	37.7

With increased play at Pusch Ridge, Indigo suggests increasing the course's cart fleet by four carts up to thirty-two carts would be cost effective and offer a positive return on investment.

1.4.5 User Reviews

A review of the major tee time booking and golf course review websites showed an overall strong impression of Pusch Ridge.

The table below summarizes the three major review websites. It should be noted that most other booking websites refer to these major review websites (for example: teeoff.com and golfpass.com pull reviews from GolfNow; while supremegolf.com and barstool golf time pull from GolfDigest).

Pusch Ridge User Reviews

Site	Rating (out of 5)	# of Reviews
GolfNow	4	467
GolfDigest	4	365
Google	4	64

A rating of four out of five on all three services represents strong performance. However, GolfNow allows for reviews to be categorized by time. In doing so, we see increasing ratings overall, especially in course conditions.

Pusch Ridge User Reviews by Sub-Category and Time Period

Review Category	Overall	Last 12 Months	Last 6 Months
Overall Rating	4	4.2	4.6
Off-Course Amenities	3.3	3.5	3.8
Value	4.3	4.4	4.6
Pace of Play	4.2	4.1	4.5
Staff Friendliness	4.7	4.8	4.8
Course Layout	4.2	4.3	4.6
Course Conditions	3.8	4	4.6

1.5.6 Perception of Neighboring HOAs and Friends of Pusch Ridge Golf

Over the last three years, a staff member from the Town Manager's Office has been meeting every other week with a representative of FOPRG to share information, proactively address any issues on the course, and to simply maintain an open line of communication.

FOPRG is a volunteer 501(c)(3) charitable organization open to anyone with an interest in increasing play and preserving and maintaining the Pusch Ridge Golf Course. The group heavily promotes Pusch Ridge, greatly assisting in the course's sales and marketing efforts. Additionally, the group organizes the four leagues mentioned above, as well as hosts a number of events annually, including:

- Cinco De Mayo Tourney (Spring)
- First Tee of Tucson Golf Club Roundup (Spring)
- Opening Tournament (Fall)
- Hospitality Professional's Open House (Fall)

At the direction of the Town Manager and Mayor, a representative from each of the three neighboring Homeowner's Association (HOA) was added to these regularly scheduled meetings beginning in November of 2023 to proactively discuss and identify any issues related to this evaluation.

Per Council direction, the HOAs entered into a financial agreement towards the course maintenance and operations. Beginning in February 2022, the HOAs have annually contributed to the Town to continue operations of Pusch Ridge:

El Conquistador Resort Patio Homes Association:	$28,800
Shadows of the Ridge HOA #1:	$1,950
Shadows of the Ridge:	$3,300
Total	**$34,050**

To aid in this analysis, each HOA and FOPRG were asked to provide their thoughts on what is working well, what are their ideas for improvement, and what capital projects would they prioritize over the next five years. The HOAs decided to collaborate and submit a single, combined response along with FOPRG. Full responses from both groups are within the appendix.

In summary, both FOPRG and the HOAs were complimentary of where the course currently stands and cited Indigo as a strong partner in providing golf operations.

"*Indigo Golf has been a great partner in fulfilling the expectations of the target markets for the golf course. The continued growth of play, customer satisfaction and price/value are exceeding all expectations… Indigo has established a consistency to the operation including guest services and the course's physical product."* – FOPRG

"*Indigo, and the Town staff, have worked well with the HOAs and players to identify and address minor issues with the course, and have improved the course each year. The partnership between the Town and the HOAs has proven effective and HOA members are pleased with the current status and operation of the Pusch Course."* -HOAs

1.5 Financial Projections and Feasibility

Indigo Golf developed five-year pro-forma in response to a request from the Town. Indigo Golf brings a wealth of experience and a proven track record in the golf industry. Additionally, Indigo Golf has valuable insights into the unique challenges and opportunities brought by the Pusch Ridge 9-Hole course, as well as municipal golf operations in Oro Valley in general.

