

# GOLF COURSE NEWS

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## INSIDE

### If you can't beat it, imitate it

By imitating the behavior of Poa annua and seeding more bentgrass, superintendents could beat the notorious pest at its own game ..... 7

### Lining up financing

Between uncertainty in the industry and lower rounds numbers, funding can be tough to come by unless you know where to look ..... 15

## COURSE MAINTENANCE 7

- Squaw Creek still largely chemical-free
- Air Tech rolls out Air Boom sprayer for turf
- Tools of the Trade at Carlson's Stone Creek GC

## DEVELOPMENT & RENOVATION 12

- Davis, Stadler design 'heathland' course
- Renovated Dye course aims at walking golfers
- Transitioning brownfields presents opportunities

## COURSE MANAGEMENT 15

- Ocean Trails GC finds a buyer in Trump
- GTA progresses with liquidation plan
- Horseshoe Bay goes private to preserve revenue stream

## SUPPLIER BUSINESS 17

- Lastec rolls out 3377T as part of refocusing
- Spin-off doesn't change Monsanto's business plan
- Soil Air, SubAir resolve patent dispute

## POINT

Architects Jeffrey D. Brauer and Bob Lohmann debate whether to renovate all at once or to spread out the work.

Page 4

## COUNTERPOINT

## ITT acquires Flowtronex PSI

By ANDREW OVERBECK

WHITE PLAINS, N.Y. — Global conglomerate ITT Industries acquired privately held Flowtronex PSI Aug. 19 as part of its plan to expand into the golf course and turf irrigation markets. Terms of the deal were not disclosed.

With Goulds Pumps under its corporate umbrella, ITT already has an experienced pump manufacturer. The company expects that its acquisition of Flowtronex will allow it to become a leading provider of pump station and irrigation products to the golf and turf industries.

"ITT recognized that Flowtronex has a leadership position in the golf course and landscape irrigation markets," said ITT's Water Technologies Group president Doug Binger. "Flowtronex is a leader in technology and product development and has excellent manufacturing facilities and processes that fit well into the ITT organization."

Binger said ITT is focused on providing a "total solution" for customers.

"ITT has strategic focus on growing the businesses in water supply market segments adjacent to those now served by Flowtronex. From the bottom of a well or reservoir to the point of application, opportunities exist for us to provide all of

Continued on page 19

## Munis face challenges from many fronts



The Arthur Hills-designed Black Gold Golf Club in Yorba Linda, Calif., is projected to exceed expectations in its first year in business.

By DEREK RICE and ANDREW OVERBECK

More so than other types of courses, municipal golf courses face challenges from many directions. Residents want to be sure their tax money is being spent wisely, while owners of other courses in the area want to be sure they aren't getting squeezed out of the market by an owner — namely a city, county or state — with deep pockets.

Occasionally, local owners will call on their local chapters of the National Golf Course Owners Association (NGCOA) for help in opposing municipal projects if they feel the municipality is acting irresponsibly, according to Curt Walker, executive secretary of the Midwest chapter of the NGCOA.

"There are pockets of respon-

sible and irresponsible proposals, and I think plumbing those is the job of owners in that particular market," Walker said. "If they then decide to ask for help in opposing those enterprises, various forms of help are available to them."

More than once, Walker has been asked to get involved in such a debate, but always on the local level, since, as he said, municipal golf by its very definition implies locality.

"I really don't think municipal golf is a generic term. It is a local term, and each situation probably has a unique analysis, a unique discussion and a unique concern to owners in that market," Walker said.

While there is no real generalization of municipal golf as either good or bad, there are many examples of

specific projects that have gone both ways. On the down side is North Links Golf Course in North Mankato, Minn., which Walker has called

Continued on page 13

## Goldman nears NGP acquisition

Firm apparently wins bidding war for company

By DEREK RICE

SANTA MONICA, Calif. — It appears National Golf Properties Inc. (NGP), the golf course ownership company that has been negotiating to merge with its largest tenant, American Golf Corp. (AGC), has found the savior it has been seeking. According to a published report, which has been confirmed by an industry source, a real estate fund run by Goldman Sachs has prevailed in a bidding war for NGP that also included Westbrook Partners and Blackstone Group.

Spokespeople from NGP and Goldman did not return calls seeking comment on the deal.

According to sources, Goldman's Whitehall real estate fund has teamed with Starwood Capital Group, a buyout firm run by Barry Sternlicht, chairman of Starwood Hotels and Resorts Worldwide Inc.

