

Minutes
Village of Glen Ellyn Board of Trustees
Special Workshop Meeting
Village Links
Monday, August 18, 2014

Call to Order

President Demos called the meeting to order at 7:02 p.m.

Roll Call

Upon Roll Call by Clerk Galvin, Trustees Burket, Clark, Ladesic, McGinley and O'Shea answered "Present".

Staff present: Village Manager Franz, Assistant Village Manager Stonitsch, Village Attorney Mathews, Police Chief Norton, Acting Finance Director Coyle, Facilities Maintenance Supervisor Harold Kolze, Administrative Intern Justin Keenan, Jeff Vesevick, Chris Pekarek and Mike Atkins.

Also Present: Finance Committee members Erik Ford, Chairman and Jeffrey Wallace.

Agenda Item - E. 2013-14 Architectural Resources Survey Presentation (Administrative Intern Keenan)

The Village achieved the status of Certified Local Government in 2003, a program through the State of Illinois that recognizes historic heritage and permits access to federal grants for preservation efforts. An inventory of all existing historic structures is required by the program in order to maintain certification. To this end, the Village has conducted five architectural surveys within the northern portions of Glen Ellyn, with the most recent survey completed in July. Each of these surveys were conducted by Granacki Historic consultants with the assistance of a grant from the Illinois Historic Preservation Agency.

Following months of extensive work by Granacki, including research, fieldwork and photography, Granacki has presented the Village with a summary and inventory report for the 2013 - 14 survey. Once these findings have been presented and accepted, the Village can then look to hosting a neighborhood meeting this fall, in conjunction with the Historic Preservation Commission (HPC), to present these finding to interested residents. This neighborhood meeting will also serve to drum up property owner interested in landmarking. Lara Ramsey presented information on the Turner Duane survey area

Agenda Item F. - GolfMak Inc. Preliminary Assessment of Links and Reserve 22 (Consultant Mike Kahn)

With the recent retirement of long-time General Manager Matt Pekarek, the Village Board approved a contract in June 2014 with GolfMak, Inc. (Bradenton, FL) to provide General Manager professional services to assist Village staff with operating the facility on an interim basis. In addition to the general day-to-day oversight, the contract scope also required GolfMak, Inc. to provide the Village Board an independent, overall assessment of both the golf and restaurant operations, in order to help guide further decision-making

Bill McIntosh, GolfMak's initial view and observation of Village Links of Glen Ellyn and Reserve 22, which was extremely positive, and remains equally positive as of August 18. The property has shown to be busy every day, in excellent condition, and has a congenial and willing employee base.

VILLAGE LINKS GOLF COURSE

Mr. McIntosh stated if he was to rate Village Links in a nation- wide comparison; he would place Village Links in the top 5% of all golf courses. Village links is superior to 95% of golf courses for:

- Its layout – good enough to host the US Senior Open Qualifying round in July
- Condition – excellent from tee to green
- Practice range – wide, expansive - if not a little short (needs a high fence or thick trees at the back of the range field)
- Courses – The two courses one 9-holes, the other 18-holes – each serving a different clientele making
- Village Links accessible to a wider range of golf playing interests
- Parking lot, fully paved and striped, albeit the largest parking volume little far from the clubhouse
- Rounds of play consistently over 400 daily, often over 500
- Holding up posted fees - \$76.00 with cart on weekends
- Has anticipated gross annual receipts for 2014, including Reserve 22, estimated at +/- *\$4 to \$4.5 million (forecast) – a portion of Reserve 22 depending largely on success of the Blue Heron Room during the November-December Holiday Season
- Has shown earnings with no losses consistently every year at and over 17% of sales
- Village Links combination of all aspects puts the facility in the upper echelon of all public golf courses in 2014.

RESTAURANT: RESERVE 22

Mr. McIntosh stated that he has seldom encountered food and beverage divisions at golf courses specifically planned to become a full public restaurant. Village Links restaurant, Reserve 22, was designed, apparently, without a truly defined identity. With 20 large screen TVs spread around the entire restaurant facility, always tuned to sports events, 24-seats on high tables and 30-bar stools, Reserve 22 appears like most sports bars similar to a Miller's Ale House. In addition to the bar room, the Reserve 22 restaurant area seats almost 70. In addition to the restaurant, two separate outdoor patios seating 92 in one and 48 in the other allow fine weather outdoor dining, plus a patio bar in the large patio seating 10, creates a very casual atmosphere. The banquet room, known as the Blue Heron Room, seats 150. Total seating in the entire facility reaches 500.

The Links restaurant, banquet room and patios are well suited to host large golf events, weddings and other gatherings. As of August 1 there were 27 golf events booked for September, which will use Reserve 22.

Since Mr. McIntosh arrived at Village Links in the first week of June (2014), Reserve 22 has shown consistent revenue serving both golfers and off-the-street restaurant goers.

Total Reserve 22 sales, Jan-1 through July 31 total, \$987,387.57 including room and service charges, which in manager's experience puts Reserve 22 in the top 5% of all golf courses for food and beverage generated revenues.

