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Rains deluge courses

BY PETER BLAIS

First Hurricane Hugo in South Carolina, then the San Francisco earthquake, then record-low temperatures in December throughout much of the United States, then, most recently, spring flooding in the south central Midwest.

It's been a tough past few months for the nation's golf courses.

Record April and May rainfalls swelled rivers and left entire courses under water in Arkansas and Texas. Some weren't expected to re-open until mid-June.

In Little Rock, Ark., Rebsamen Park and Burns Park municipal golf courses were completely flooded during the first week of May, according to Arkansas State Golf Association President Charles Wade. The back nine at Maumelle Golf and Country Club was *Continued on page 28*



A tractor bulls through flood waters at Rebsamen Park Municipal Golf Course in Little Rock, Ark. Photo by Tanga Dreher

Jobs galore for grads

BY PETER BLAIS

At Michigan State University, Assistant Professor John "Trey" Rogers has a list of 77 assistant superintendent job openings for this year's 44 graduates of the school's two- and four-year turf management programs.

At Pennsylvania State University, 20 of this year's 36 turf management graduates had already accepted jobs as of mid-April, according to Professor Joseph Duich. Another six were negotiating with employers and Duich had little doubt the rest would find employment.

At Texas A&M University, instructor Wallace Menn estimates the school has received three times as many job offers as it has graduating students (45) of the four-year agronomy with turf management option program.

At Califiornia State Polytechnic University at Pomona, Professor Kent Kurtz Continued on page 27

Vegas debates effluent use

BY PETER BLAIS

The Colorado River Commission is considering stopping the use of effluent to water Southern Nevada golfcourses, amove that could threaten development in one of the fastestgrowing areas of the country.

The amount of drinking water southern Nevada is allocated from the Colorado River is determined, to an ex-*Continued on page 15*



The floating 4th green at Coeur d'Alene is a monument to engineering and innovation. Courtesy of Scott Miller Design

Miller tests waters with floating green

BY BOB SPIWAK

When the golf course opens next summer at Idaho's Coeur d'Alene resort, it's going to make a big splash. Golfers, playing the 14th hole, will make a lot of smaller splashes. The course will feature the world's first

floating island green.

Coeur d'Alene is in the panhandle of northern Idaho, tucked between Washington and Oregon. Surrounded by mountains, and on the shore of Lake Coeur d'Alene, the town was once a timber community. It has evolved into

a recreational area and when land became available at the site of an old mill, local developer Duane Hagadone saw it as an ideal place for a golf course to accompany his hotel resort on the lake. Hagadone was certain of one thing:

Continued on page 26

High Court expected to rule on Portland case

A decision is expected in June on the Portland (Ore.) Golf Club case before the U.S. Supreme Court.

On April 17, the rights of tax-exempt private clubs to consistent treatment on the taxation of investment income were argued before the U.S. Supreme Court by National Club Association tax counsel Leonard J. Henzke Jr. He was assisted by Allen Bush, counsel for Portland Golf Club, the petitioner.

The NCA said the culmination of a nine-year struggle with the IRS, the Portland case "will determine the level of fairness granted to private clubs in the taxation of investment in-

Vegas -Continued from page 1

tent, by the amount of treated sewage it returns (known as return flow credits) to the river.

Nevada's annual 300,000 acre-feet Colorado River allocation could last into the next century, according to the CRC budget. But by returning effluent to the river, another 180,000 acre-feet could become available.

With the growth in the region (4,000 new residents migrate there monthly and water use was up 13.5 percent in the first two months of 1990), the commission is concerned that using that effluent on courses, rather than returning it to the Colorado River, could affect southern Nevada's future drinking water allocation.

In fact, CRC Chairman John Moran Jr. has stated his objection to more golf courses.

But that's a view "we were all very surprised to hear," said James Gans, director of the Clark County Sanitation District, which operates the district's sewage treatment plant.

"There is considerable question whether the the CRC even has the authority to regulate the use of treated water," Gans said.

Ganssaid there is a demand formore courses. The Las Vegas Valley Water District favors courses using effluent rather than potable (drinkable) water whenever possible, he added.

While most Las Vegas-area courses don't use effluent, four do and others are considering it, according to Wiliam Rohret, president of the Southwest Golf Course Superintendents Association and superintendent at 54-hole Sunrise Country Club.

come," as embodied in Revenue Ruling 81-69. In enforcing Rev. Rul. 81-69, the IRS con-

tended that tax-exempt clubs must show a profit motive before they can be allowed to offset losses from certain non-member activities, after allocation of overhead, against taxable investment income.

The IRS contends that most unrelated business does not demonstrate a profit motive, and therefore clubs should be taxed for investment income as if there were no counterbalancing losses.