Both Goldman and Starwood

Continued on page 16

## Environmental Golf changes name, looks to grow

By ANDREW OVERBECK

CALABASAS, Calif. — In a move to consolidate branding and marketing, Environmental Industries has changed its name to ValleyCrest Companies. The company's golf maintenance division, Environmental Golf, is now ValleyCrest Golf Course Maintenance.

Environmental Industries grew out of ValleyCrest Landscape Nurseries, which was founded in 1949. The company returned to its roots to reflect its comprehensive portfolio of landscape services. The change was made effective Oct. 1.

In addition to ValleyCrest Golf Maintenance, the company is in-

involved in the nursery, tree, landscape and construction management business. The ValleyCrest Companies have more than 7,000 employees and have posted revenues in excess of \$600 million.

"Consolidating under one name shows that we are capable of performing any type of horticultural service within one company," said ValleyCrest Golf Maintenance business development director Terry McGuire. "There is no operational change as far as we are concerned.



Terry McGuire

We will not reorganize our staff and we will function within the same line of work. From a perception standpoint, however, the name change will bring a lot more value and equity to our company." ValleyCrest, however, will retain rights to the Environmental Golf name.

### DOUBLING GOLF BUSINESS IN NEXT 12 TO 18 MONTHS

McGuire said he initially resisted the name change because he believed "environmental" was such a powerful watchword in the golf

Continued on page 19



## Municipal courses face many challenges

Continued from page 1

"the poster child for failed local enterprise." Built for \$6.6 million in the early 1990s, the course suffered from overspending—the clubhouse cost \$1 million and one bridge was \$300,000—until the course was foreclosed upon in 1995. It has since been purchased by Wilson Golf Group of White Bear Lake, Minn., for \$2.3 million.

But for every North Links, there is a Black Gold Golf Club (Yorba Linda, Calif.) or Pennsauken Country Club in Pennsauken, N.J. Both of these clubs have been able to turn a profit and keep local criticism to a minimum.

Black Gold, which opened in November 2001, faced some vocal opposition during construction. A group of residents resented the city's spending nearly \$24 million on the course, which was a valid concern, according to Eric Lohman, Black Gold's director of golf.

"There were a few people who spoke out openly at city council meetings, and if anybody knows anything about city politics, that's usually the case," Lohman said. "In this instance, they had a valid point, but the city had already spent an awful lot of money on something that may have seemed a bit risky."

Since opening, however, Black Gold has exceeded expectations, Lohman said.

"We had budgeted for 52,000 to 53,000 rounds in our first year, and we're going to end up doing about 60,000," Lohman said. "I think that's really silenced everybody. We haven't heard any complaints in the last seven months, let's put it that way."

Lohman, who has worked for OB Sports and American Golf Corp. in his career, said working for a municipal course is different from any other experience he's had.

"When you deal with city politics, all major expenditures have to be approved by the city council," he said. "There were times when people wanted to see us not succeed, but here, from the first month on, we were able to give money back to the general fund and pay down our debt."

Bob Prickett, general manager and superintendent at Pennsauken CC, has had a similarly pleasant experience. The township of Pennsauken paid \$1.2 million for the course, which used to be known as Iron Rock, back in 1981. Today the course, which gets about 55,000 rounds a year, is worth \$10 million.

"From day one, it has been in the black and it has made the township extremely happy," he said. "There are no tax dollars involved and there never have been."

The course has made several capital expenditures over the years, build-

ing a new clubhouse, a tunnel under a major highway that bisects the golf course and several new tees and greens. Course upgrades will wrap up with the installation of a new irrigation system and the renovation of other old greens and tees. Improvement projects cost the course an average of \$250,000 a year.

Prickett said the facility, which

takes in nearly \$2 million a year, pays for all of the improvements with course revenues. The course currently pays the city \$50,000 a year in lieu of taxes.

"Once the major capital projects are completed and we pay back the bonds, the township will see about \$500,000 a year from our revenues," Prickett said. "With the bonding and the capital outlay, the place has been running like a charm since 1981." ■

## Evans begins work on Hurdzan-Fry course

ORLANDO, Fla. — Evans Golf has been selected to build the Dr. Michael Hurdzan-Dana Fry-designed Georgian Bay Club near Collingswood, Ontario.

Evans began work last month on the par-71, 7,223-yard course near the Town of the Blue Mountains, which lies just north of Toronto.

The high-end private course owned by a consortium of developers is scheduled to open in fall 2003.

Featuring a mix of rolling countryside and thick bush, the property sits high above Georgian Bay. Three streams and deep ravines run through the property, which lies at the foot of the Niagara Escarpment.



Bob Prickett

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**18**

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