A revenue goal for Reserve 22 has been set at \$2 million by Village of Glen Ellyn principals (which manager feels is a reasonable goal). However, the months of October, November and December must yield at least \$585,612.43 in revenue - a daily average of \$6,365.35 - over the final 92 days of the year to reach \$2 million total sales.

Mr. McIntosh feels, after visiting several restaurant competitors in Wheaton, DuPage and other nearby counties, Reserve 22 is competitive with its menu pricing, variety, and choices (most menus in the area offer from 40 to 60 menu items) and compared to most, Reserve 22 show to be reasonably competent with presentation and serving. However, Village Management (correctly) desires Reserve 22 to offer superior service, which is why he has implemented further server training.

Reserve 22 and especially the Blue Heron Banquet Room need to build its name in the Glen Ellyn area and beyond. As suggested above, a marketing and advertising strategy must be in place and implemented as soon as possible (as of this writing, August 14 2014). It is important, especially with the coming winter months, to get the name well know if the restaurant is hoping to attract restaurant goers through the winter months.

Finally, in Mr. McIntosh's experience and opinion, Reserve 22 needs a professional Food and Beverage Manager with the kind of experience appropriate for the Reserve 22 style. The restaurant needs an out-front (and back) manager who continually 'coaches' servers, greets and communicates with customers, makes sure the tables are timely bussed (properly), and has his/her eyes open at all times. At the moment, Reserve 22 lacks such a person in this highly important position. Mr. McIntosh feels a career restaurant person, properly compensated, can generate the necessary added revenues needed to move Reserve 22 over the top.

President Demos mentioned the possibility making the Village Links independent by eliminating the Recreation Department which would eliminate the peripheral duties of the Village Links.

Trustee McGinley asked for clarification of a support position. Manager Franz responded this person would be part-time with a salary of \$25,000-\$28,000 and have responsibility for daily, weekly and monthly financial reports as well as some Human Resource and clerical duties for the General Manager.

Trustee McGinley asked about the need for a separate website. Manager Franz responded that the Village Links has always had a separate website and they need to increase their social media presence and e-blasts. Trustee O'Shea responded that the Village Links has to stand alone as a restaurant and golf course. Trustee McGinley agreed with Trustee O'Shea.

Mr. McIntosh stated that Chef Atkins has been keeping labor and food costs down leading to a better profit margin.

Trustee McGinley inquired about capacity. Mr. McIntosh responded that they are looking at the right marketing for banquets. Trustee Burket asked about rounds of golf. Mr. McIntosh responded that nationally rounds of golf are levelling off and not on a downward trend but Chicagoans are avid golfers even in bad weather.

Trustee O'Shea asked how often the banquet room is used. Chef Atkins responded it has been used approximately twice a week and in the next 1 ½ months it is scheduled for 4 times a week.

Mr. McIntosh stated they will be requesting \$100,000 in the next budget for marketing. Trustee Burket responded that should have been spent in the last 2 years,

Trustee Burket asked about the salary range of a General Manager. Mr. McIntosh responded in the \$150,000 range.

Trustee McGinley in discussing the General Manager, Food & Beverage Manager and Golf Manager positions expressed concerns with the hiring of 3 high paying positions. Finance committee member Mr. Wallace responded that they have already had a General Manager and that position should be the least of your worries.

Mr. McIntosh remarked that the first thing implemented was server training. They also hired Bevintel to audit the beverage inventory which can audit by the ounce. Previous potential lost was \$2,600 weekly and it is down to \$1,200.

Trustee Burket asked why he has observed wait staff behind the bar. Mr. McIntosh responded that wait staff is behind the bar to access soft drinks only.

President Demos asked for a consensus to budget \$100,000 for marketing which he deemed as reasonable. The Board reached consensus.

Trustee McGinley expressed concerns with the lighting. President Demos expressed concerns with fan noise. Mr. McIntosh responded that the lighting was being replaced next week. Mr. Pekarek responded that the lighting manufacturer, engineer and the installers were all consulted. The reason for the dimmers flickering was undetermined but the replacement is at no cost to the Village Links. The manufacturer is replacing the lights at no charge and the electricians are not charging for the labor.

Trustee Ladesic asked about the parking lot lights, Mr. Pekarek responded the problems were due to a manufacturer defect and a pinched wire, it has been fixed.

Trustee Ladesic asked about valet parking services. Mr. McIntosh responded there is a cost involved and asked if they want shared cost, complimentary or per car. With regular use the cost comes down but liability is the biggest expense. President Demos stated that this is an administrative issue.

Agenda Item G. - Village Links Backup Generator Presentation (Assistant Village Manager Stonitsch)

Board Consideration and Discussion of the Potential Purchase of a Standby Generator to Supply Back up Power for the Links/Reserve 22 facility.

As part of its due diligence in containing the overall construction costs associated with the new restaurant/banquet facility (Reserve 22) at the Links, the Village conducted a value engineering analysis to identify construction expenses that could be reduced. Among the items that the Village elected to eliminate was the permanent standby power generator for the facility. Historically, the Links always operated without a permanent generator, and, when needed, used a series of small, portable generators to maintain basic operations during a power outage.