"We have fought against this unjust interpretation since it surfaced in 1981," said NCA

as "gray water," said Rohret Another dozen or

so facilities are on the drawing board, some of

which would like to use gray water, he added.

effluent.

Gans.

Rohret

industry fails

cilities

the CRC on alternatives."

There is a definite financial incentive to use

As a conservation measure, the water dis-

trict will raise the price to major users of river

water (read golf courses) by 30 percent, to

around \$1.10 per 1,000 gallons, effective Oct. 1.

approximately 25 cents per 1,000 gallons, said

would like to see more use of effluent," said

Gray water is about one-fourth the cost at

"That's one of the reasons superintendents

Another reason is that superintendents want

"Las Vegas is built on tourism, and golf

courses are a big part of tourism," said the

Southwest GCSA official. "If we fail, the tourist

the last 10 years. Continued growth through-

out the valley is dependent on water. What will

restrict growth here is the availability of water.

No one wants to run out. We'd like to work with

construction of satellite sewage treatment fa-

section of the valley, the satellite plants would

One of the alternatives most discussed is the

Smaller than the main facility in the eastern

"Things have just exploded around here in

to see the area prosper, Rohret added.

President George Squibb.Henzke asserted that many large, for-profit corporations never pay taxes as the result of paper losses but, nonetheless, stay in business by making real gains. Henzke implored the High Court to use, with clubs, the same economic profit standards applied to for-profit corporations.

Henzke further explained applicable Tax Code provisions, pointing out that the IRS's interpretation, embodied in Rev. Rul.81-69, was not supported by the text of the Code.

"Congress is free to change this law, but neither the IRS nor this court have that power," Henzke said. "At the very least, clubs deserve

ever pay they have made a real financial profit, even nonetheal gains. loss." Henzke argued there are conflicts between

and among federal circuits. "The financial planning of clubs is in limbo. Our member clubs ask the court to settle this issue, telling them in dependable, absolute terms how the tax laws will be applied to their activities."

the same freedom as other taxpayers to show

The government's attorney, Clifford M. Sloan,, argued that the Portland Club had failed to demonstrate a profit motive, which, in the IRS's view, is required by law.

Sunrise, Desert Rose, Showboat and Black new development is taking place. MountaininHendersonuseeffluent, also known "The water district would like

"The water district would like to see something like that. They figure that electricity to pump the water makes up about 50 percent of the cost of getting it to the customer," Gans said.

Sanitation district studies show the capital costs of building satellite plants would raise the price of treated water to 70 to 75 cents per 1,000 gallons. But that's still well below the water district's charge of \$1.10. Effluent and fresh water prices will likely go higher in the future, Gans said.

A CRC decision to ban the use of effluent on golf courses could have even greater effects on Laughlin, a tourist town located 90 miles south of Las Vegas.

"Las Vegas' growth looks slow compared to Lauglin," said Gans.

Laughlin is using two-thirds of its 10,000 acre-feet allocation. The remaining third is already promised to developers. That means the city is, in effect, out of water for future growth. Gans is hopeful more water may be made available. But there is a waiting list of proposed developments ready to drink that down.

There is one course, Emerald River, in Laughlin. It is paying \$1.94 per 1,000 gallons for water, said Gans. But it can tap into effluent supplied by the sanitation district's \$32 million treatment plant, scheduled to open in mid-1992.

"There's a lot of room for more courses in Laughlin. But it looks like the CRC will take the same stand there on effluent," said Gans. Gans said he realizes the CRC is between a rock and a hard place in allocating water. "

"Rapid growth is placing a tremendous demand on a very small, finite supply," he said. "Yet current policy allows a gallon of water to be removed from the river only if a gallon of Colorado River water is put back in."

Other possibilities for getting water to the rapidly developing Las Vegas valley are being considered.

The Resource Conservation Group, made up of representatives of the seven states contiguous to the Colorado River basin, has discussed ways of getting water from the waterrich/cash-poor upper basin states (Wyoming, Colorado, New Mexico and Utah) to the waterpoor/cash-rich lower basin states (Nevada, Arizona and California).

"Getting an allocation change from the the Department of the Interior is possible, but not probable," said Gans.

Building a water pipeline to import 300,000 acre-feet yearly from Nevada's northern counties to Clark County is also being considered. But the estimated cost of the 10-year project is \$1.5 billion.

For now, conservation and effluent seem the solution, for both existing and new courses, according to water district conservation manager Linda Littell.

"Hopefully courses can reduce the turfgrass areas they have to irrigate," she said. "Their irrigation systems are already magnificently efficient, much more so than our residential users."



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