

# **Golf Enterprise – Irrigation Supplemental Request**

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# Golf Enterprise



- Patty Jewett and Valley Hi golf courses operate as separate enterprises of the City of Colorado Springs within the Golf Enterprise Division
- Each is self-supporting with all revenue derived solely from user fees
- The sites receive no sales tax or property tax support from the City of Colorado Springs
- Patty Jewett and Valley Hi cannot share revenue





# Current Irrigation Systems

- Patty Jewett and Valley Hi golf courses' irrigation systems are 38+ years old—18 years past their design lifespan
- Water is by far the largest budget item for the Golf Enterprise Division.

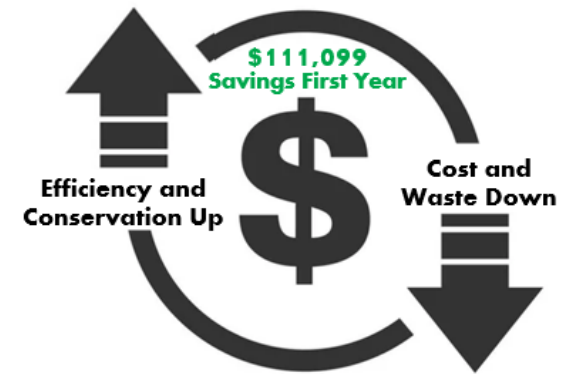
For 2024:

- Patty Jewett allocation = \$388,130
- Valley Hi allocation = \$229,094



# New Irrigation Systems

- Reduces irrigated turf by 25 acres at each course (total of 50 acres converted to native areas)
- Larger main lines shorten the watering window
- Winter hydrants by greens and tees allow winter watering
- New technology increases energy efficiency, supporting increased system sustainability for the long-term
- Results of recent golf course irrigation renovations in Colorado:
  - Improved turf quality
  - 18% to 22% savings in water usage
- At the conservative 18% rate, that will be a significant annual savings for both courses:
  - Patty Jewett = \$69,863 savings
  - Valley Hi = \$41,237 savings



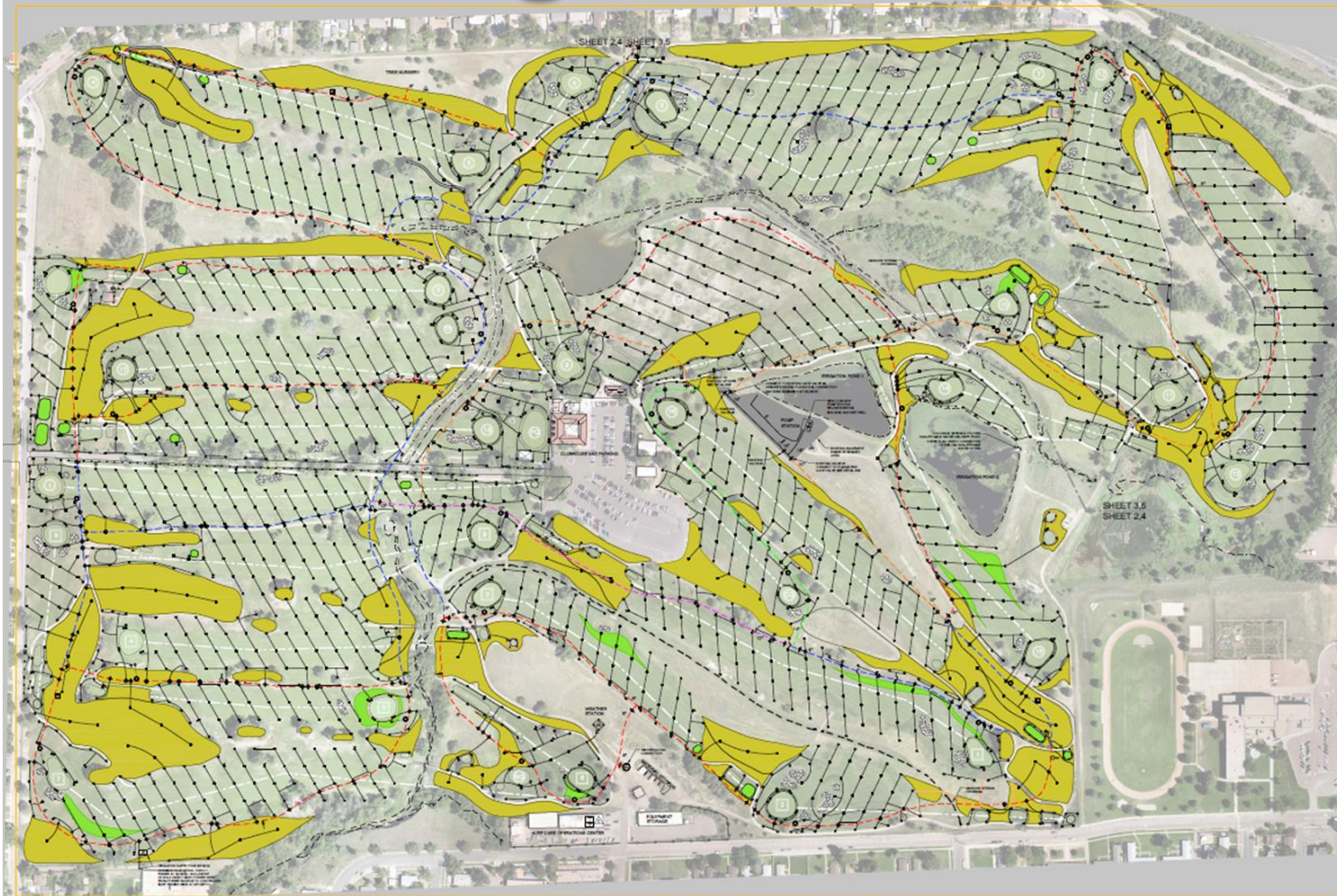


# Turf Grass Reduction and Irrigation Design





# Turf Grass Reduction and Irrigation Design





# Funding Challenge

- Cost estimates in spring 2021 with approved ARPA funding:
  - Patty Jewett = \$3.8M
  - Valley Hi = \$2.8M
- Design process spanned 2022/2023
- Construction bid results in fall 2023:
  - Patty Jewett = \$5.8M
  - Valley Hi = \$4.0M



# Funding Plan



- To meet increased project costs, staff recommendations:
  - Fully fund Valley Hi's irrigation system with ARPA funds
  - Use remaining ARPA funding to pay for a portion of Patty Jewett's irrigation system
  - Patty Jewett will use \$2.0M of its fund balance
  - Patty Jewett will obtain \$1.6 million via a lease-purchase financing agreement to complete the project
  - Since 2020, Patty Jewett has made annual contributions of \$325,000 to its fund balance
  - From 2023 year-end balance, approximately \$600,000 will be deposited into fund balance at close of 2023 fiscal year



# Funding Plan Summary



Valley Hi irrigation system replacement	\$ 4.0 million
Patty Jewett irrigation system replacement	5.9 million
ARPA funding for irrigation replacement at both golf courses	(6.6 million)
Expenses incurred so far – design (paid with ARPA funds)	0.3 million
<b>Draw from Patty Jewett fund balance</b>	<b>(2.0 million)</b>
Shortfall to be covered by lease-purchase financing	\$1.6 million

# Questions?