1.5.1 Revenue Projections

Revenue is expected to grow by around two percent per year, led by a gradual increase in golf rounds.

Pusch Ridge 9-Hole Revenue, Projected Through FY 2028

Revenue Category	FY 2024 Projected	% Change	FY 2025 Projected	% Change	FY 2026 Projected	% Change	FY 2027 Projected	% Change	FY 2028 Projected	% Change
Golf Rounds	**18,000**	**9.6%**	**18,680**	**3.6%**	**19,199**	**2.7%**	**19,391**	**1.0%**	**19,585**	**1.0%**
Revenue										
Green Fees	$370,000	12.6%	$379,250	2.4%	$388,731	2.4%	$396,506	2.0%	$402,453	1.5%
Cart Fees	$490		$502		$512		$523		$533	
Golf Cards/Passes										
Pro Shop Sales	$27,000		$27,675		$28,229		$28,793		$29,369	
Food & N/A Beverage	$5,000		$5,125		$5,228		$5,332		$5,439	
Alcohol	$19,500		$20,183		$20,586		$20,998		$21,418	
Other Golf Revenues	$11,000		$11,330		$11,557		$11,788		$12,023	
Monthly Dues	$14,000		$14,560		$14,997		$15,297		$15,603	
Miscellaneous Income	$20,000		$20,400		$20,808		$21,224		$21,649	
Total	**$466,990**	**10.7%**	**$479,025**	**2.5%**	**$490,647**	**2.4%**	**$500,460**	**2.0%**	**$508,487**	**1.6%**
Cost of Goods										
Pro Shop Sales	$17,820		$18,266		$18,631		$19,003		$19,383	2.0%
Food & N/A Beverage	$7,350		$7,592		$7,744		$7,899		$8,057	2.0%
Alcohol										
Total Cost of Goods Sold	**$25,170**	**13.7%**	**$25,858**	**2.7%**	**$26,375**	**2.0%**	**$26,902**	**2.0%**	**$27,440**	**2.0%**
Gross Income	**$441,820**	**10.5%**	**$453,167**	**2.5%**	**$464,272**	**2.4%**	**$473,558**	**2.0%**	**$481,047**	**1.6%**

1.5.2 Expenses

Expenses are predicted to grow in-line or slightly less than revenue, allowing for the course to continue covering operating expenses.

Pusch Ridge 9-Hole Expenses, Projected Through FY 2028

Cost Type	FY 2024 Projected	% Change	FY 2025 Projected	% Change	FY 2026 Projected	% Change	FY 2027 Projected	% Change	FY 2028 Projected	% Change
Golf Rounds	**18,000**	**9.6%**	**18,680**	**3.8%**	**19,199**	**2.8%**	**19,391**	**1.0%**	**19,585**	**1.0%**
Labor										
Golf Operations Labor	$62,793		$64,049		$65,330		$66,636		$67,969	
Golf Course Maintenance Labor	$47,000		$47,940		$48,419		$48,904		$49,393	
Payroll Burden	$9,981		$10,185		$10,297		$10,410		$10,525	
Total Labor	**$119,774**	**1.1%**	**$122,174**	**2.0%**	**$124,046**	**1.5%**	**$125,950**	**1.5%**	**$127,887**	**1.5%**
Maintenance and Utilities										
Maintenance										
Utilities										
Total Maintenance and Utility	**$238,820**	**17.1%**	**$254,445**	**6.1%**	**$256,989**	**1.0%**	**$259,559**	**1.0%**	**$262,155**	**1.0%**
Other Operational Expenses										
Golf Operations	$4,500		$4,635		$4,681		$4,728		$4,775	
General and Administrative	$12,995		$13,385		$17,719		$17,896		$18,075	
Sales and Marketing	$2,800		$2,884		$2,913		$2,942		$2,971	
Leases, Taxes, and Insurance	$35,236		$35,446		$35,518		$35,591		$35,664	
Total Other Operational Expenses	**$55,531**	**5.0%**	**$56,350**	**1.5%**	**$60,831**	**7.4%**	**$61,157**	**0.5%**	**$61,485**	**0.5%**
Total Expenses	**$414,125**	**10.8%**	**$432,969**	**4.4%**	**$441,866**	**2.0%**	**$446,666**	**1.1%**	**$451,527**	**1.1%**
EBITDAR[1]	**$27,695**		**$20,198**		**$22,406**		**$26,891**		**$29,519**	

