From: BPONFS <bponfs@gmail.com>
Sent: Thursday, November 12, 2026 4:43 PM
To: Steve Heitzner <steve.heitzner@universityparkrd.com>; Steve Swanson <steve.swanson4@universityparkrd.com>; Greg Selep <greg.selep@universityparkrd.com>; Scott Huebner <scott.huebner@universityparkrd.com>
Cc: Vivian Carvalho <carvalhov@pfm.com>
Subject: Public Record Submission: Due Diligence Memorandum on Club Management Options (Nov. 13 Board Meeting)

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Dear Members of the UPRD Board of Supervisors,

On behalf of the newly formed HOA Advisory Group, focused on supporting the RD Supervisors initiative regarding evaluating a Management Company and on the impact to homeowners in the district, I am submitting the attached due diligence memorandum into the public record today. Please also include this document in the public comment record for tomorrow afternoon's Board of Supervisors meeting.

We want to thank the Board for your hard work in narrowing our outside management options down to Troon Golf and Hampton Golf. However, shifting away from our current PBM structure is the most consequential, difficult-to-reverse decision our community has faced since turnover in 2019. Before selecting a vendor or entering contract negotiations, there are critical questions regarding long-term strategy, legal risk, and community buy-in that must be

addressed.

Our goal is not to cause unnecessary disruption, but to provide constructive insights and key areas of inquiry to protect our community's best interests. As residents with relevant professional backgrounds, our group is also ready and willing to assist the Board in analyzing these options moving forward.

We share your commitment to seeing University Park succeed. Please review the attached memorandum, and let’s work together to get this right.

Thank you for your consideration,

Bill Price

TO:	The University Park Recreation District (UPRD) Board of Supervisors
FROM:	HOA Advisory Group
DATE:	November 12, 2026
SUBJECT:	**Foundational Due Diligence and Inquiry Roadmap Regarding Third-Party Club Management Options**

SUMMARY

Bringing a management company in to manage University Park Country Club (UPCC) operations—and possibly even to help manage University Park Community Association (UPCAI) operations—may be the best decision for our community. However, this is a monumental, long-term decision with difficult-to-reverse consequences. In fact, it is one of the most important decisions since turnover.

University Park Country Club was built by a developer that had its own golf course management team. University Park purchased the course from the developer, including the golf course management team. Now we are bringing in another golf course management team as manager. The community needs to understand what brings us to this point.

We appreciate the UPRD Board's hard work and due diligence in narrowing the outside options to Troon Golf and Hampton Golf. This is a potential structural shift of a magnitude that requires a deliberate, rigorous evaluation process. This decision should be made by a Board at full capacity and include owner/member advisors that have the skill sets to evaluate the options, including third-party managers and PBM with modifications to meet UPRD's needs.

There are critical areas of inquiry and due diligence that are fundamental—spanning corporate governance, strategic alignment, risk management, and community engagement—that must be fully known and resolved by the UPRD Board and shared with owners before selecting a vendor and beginning contract negotiations. As active community members with relevant professional expertise, we have formed a group who can be of assistance to help evaluate, analyze, and comment on these options moving forward.

1. STRATEGIC ALIGNMENT, CAPITAL PLANNING, AND TIMING

A fundamental question exists regarding whether evaluating third-party management is premature prior to establishing a long-range baseline for the community.

a. **Status of 5-Year Strategic & Capital Plan and Sustainability Roadmap.** Has the UPRD completed, defined, and approved a comprehensive strategic and capital 5-year plan? Do we have a mission statement, have we defined our value proposition, what is our strategic advantage, what is our target market, what are our internal resources, what are the market conditions, and what is our capital plan for sustainability that will eliminate or mitigate the need for future assessments or bonds? Without a clearly

established value proposition, target market identification, and a dedicated capital sustainability roadmap (designed to mitigate or eliminate future assessments or bonds), there is no baseline metric to judge whether a management company actually fits our goals.

   i. The development of a strategic plan and capital plan is necessary before evaluating whether a management company fits into that plan.

   ii. The absence of a final and approved strategic plan that may include such a fundamental organizational change makes this even more complicated, as next to no feedback or input has been requested from owners.

b. **Adding Management Layers v. Direct Performance Remediation.** What quantifiable, objective, and sustainable benefits will UPRD receive by adding another layer of corporate management between the Board and our on-site club team? If previous issues stemmed from having the wrong leadership personnel in place, why is the solution adding a "manager to manage the manager" rather than fixing the performance directly?

c. **Optimizing Existing Frameworks.** Is the current PBM structure a viable alternative if performance is improved? What steps can be taken to give the UPRD Board the oversight and control it desires within the existing framework? Furthermore, has the Board solicited the explicit views of our current General Manager, CFO, and other key personnel regarding whether PBM can be successfully optimized?

