

**ALAMEDA GOLF COMMISSION
MINUTES OF REGULAR MEETING**

Tuesday, November 8, 2011

1 CALL TO ORDER

Chair Jane Sullwold called the regular meeting to order at approximately 6:32 p.m. at the Chuck Corica Golf Complex, Ladies Lounge, 1 Clubhouse Memorial Road, Alameda, CA 94502

1-A ROLL CALL

Present: Chair Jane Sullwold, Commissioner Ray Gaul, Commissioner Betsy Gammell, Vice Chair Bill Schmitz, and Secretary Jeff Wood

Absent: None

Staff: John Vest, General Manager, and Matt Wisely, Superintendent

Also Present: Barbara Hawkins, Public Works

1-B APPROVAL OF MINUTES

The minutes of the regular meeting of October 11, 2011, were approved unanimously.

1-C ADOPTION OF AGENDA

The Commission agreed to take agenda item 5C out of order so that Barbara Hawkins could leave, and, with that change, unanimously adopted the agenda.

2 ORAL COMMUNICATIONS

None.

3 COMMISSION COMMUNICATIONS

None

4 WRITTEN/ORAL REPORTS

4-A Maintenance activities report by Matt Wisely

Matt Wisely stated that aerification was finished on the Fry greens at the end of October, and they healed rather quickly. The Clark greens were started today and will be finished tomorrow. There was a hydraulic leak on the Fry tenth green before aerification was started. The dead pine tree adjacent to the Clark first tee was

removed, and three trees were planted in replacement. There are still two remaining trees to be planted, one on Fry number nine and the second in the general area of Fry 18th green. All trees planted were Monterey Pine. Frost has been seen the last couple of mornings, so carts will be limited to paths until the frost lifts. When aerification is done, they will continue to remove kikuyu grass on the greens. Pampas grass will be removed along the first fairway on the Clark. The staff mechanic resigned at the end of October; two possible replacement candidates are being interviewed.

Norma Arnerich asked about planting trees in place of the pampas grass. Matt stated that he would look into that possibility, but there is limited irrigation in that area that might prevent trees from flourishing.

4-B Golf Shop and Driving Range activities report by John Vest

John Vest reported that lesson revenue is up quite a bit since prior year. A junior brochure was created, and also an adult brochure that was handed out during the clinics. The Get Golf Ready class is up 35% from prior year.

October was up 1% from the prior year, generating almost \$300,000 in revenue. The range continues to do well, being up 14% from October 2010. Green fees and cart fees were down a little, but rounds were up; the difference is explained by the successful discount promotions.

The Complex is offering Thanksgiving Day shotguns, at 8:00 a.m. on the Fry and 9:00 a.m. on the Clark; these include a breakfast burrito, green fee and cart fee.

The front gate needs to be replaced following an accident, which will cost about \$9,000.

October was another good month for tournaments, generating about \$27,000 in revenue and up about 700 rounds from last year.

4C Beautification Program and Junior Golf Club by Mrs. Norma Arnerich

Norma Arnerich advised that there will be a bench dedication this coming Sunday, donated by Babe Ruth in honor of Brandon Sorensen. The bench will be placed left of the first tee on the Mif Albright course. On Monday, there will be a dedication of two trees for a group that usually plays on Monday afternoons. Norma also stated that she is updating the map of memorial trees that have been planted.

Carly Childs, an Alameda High School senior, won the Fry Coast individual golfer at Stanford. She will represent Alameda at Poppy Hills.

The Alameda Junior Golf Club membership applications for 2012 have been sent out.

4-D Golf Complex Restaurant Report, Jim's on the Course

None.

5 AGENDA ITEMS

5-A Status Report on long term lease, Mif Albright negotiations, and proposal for Golf Complex reconfiguration by Ron Cowan and Harbor Bay Isle Associates, including Golf Commission recommendations, if any.

Chair Sullwold stated that the three appraisals of the Mif Albright Golf Course did not come out as high as hoped. Peggy Darnell, who had done the original appraisal, did a reappraisal based on the assumption that the property would be sold fully entitled for 130 homes with no required compliance with Alameda's low income housing ordinance, which raised the value from \$9.1 million to \$15.3 million; the appraiser from Sacramento appraised the property at \$13 million; and the third appraiser (from Alameda) came in with a low ball figure of \$6.6 million.