[1] EBITDAR represents earnings before deducting interest, taxes, depreciation, amortization, and rent. It is used to assess operating performance.

Water utility payments to irrigate the course are the primary driver of increased costs. To make these calculations, Indigo utilized the Oro Valley Water Utility's proposed rate increases for a 4-inch meter at the Tier 1 consumption cost.

Consumption Category	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Base Rate-4 Inch Meter	528.19	554.6	587.88	605.51	605.51	605.51
Tier 1	2.65	2.92	3.06	3.14	3.14	3.14
% Change		**9.09%**	**4.76%**	**2.44%**	**0.00%**	**0.00%**

1.5.3 Capital Improvement and Major Repairs

To develop the list of potential capital projects, staff from Town Manager's Office, Parks and Recreation, Public Works, Stormwater Utility, Water Utility, Community and Economic Development, and Innovation and Technology met with Indigo staff including the General Manager and Course Superintendent toured the facilities and course together to identify potential projects and needs. The list of projects was then analyzed by an internal, cross-departmental review of all project requests that were then prioritized with consideration for user safety, the preservation of Town assets, the maintenance or increase in service levels provided, and the community's ability to pay for them in the most cost-effective manner possible.

Pusch Ridge Capital Improvements and Major Repairs Project Listing by Fiscal Year

Project	Budget Estimate (2024 Dollars)	Ten-Year Spending (Adjusted Dollars)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Pond bank stabilization/re-build	$357,000	$517,405								$517,405		
Cart path spot surface treatment and spray seal	$300,000	$364,652				$364,652						
Hole 7: Bridge replacement/modification	$300,000	$318,270		$318,270								
Irrigation system sleeving under roads	$176,000	$210,153						$210,153				
Non-course site maintenance		$165,398		$15,000	$15,750	$16,538	$17,364	$18,233	$19,144	$20,101	$21,107	$22,162
Hole 9: Erosion remediation	$257,000	$140,415[1]			$140,415							
Equipment Replacement Program	$108,973	$137,065	$10,897	$11,442	$12,014	$12,615	$13,246	$13,908	$14,603	$15,334	$16,100	$16,905
Cart Barn roof	$70,000	$78,786				$78,786						
Turf Reduction: PopUp sprinklers, labor, and beautification	$70,000	$70,000	$70,000									
Clubhouse and Cart Barn: Exterior paint and stucco repair	$50,000	$54,636				$54,636						
Cart Barn: Shade structure in maintenance yard	$40,000	$41,200		$41,200								
Hole 8: Install curbing for stormwater control	$35,000	$37,132		$37,132								
Clubhouse and Cart Barn: Electrical systems update	$35,000	$37,132		$37,132								
Extending fire service	$25,000	$25,750		$25,750								
Clubhouse: Internet infrastructure update	$25,000	$25,000	$25,000									
Clubhouse compliance updates	$25,000	$25,000	$25,000									
Cart Barn: Fence and gate for maintenance yard	$20,000	$20,000	$20,000									
Total	**$1,893,973**	**$2,267,994**	**$150,897**	**$485,926**	**$168,179**	**$527,226**	**$30,610**	**$242,294**	**$33,748**	**$552,840**	**$37,207**	**$39,067**