d. **Why Restructuring Urgency.** Changing our core management structure is an organization-altering pivot from how the neighborhood has been successfully run since turnover in 2019. To our recollection, this restructuring was not an issue or platform anyone campaigned on during recent UPRD Board elections. What core issues are driving this sudden need to shift away from our current structure—decline in membership, poor financial health, aged facilities without a plan to replace or pay for them, weak club culture, or lack of programming or activities for members? What is behind the sense of "great urgency" the RD is projecting to the community, beyond the need to simply permanently fill a General Manager role and especially considering the core organization-altering position being evaluated? If the capital projects need additional project management or supervision, an appropriate consultant can be brought in to fill this role while appropriate due diligence on the management company options is being completed.

2. OWNERSHIP STRUCTURE, CORPORATE MODELS, AND FINANCIAL SOUNDNESS

Due diligence requires a comprehensive understanding of who we are entering into a long-term business relationship with.

a. **Financial Health Assessment.** Has the Board obtained and reviewed the complete financial records, balance sheets, and income statements of both Troon and Hampton to understand their financial viability and strength?

b. **Ownership Structures.** Have we thoroughly probed their corporate ownership structures and long-term business models? We clearly understand why they would like to do business with us—but do we completely understand why we should do business with them?

c. **Private Equity Risks (Troon).** Is Troon Golf owned by a private equity firm? If so, have those private equity owners engaged in a process to sell Troon within the last three years? Are there plans (perhaps driven by a fund termination date) to market and sell, or otherwise reorganize Troon in the next three years? What would be the strategic impact of a potential corporate sale on our contract? Does the Board fully comprehend the aggressive cost-cutting expectations and corporate business models inherent to private equity ownership? If Troon were chosen, should the contract automatically terminate or be non-transferable/non-assignable to any purchaser in the event of a sale?

d. **Asset Liquidations and Ownership Motives.** On the other hand, has Hampton Golf sold off any of its own golf properties recently? Did Hampton lack capital? What were the issues?

e. **Procurement and Fee Guarantees.** Both Troon and Hampton claim that their procurement power and corporate networks will create cost savings that offset their management fees. Are these cost savings guaranteed to be annual, year-over-year reductions, or are they one-time savings? Are both companies willing to contractually guarantee these savings dollar-for-dollar, resulting in an automatic reduction in their management fees or bonuses if the targets are missed?

f. **Staff Turnover Metrics and Local Talent Retention Risks.** The Troon presentation suggested we would receive significant savings on "recruiting fees." Can both Troon and Hampton provide explicit detail as to employee turnover rates at their managed properties for comparison to our historical averages? What is the average tenure of a GM or CFO at each Troon- or Hampton-managed property? How about the tenure of head golf professionals, assistant professionals, tennis professionals, head chefs, and other membership-facing professionals? What assurances can be provided that "our" membership-facing professionals would become long-term employees, versus simply serving as free agents always available to be moved to another club?

g. **Comparative Analysis of Employee Benefits Packages.** Have we been provided specifics and a comparison regarding the current benefit packages provided to PBM employees versus the generally stated improvement of better benefits at a lower cost?

3. LEGAL LIABILITY, INDEMNIFICATION, AND CONTRACT EXTENSIONS

Given that the Fetsick claim for constructive discharge and severance payment was a factor behind evaluating management companies, the legal and risk boundaries of these contracts must be exhaustively vetted:

a. **Employment Claims Liability.** If an employee sues Hampton or Troon for wrongful discharge, sexual harassment, age discrimination, or any other employment-related claim, who is contractually responsible for paying the legal defense fees? Who covers the ultimate settlement or judgment? What is the general experience of both Troon and Hampton on this issue and in the scenarios listed below?

b. **Resident or Public-Related Harassment Liability.** What happens if the alleged harassment or discrimination is committed against a management company employee by a UPRD resident, member, or guest? Who bears the legal and financial burden?

c. **Dram Shop and On-Premise Alcohol Liability.** If a member or member of the public is overserved alcohol at a club facility and subsequently causes bodily injury or property damage, who holds the ultimate legal liability?

d. **Vicarious Liability and Limits of Indemnification.** If UPRD or UPCC is dragged into a lawsuit under theories of respondeat superior, negligent contracting, or vicarious liability, will Hampton or Troon fully indemnify and hold UPRD/UPCC harmless? Do their standard boilerplate contracts attempt to limit their liability strictly to the value of the fees we pay them?

e. **Corporate Insurance Limits vs. Community Funding Requirements.** What are the specific insurance coverage limits for such corporate acts? Are these limits entirely separate from the insurance the club already carries, or will the community be forced to pay extra to fund Hampton or Troon's required coverage, compliance training, and project management?

f. **Termination and Local Staff Re-Acquisition.** If Hampton or Troon is terminated in the future, Hampton has indicated it will return our files. However, do they give back the employees? Does Troon give the employees back, or do non-compete clauses prevent our local General Manager, CFO, or frontline staff from remaining at University Park?