Given the significant change in the size and scope of the restaurant operations, trying to maintain basic operations, let alone the full complement of services, by utilizing small portable generators would be a challenging, if not futile, endeavor. Such new amenities like the walk-in coolers, for example, could not be sustained by using small, portable generators. Although the number of power outages have been infrequent, having a multitude of portable generators stationed and operating around the facility with extension cords meandering through the facility and walk-ways would detract from the customer experience, not to mention present potential safety hazards to patrons and staff alike. Additionally, with the facility able to now accommodate larger scale indoor events (e.g. small weddings), the potential for a power outage to temporarily interrupt, or even entirely disrupt, the event is a possibility. Although the Village has sufficient liability insurance to cover the losses associated with any significant business interruption, some customer relations exposure exists without a reliable back up power supply option.

Historically, the average power disruption experienced at the Links has been 4-5 hours, with most outages occurring in the summer due to storms. The longest outage in recent memory was two years ago, in early July, when the power was out for 2 days. Approx. 15 years ago, there was a 12-hour power outage due to a truck striking a utility pole, and

about 20 years ago there was a 1-2 day outage due to a main underground feeder line failing. In the last 12 mo., there have been no material power outages experienced at the Links.

President Demos asked about the specs for a generator. Assistant Village Manager Stonitsch responded that Steiner Electric provided the specs. Facilities Maintenance Supervisor Kolze responded that the estimates were high due to the complexity of the hookups. The generator would not be where the electrical service comes in. The service enters at Lowden Street. The hookup to the main panel needs to be several feet from the main panel.

The Board reached a consensus to pursue; President Demos stated he was very interested and requested that Assistant Manager Stonitsch drill down on the numbers.

At 9:55 p.m. President Demos and Attorney Mathews exited the meeting, leaving President Pro Tem Burket to conduct the rest of the meeting.

Agenda Item H. - Proposed Monument Signage Presentation (Assistant Village Manager Stonitsch)

Board Consideration and Discussion of Proposed Monument Signage with Electronic Message Boards for Downtown and Village Links Locations.

Downtown Monument Sign:

One of the community initiatives identified by the Village Board was to enhance the Village's communications with Village residents and businesses. One of the items that the Board identified was to replace the existing downtown monument signage with a new electronic message board, so that the Village could facilitate more timely communication, especially during emergencies. Coinciding with this Board priority was the Village's community way-finding signage initiative, which involved a comprehensive review of the Village's public signage and explored ways to improve directional signage in the Village and also to develop more consistent design standards that reflected the character of the community. The downtown monument sign was identified as an opportunity to reflect the new design concept, while also enhancing the Village's communication platform with an electronic message board component

Links/Reserve 22 Monument Sign:

As part of the Village's initiative to more aggressively market the new Reserve 22 restaurant and banquet facilities, the Village has been exploring opportunities to improve signage at the entrance of the Links (i.e. Park Blvd and Winchell Way). Currently, the existing monument signage has some limitations, including the fact it only references the Village Links, and also the relatively deep set back from the roadway. Although a temporary Reserve 22 sign has been recently installed, the Village's interim general management consultants (Mike Kahn and Bill McIntosh of GolfMak, Inc., Bradenton, FL) have encouraged staff to explore a more prominent monument sign, with electronic messaging, on Park Blvd. to improve way-finding for patrons and to also better leverage the "built in" marketing opportunity that the vehicle traffic on Park Boulevard presents.

Given the elevated importance of both sign projects, not to mention the significant cost factor associated with these purchases, staff desired to bring these items back to the Board for overall feedback and direction. Additionally, given that the Village has two potential sign projects being contemplated at virtually the same time, the Village might be able to realize lower costs by bidding out both sign projects at the same time.

President Pro Tem Burket asked if the sign downtown would be in the same location as the current sign. Assistant Manager Stonitsch responded yes and Village Manager Franz responded that is the best location.

Assistant Manager Stonitsch stated that they were planning to purchase the signs at the same time. Village Manager responded this is to consider the economy of scale.

Trustee O'Shea commented the sign needs color; no amber or red. President Pro Tem Burket asked about the lifespan. Manager Franz responded the lifespan is approximately 20 years, Chief Norton added that some message boards allow for the replacement of the LED panels every 5 years. Trustee O'Shea and President Pro Tem Burket commented that they preferred the Village Links sign than the CBD sign.

The Village Links sign needs to accommodate the 40 mph traffic driving by and the CBD sign needs to accommodate pedestrian traffic and slower and stopped vehicle traffic. President Pro Tem Burket asked why the difference between the two in price was so high. Assistant Manager Stonitsch responded the difference in price due to the level of clarity required.

Regarding the current Village Links signs and the new electronic sign, Trustee McGinley asked about the visibility of the current signs and the new sign. Jeff Vesevick responded that the current signs are lit and will remain.

Adjournment

At 9:29 p.m. a motion was made by Trustee Clark and seconded by Trustee Ladesic to adjourn. Motion carried.

Respectfully submitted,

Catherine Galvin,
Village Clerk