[1] Likely cost share

2 Alternatives Related to Water Usage, Configuration, and Management Structure

2.1 Water Usage

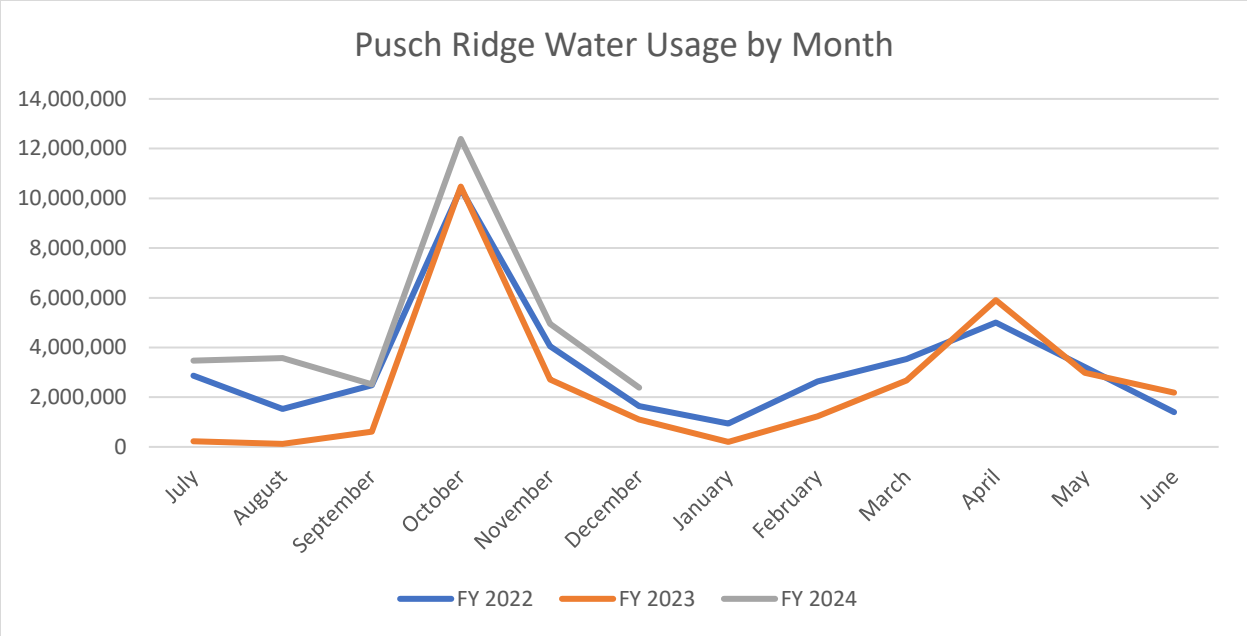
The Pusch Ridge Golf Course uses potable water provided by Oro Valley Water Utility. The use of reclaimed water is not available at this site.

The Pusch Course is charged a fixed tier 1 potable water rate unless the water usage exceeds the Arizona Department of Water Resources allotment of 59 million gallons of water use annually.

In FY 2022, the course used over 39 million gallons of water. In FY 2023, the course used over 30 million gallons of water. Current water use spikes in October as the course is being prepared for play through overseeding and the associated heavy and repeated watering that is part of the process.

Pusch Ridge Water Usage by Month

Month	FY 2022	FY 2023	FY 2024
July	2,864,000	230,000	3,466,000
August	1,533,000	121,000	3,568,000
September	2,483,000	609,000	2,517,000
October	10,382,000	10,473,000	12,390,000
November	4,045,000	2,706,000	4,948,000
December	1,641,000	1,105,000	2,384,000
January	940,000	204,000	
February	2,630,000	1,227,000	
March	3,529,000	2,671,000	
April	5,007,000	5,900,000	
May	3,214,000	2,977,000	
June	1,397,000	2,181,000	
Total	**39,665,000**	**30,404,000**	**29,273,000**



2.1.1 Capital Cost to Bring Reclaimed Water to Pusch Ridge

In 2023, Town Council directed staff to estimate the construction costs to expand the reclaimed water system to serve Riverfront Park, the Pusch Ridge 9-Hole Golf Course and James D. Kriegh Park.

