

CITY OF NEW STRAWN

SPECIAL MEETING

Thursday, May 23, 2019

Purpose: Golf Course

Present were: Mayor Mark Petterson
City Clerk Joni Hernandez
County Commissioner Bob Saueressig

Council Members: Richard Croll
Jeanne Haas
Gary Haehn
Rhonda Taylor
Jim Weeks (arrived at 6:04 p.m.)

Patrons present: Lucas P. Allen
John Heath
Shirley Heath
Joyce Hopkins
Steve Hopkins
Justin Marchant
Sarah Nuessen
Amy Sides and daughter Hannah
Colin Sleezer
Scott Porter

Call to Order: Mayor Mark Petterson called the meeting to order at 6:00 p.m.

Golf Course: The mayor stated that if the City is going to keep the golf course as a “golf course”, there is an urgency to do what is necessary to keep the grass alive on the golf greens under possible heat and weather stress conditions. Electricity will need to be turned on to get pumps going.

He explained that he and Council Member Jim Weeks attended the County Commissioner’s meeting on Tuesday, May 21 where they agreed to loan the City of New Strawn \$250,000 at zero percent interest. He also explained that while terms for the loan have not yet been set; no payment will be due until at least the third year.

Council Member Jim Weeks arrived at 6:04 p.m.

The mayor also stated that in addition to County funding, a commitment from the Burlington Recreation Commission will be needed for funds to operate the golf course. BRC cannot own land; however, they can budget for and request a partial mill levy for operating for the 2020 year and additional years.

Budgets from the City and from the Rec will be due to the County in June.

The mayor further explained that the BRC discussed offering operating funds of \$70,000 for the first year and \$35,000 for each of the following four years. On Tuesday, May 21, the BRC vote

for the proposal was 2-2; therefore, it did not pass. However, they are not opposed to supporting the City of New Strawn but want more information. The mayor stated that Rec Director Scot Jeffers believed the Rec will give funding toward the golf course and will need to determine how much.

Mayor Petterson handed out financial information to council members from the Osage City Golf Course. Handouts included a profit and loss report and proposed budgets for 2017 and 2018. Reports listed information about memberships, concessions, insurance, buildings, golf carts, and subsidies.

The mayor has been in contact with TrustPoint regarding possible insurance. Osage City's Golf Association pays for insurance and employees.

In talking with the Coffey County Commissioners, the mayor noted there are other possible resources available including grant monies and economic development. Corporate donations and volunteers have also been discussed.

Time is of the essence to preserve the course and try to open in three to four weeks. It will take a commitment to move forward.

County Commissioner Bob Saueressig addressed the Council. He stated the County has agreed to an interest-free loan in the amount of \$250,000. He explained a possibility that the County may forgive the loan and give it as a grant to the City; or if it fails as a golf course, the City may have to sell off assets and the County may have to take it back. He stated the details need to be worked out, and it may be that the City will want to ask for a 20-year loan instead of a 10-year note. He explained that negotiations can be worked out later depending on what the City can afford.

Patrons addressed the Council:

- Can BRC contribute if they are a tax-paying entity? (yes, operations and other recreational opportunities. Discounts for those living in USD 244 school district.)
- Golf Course will be a public course
- Rec has carry-over funding and willing to help
- Can City borrow from BRC? Can County give Wind-Farm funds?
- Memberships at reasonable prices
- Volunteers have expressed willingness to help

Colin Sleezer stated that he has been in contact with Prairie Wind Golf Course owners and has permission to mow and spray the greens.

The mayor asked for a commitment from the Council.

Haehn made a motion that the City not enter into any agreement to buy or operate the golf course. **Motion died for lack of second.**

County Commissioner Bob Saueressig clarified that Infrastructure funds have nothing to do with the golf course. They are separate funds that do not affect the City's decision on the golf course. He explained that the County has a Community Improvement line item for the golf course and Community Improvement Reserve fund for the Community Center matching funds; therefore, no connection and no penalty.

The Council addressed concerns regarding having something in writing and numbers to budget accordingly.

The mayor stated Bryan Minnis with Great Life is willing to help draft a budget and give advice with marketing, clubhouse, consulting fees, memberships, etc.

If golf association is formed, it will need to make decisions regarding improving the course. The City will be hands-off in that area.

Colin Sleezer gave history when he was owner regarding men's league, women's league, tournaments, donations, end-of-year cook-out, etc.

Bob Saueressig said the City of New Strawn needs to make the decision as to whether they will accept the \$250,000 loan as a start. He plans to support them, but still needs to be the City's decision. He left the meeting at 6:50 p.m.

The Council addressed concerns of not having control of the land versus it surviving as a golf course. It was suggested the City offer earnest money and table for 30 days to get agreement in writing from County. They don't want to hurt City's other areas including parks and community building funds.

It was noted that earnest money has been given by some property owners to Prairie Winds Golf course owners.

Patrons again addressed the Council:

- City needs to commit contingent upon concerns instead of continuing special meetings
- Not expected to make profit, but try to break even
- Most of the 77 acres will be a wasteland if it doesn't remain a golf course
- Is Council willing to let it go and not have any control?
- Donations
- Concessions – Lease
- Economic Development
- Marketing
- Wolf Creek Employee's Association is interested in supporting in some way
- Corporate funding can be requested
- Golf course is a benefit to the community, county and surrounding area; not just New Strawn residents

Patron Steve Hopkins thanked the mayor and Council Member Jim Weeks for all their efforts. He stated that he is willing to have his name added to list of volunteers.

Weeks moved, seconded by Croll, to look at contract with County to make sure it doesn't hurt the City contingent upon Burlington Recreation Commission funding \$70,000 the first year to allow City more time for operations.

Weeks amended his motion to add a minimum commitment of \$35,000 per year from BRC for three years.

Weeks withdrew his motion.

Croll moved, seconded by Weeks, to purchase Prairie Winds Golf Course with a loan from the County in the amount of \$250,000 at zero percent interest. **Motion carried 4-1.** (Haehn voted no.)

Haehn left meeting at 7:45 p.m.

Mayor Petterson adjourned the meeting at 7:52 p.m.