4. CROSS-HOA ISSUES

While separate legal entities, UPRD and UPCAI share common owners, crossover PBM employees, and mutually provided services.

a. **Coordinating Inter-Entity Personnel and Shared Duties.** If the UPRD Board engages an outside management company, how exactly does the Board envision managing the crossover duties of personnel who currently handle both District and HOA tasks? Should

official representatives of the UPCAI Board be explicitly included in these management discussions to protect both entities?

b. **Managing Spikes in Homeowner Association Costs.** If UPCAI's operational costs spike as a direct result of UPRD hiring an outside management company, does UPRD expect those additional HOA homeowner costs to be passed on to the UPRD through charges for services currently provided to the UPRD without cost?

5. COMMUNITY ENGAGEMENT AND CHANGE MANAGEMENT

The UPRD Board's role is to oversee the club, but bringing the community along on this journey is vital to ensuring long-term operational success.

a. **Seasonal Owner Disconnect.** A significant portion of owners are currently unaware of or detached from these discussions because the public meetings were held over the summer and fall. Many owners do not return to University Park until January. Proceeding without them risks severe community backlash.

b. **Communication Inadequacies.** The community currently receives more notifications regarding weekly membership changes and renewal deadlines than it has regarding this monumental management restructuring review. Relying on owners to proactively check the website for public agendas or to listen to Zoom meetings is insufficient. Successful change management requires extensive communication before a decision is made to secure vital buy-in, not defensive communication after the contract is signed.

c. **Immediate Engagement Action Plan.** A non-biased, targeted communication plan needs to be developed and deployed immediately:

    - Engage UPCAI Neighborhood Chairs to directly distribute clear messages to their neighborhoods and filter structured feedback back to the UPRD Board.
    - Issue distinct, standalone emails explicitly headlined with this management topic from both the UPRD and UPCAI.
    - Temporarily pause or reduce the frequency of routine, non-essential community updates so residents are not inundated and can focus on this critical issue.

6. ADDITIONAL DUE DILIGENCE AND EXPERTISE UTILIZATION

a. **Transparency of Written Responses.** The UPRD Board previously generated an excellent list of qualitative due diligence questions for Troon and Hampton. Have written responses been officially received for every single question? Written responses should be obtained to ensure all questions were addressed and to make these full written responses public to the entire community to foster widespread understanding and transparency.

b. **Reference Checks on Terminated Contracts.** Has the UPRD Board directly contacted three or more member-owned clubs that have actively left or terminated their relationships with Troon or Hampton? For example, Icon and Troon managed The Meadows through the Bradenton office for the 5 years before The Meadows declared bankruptcy and Troon was terminated. It is vital to discover their explicit reasons for leaving, what went right, what went wrong, and whether either firm has managed a club that ultimately failed.

c. **Workforce Feedback From Former On-Site Professionals.** Has the UPRD Board directly contacted any former GMs, golf pros, groundskeepers, or key personnel for feedback on working for management-company-led organizations, specifically aiming at better understanding the strengths and weaknesses of the employee/employer relationship?

d. **Litigation History.** Has the Board obtained the last 5 years of litigation records and outcomes from both Troon and Hampton?

e. **Capital Project Oversight Options.** For our ongoing, major capital infrastructure projects, do we have the necessary on-site expertise to finish them on time and under budget? Have we evaluated hiring an independent, qualified professional Project Manager to assist UPCC management in these projects so as not to overextend staff?

f. **Consideration of A La Carte Contracting with Troon or Hampton.** Have we considered fee-for-service contracting with Troon or Hampton for capital project oversight or to address specific areas of concern the UPRD Board may have?

g. **Negotiation.** Does the existing Board makeup have the skill sets to: 1) perform and evaluate all necessary due diligence, and 2) draft and negotiate a contract, including price, bonus, and all necessary terms?

h. **Resident Expertise and Advisory Panel Mobilization.** Our neighborhood is filled with highly accomplished owners who possess deep professional expertise in corporate law, finance, human resources, risk management, and operations. Has the UPRD Board actively engaged these qualified owners to assist in reviewing these proposals and complex contracts? The Board should establish an advisory panel of these community experts to safeguard our collective investments.