Water Utility staff worked with a local firm that provides both engineering and construction services to develop cost estimates to determine the most feasible reclaimed water pipeline alignments, as well as cost estimates of the construction costs for those alignments.

Two separate pipeline alignments were evaluated to serve Riverfront Park, the Pusch Ridge 9-hole golf course, and JDK Park. Alignments and costs for Pusch Ridge Golf Course and JDK Park assume reclaimed service to the other new areas (for example, JDK Park assumes a new reclaimed system delivered to Riverfront Park and Pusch Ridge Golf Course). The options were:

Alignment A:

- *Service to Riverfront Park:*
  - *Construction: $4,109,950.00*
  - *Engineering & Permitting: $493,194.00*
  - *Contingency: $1,027,487.50*
  - ***Cumulative Total: $5,630,631.50***

- *Service to Pusch Ridge 9-Hole Golf Course:*
  - *Construction: $9,219,200.00*
  - *Engineering & Permitting: $1,106,304.00*
  - *Contingency: $2,304,800.00*
  - ***Cumulative Total: $12,630,304.00***

Alignment B:

- *Service to Riverfront Park:*
    - o *Construction: $4,231,350.00*
    - o *Engineering & Permitting: $507,762.00*
    - o *Contingency: $1,057,837.68*
    - o ***Cumulative Total: $5,796,949.68***

- *Service to Pusch Ridge 9-Hole Golf Course:*
    - o *Construction: $9,319,700.00*
    - o *Engineering & Permitting: $1,096,426.95*
    - o *Contingency: $2,329,925.40*
    - o ***Cumulative Total: $12,746,052.35***

While details differ, both potential routes to bring reclaimed water to the Pusch Ridge Course would cost well over $12 million. Examining only the segment dedicated to connecting Pusch Ridge (Segment 2) to a new segment required to bring reclaimed water to Riverfront Park (Segment 1) is estimated at over $5 million in direct costs in both scenarios. With engineering, permitting, construction management, and contingency costs factored in, both estimates exceed $6.7 million in total costs.

The full study can be found in the Appendix.

2.1.2 Irrigated Turf Reduction Strategy

The Pusch Ridge course is irrigated with potable water as there is no available supply of reclaimed water.

The irrigation system remains operable but is old and simple. Water is pumped uphill from a small pond through a booster pump within the system. The booster pump was recently replaced and works well.

Heads and controls are also older, and accuracy and coverage of irrigated areas is likely below industry standards.

The single irrigation pond is reported to be soil sealed with no formal edge treatment.

While the system does include some areas that have been patched together over the years, the overall system is in operable condition. Over the last two full years of operation, Indigo has spent just over $10,000 on average annually to perform irrigation repairs, lake maintenance, and pump repair.

Improvements have been made in preparing the course for operations with capital projects, including significant irrigation improvements in FY 2021 ($15,842) and pump station repairs in FY 2022 ($28,823).

Overall, the current irrigation system is aging but is still usefully operating.

While a new irrigation system would allow for a complete rethinking of the course's overall watering strategy, given the operable nature of the irrigation system, investment in a full new system is not warranted.

Therefore, Indigo has designed an irrigated turf reduction strategy that will affect more than 9 percent of the total grass area without hurting the playability of the course.

The Pusch Ridge Golf Course has about 36 acres of total grass area. 11.6 acres of that is actively irrigated and managed. Actively irrigated areas include the greens, fairways, and tee boxes. Much of the remaining grass area is turf or rough that may benefit from some irrigated water flowing downhill but is not actively irrigated.

Indigo's General Manager and Golf Course Superintendent have identified actively irrigated areas of turf that could be reduced through the installation of popup irrigation heads that will improve the accuracy of the delivery of water.

An example are the tee boxes at Hole 5 where the relatively small tee boxes are currently watered by larger irrigation heads that not only cover the tee boxes but also the adjoining turf areas. By installing smaller popup sprinkler heads that will irrigate only the tee boxes, Indigo can reduce the amount of water used without harming the playability of the hole.

