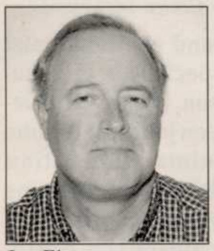
California unplugged

Much of the buzz at the GCSAA Conference and Show in Dallas swirled around the current hot topics, namely the labor shortage and water issues. The California contingent arrived with those worries and one other big concern – the state's energy fiasco and its impact on California golf operations.

It's nearly impossible to wrap your arms around the electricity mess that has taken some of the shine off the Golden State. But it's easy to pinpoint the problem areas as they relate to golf. Exploding operational costs seems to be generating the most trouble.



Jay Finegan, editor

"I'll tell you what," said Dan Farrar, branch manager for Club Car in Southern California. "There is tremendous concern amongst the golf courses, especially in the San Diego area, which deregulated before Southern California Edison did. I spoke with one course, and they told me the cost of charging up their fleet of electric golf cars could range anywhere from \$35 to \$35,000 – per *day* – depending on the spot price of the market.

"If they had to use energy at noontime, when demand is peaking," he said, "they'd be paying such exorbitant amounts of money that it wouldn't be worth having people out on the golf course."

WILD RATE SWINGS

It is this unpredictability that drives folks crazy. Scott Austin, an energy management specialist for Club Car, said the company's WattMiser system has been a godsend to courses that have it installed. The WattMiser takes advantage of time-of-use rates. If you recharge your battery-powered cars overnight, for instance, you're entitled to substantial rate reductions. By programming the WattMiser to run from 10 p.m. until early morning, he said, you can save as much as 80 percent from peak-power rates.

But, he added, "it's very difficult for me to put an identification on what the savings will be, when I'm with a potential customer, because the rates are changing weekly or monthly. People just wait to get their bill and see what they're paying that month."

FROM \$30,000 TO \$150,000 A MONTH

Rick Mansur knows what he's paying. Mansur is general manager of Rancho Bernardo Inn & Country Club in San Diego. He's also senior vice president of operations for JC Resorts, a LaJolla-based company with six golf courses, including those at JC's resort hotels.

As Mansur sees it, freestanding golf courses are such small energy consumers that they're not taking huge hits. "The way it works," he explained, "is that, unless you peak at more than 100 kilowatt hours – if you're a small user – the rate is capped at 6.5 cents per KW hour. That's up from four cents before, but it's still not bad enough to force a major hardship.

"The golf resorts, however, are getting blasted, because the cap doesn't apply to them," he said. "At one of our properties the monthly power bill has gone from \$30,000 to \$150,000. Those are the ones getting killed."

TURNING OFF THE LIGHTS

Finally, we come to Mike Flanagan, director of golf at Doubletree Golf Resort San Diego, about 20 miles north of the city. He's turning off lights and cutting consumption wherever possible, because his electricity rate has jumped from 6 cents per KW hour to anywhere from 14 to 19 cents. "We're looking at roughly a 300-percent increase for our golf operations," he said.

"We have a clubhouse, a bar and restaurant, and we're reducing lighting there as we can," he said. "But we have air conditioning and we also have heat, and that's a major concern because our energy costs are going through the roof."

PASSING ON THE COSTS

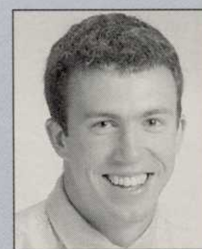
The course at the Doubletree Golf Resort charges green fees of \$50 on weekdays and \$70 on weekends, including carts. Until recently, the club absorbed the added power costs and hammered expenses down to the bone. "But now I'm looking at raising our rates because the cost of electricity is just so high," he said. "It has to be passed on to the consumer at some point. I assume other clubs will look at their energy costs and do the same."

Adding insult to injury, Flanagan's 80 golf cars are all electric. "We were forced by the state to switch to electric because of smog," he said. "Given the price of gasoline, it seemed like a smart move. But now it costs us three times as much as before to operate them."

It might be years before California sorts out its energy mess. But in the short run the upshot seems clear – more expensive golf. And that ain't good.

Accessibility issues perplexing to golf courses

The Americans with Disabilities Act has once again moved to the forefront in the golf industry. The United States Supreme Court will provide a final ruling this year in the Casey Martin's lawsuit against the PGA Tour. Both Club Car and E-Z-GO unveiled adaptive golf car lines at this year's PGA and GCSAA shows (see story page 1). And later this year, the U.S. Access Board (which makes ADA recommendations to the Justice Department) is set to finalize accessibility requirements for new golf course developments.



Andrew Overbeck, managing editor

While the possibility of adding an estimated four to seven million handicapped golfers is undoubtedly good for the game, what will this mean for the business of golf?

The accessibility requirements for course design ought not prove too troublesome. The regulations mandate that all new courses (including renovations) provide access to one tee on every hole as well as access to greens and every point in between. The rules do not include access to bunkers and other hazards and thus should not impair golf course design.

WILL COURSES HAVE TO PROVIDE ADAPTIVE CARS?

The biggest issue will be whether courses will be required to provide adaptive golf cars. If so, how many cars will be required at each course? Regardless of the low psi of adaptive cars on the market, how will superintendents balance the requirement to provide access to tees, fairways and greens while at the same time providing excellent golf course conditions?

The answers to these questions are murky at best, and further complicating matters are the lawsuits that will inevitably threaten golf courses even though there has been no final action from the Justice Department.

These issues are currently being hammered out.

"We are working with the Justice Department right now to form a policy that makes sense for the golf course industry," said Mike Hughes, executive director of the National Golf Course Owners Association (NGCOA). "We need to assess how you provide access and how many [adaptive] cars are required to fill market need."

FORM AN ADA POLICY

In the meantime, GCSAA president Tommy Witt recommends that superintendents study the issue.

"How superintendents look at this issue is very important," he said. "We need to balance complying with the ADA rules and maintaining the expectations that players and owners have of us and the asset that we manage."

George Renault, former GCSAA president and member of the golf subcommittee for the U.S. Access Board, noted that creating a course-wide policy to ADA issues is the best approach.

"This is going to be a reality and you can not be discriminatory," he said. "But if you are going to keep them [adaptive cars] off the course for some reason [wet turf, weak rootzones] you need to have a good written plan. If you just say that the course is too wet, that is not going to fly. But if you have a written plan that shows guidelines, you are in better shape."

USGA RESOURCE CENTER

These issues will continue to be kicked around in the coming months. The United States Golf Association has launched a resource center for individuals with disabilities which will serve as a national clearinghouse for information for disabled golfers who seek the opportunity to learn and play golf.

In April the sixth National Forum on Accessible Golf will be held at Clemson University to identify education strategies to enhance the accessibility of the game of golf. And the NGCOA is continuing to press the Justice Department to resolve the issue and create a formal policy on the use of adaptive golf cars.

Stay tuned.

GOLF COURSE NEWS

THE NEWSPAPER FOR THE GOLF COURSE INDUSTRY

www.golfcoursenews.com

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