Overall, the turf reduction strategy is estimated to reduce current water use by a relatively marginal amount for a cost of $70,000 that will include the installation of new irrigation components and beautification for the areas that will be converted from turf.

2.2 Potential New Configurations

In FY 2017, the Town contracted with the National Golf Foundation (NGF) to perform an assessment and provide recommendations for Town's golf operations. Part of NGF's recommendations included a full physical upgrade for the Pusch Ridge 9-Hole course, turning it into a 12-hole, par 3 course.

NGF's "Full Commitment" called for a complete transformation of the facility into a new golf experience. The "Dirty Dozen" concept envisioned spending $3.1 million for a complete redesign as a 12-hole course of all par-3 holes between 100 yards to 200 yards in length with the removal of current holes No. 5 and 6 for repurposing.

The design called for the development of new tees, greens, and surrounds for nine holes, removal of holes 5 and 6 for conversion to non-golf parcels; as well as a new irrigation system with a newly sited reservoir and pump and the demolition and replacement of the maintenance facility. Given the nature of the proposed work, the increased costs in the construction market, and general inflation, the current price tag of such work is estimated to be drastically higher.

For that investment, NGF estimated that the course may see 16,000 rounds played annually.

Indigo was asked to comment on the current course configuration and offer any comments on reconfigurations that would offer an effective return on investment. In response, Indigo stated:

"*Based on current financials and market conditions, we do believe Pusch Ridge's current setup is the best course of action.*

"*Adding holes or reducing Pusch Ridge to a "par-3" golf course to save on turf and water would not be an effective ROI. The rough estimate to build a decent 18-hole golf course today is approximately $25 million or $1.4 million per hole. Adding three holes at $4.2M for a "Dirty Dozen" concept is not going to drive more rounds to Pusch Ridge and converting the course to a par-3 only course would reduce the*

number of rounds we received annually, and the price point we offer would most likely need to be reduced in this concept and the water and turf saving would not make up the difference."

2.3 Third-Party Lease Options

On February 17, 2021, the Town Council voted to operate the Pusch golf course for three years provided the Town is not successful in leasing the course to an outside operator. The Town conducted a formal Request for Proposal in November 2021 and received one submittal. Ultimately, the Town was not successful in securing an outside operator. Indigo Sport began preparations to open the facility in November 2021 after being closed for 19 months.

The Town of Oro Valley operates its golf facility through a fee-for-service management agreement with Indigo Golf, and direct oversight by the Parks and Recreation Director and Town Manager. In reviewing operations with a variety of stakeholders, ranging from the Town Manager to signatory HOAs and FOPRG, all agree that Indigo brings quality and professional management of golf operations to Pusch Ridge.

In November of 2021, Town of Oro Valley conducted a competitive proposal process with the intent of seeking individual Lessee/Operators who are interested in leasing and operating the Town's municipal Pusch Ridge 9-Hole Golf Course.

The Request for Proposals (RFP) was flexible by design – allowing for an interested party to tailor their response in a way that would maximize their effectiveness and benefit (while still meeting the basic requirements of the Town).

Town staff heavily promoted the RFP – sharing in all applicable forums, as well as making individual contact with every major player in the industry that we could.

No single acceptable response was received.

In reaching out to industry contacts in 2023, the environment has not changed dramatically since the last RFP was issued. While an outright lease of the facility would be an attractive option if the Town's objectives in municipal golf were purely financial, and if a suitable partner could be found that would be willing to take on all operational risk or interested in bringing capital investments to complete some of the CIP projects identified.

Currently, maintaining our relationship with Indigo is the best path forward for now.

3 Appendix

1. Reclaimed Water System Expansion Estimated Construction Costs- TC- CR- 5.1.2023
2. Pusch Ridge by David Stout
3. HOA Responses
4. FOPRG Responses
5. NGF The Graffis Report 2023