Commissioner Gammell reported that Mayor Gilmore will be presenting a City Council referral at the Council meeting on November 15, asking Council to amend its previous motion regarding the land swap to direct staff to seek alternative options to the property exchange that would still provide for the long term financial sustainability of the Chuck Corica Golf Complex.

5-B Update on Golf Complex Finances

Chair Sullwold stated that City's October financial reports on the Golf Complex came in the week after the November Golf Commission meeting. She asked the finance department whether it would be possible to receive such reports prior to the new regular meeting date of the Golf Commission (the second Tuesday of each month), and was told the City cannot prepare these statements until the 15th of the month at the earliest. There are two options: discuss the reports a month late or change the meeting to the fourth Tuesday of every month. Unfortunately, the men's club meets on the fourth Tuesday, so it was decided that the Commission will stick with the second Tuesday. Chair Sullwold stated that the October financial reports show the net available Enterprise Fund balance at \$931,000.

Chair Sullwold also reported on the ongoing request to the City to explain and justify the legality of the City's surcharge and payment in lieu of taxes transfers. PILOT was originally meant to be a charge that is assessed based upon the net fixed asset value of the Golf Complex as of September 1993, which at that point was about \$1.5 million. In 1996, the net asset value was increased to \$15 million based upon a reassessment, and the PILOT payment has been based on that value ever since. In 2005, however, Council passed a new ordinance regarding PILOT that again referred to the net fixed asset value as of 1993, and did not mention the 1996 revaluation. Assistant City Manager Lisa Goldman finally responded to Chair Sullwold's May email request for an explanation on November 1, 2011. She stated: "In May 1996, the City performed an appraisal which was to be used as the revised basis for the Golf Fund's annual

Payment In Lieu of Taxes (PILOT) to the General Fund. The appraisal was performed in conformance with guidelines established by the Uniform Standards of Professional Appraisal Practice. The value in that report of the Golf Complex and related improvements was estimated at \$15.5 million; the actual value used for purposes of the PILOT calculation was \$15,347,705.00. It appears that the value established in 1993 (\$1,508,734.00) may have been the original amount paid by the City for the Golf Complex land and did not reflect the improvements made subsequent to the acquisition. As you're aware, the City intends to stop transferring monies from the Golf Complex to the General Fund after the end of this calendar year." Chair Sullwold noted that Ms. Goldman's response does not address the *legality* of the 1996 reappraisal, and does not even mention the collection of surcharge, which was specifically designated by Council ordinance to be used to pay debt service on the renovations to the driving range, and instead has been transferred to the General Fund.

5-C Removal of Six Small Trees at 1 Clubhouse Memorial Road Entrance as part of the Bay Farm Island Sewer Pump Station Rehabilitation Proposal and Replanting of Yellow Trumpet Vine, New Zealand Flax, and Santa Cruz Island Buckwheat

Barbara Hawkins from the Public Works Department advised that the City must add a generator and redo the well in the sewer pump station located to the right of the entrance to the Golf Complex. The City is also required by the Environmental Protection Agency to do other improvements to the pump station, including a \$1.3 million upgrade to the electrical panel and installing some additional concrete pads for new equipment. The pump station services all of Bay Farm Island, and the upgrades are needed to avoid equipment failure that would affect all in the service area. Six trees are in the way of where the improvements are needed, and will need to be replaced. Public Works intends to install a new wrought-iron fence that would be similar to what was installed along Clubhouse Memorial Road next to the Mif Albright course, and would plant trumpet vine, flax and buckwheat as a replacement for the trees. Ms. Hawkins provided photos of the current pump station and the trees that need to be removed as well as the three kinds of plants proposed for the area.

Vice Chair Schmitz asked if the plants or the fence will be the screen to the pump station. Ms. Hawkins responded that the fence will surround the entire facility and the trumpet vine will grow up the fence. In addition, the flax to be planted will grow to about six feet tall. The generator will make noise, but Ms. Hawkins believes there will be a soundproof covering on it. The Golf Commission thanked Ms. Hawkins for her presentation, and stated that the new fence and plantings will undoubtedly make the area far more attractive than it is at present.

6. ORAL COMMUNICATIONS, NON-AGENDA (Public Comment)

None.

7. OLD BUSINESS

None

8. WRITTEN COMMUNICATIONS

Included in the Commission packet was a memorandum to the Finance Department showing a surcharge payment for October 2011 of \$9,793.00. The year-to-date to the General Fund for surcharge is \$48,753 for FY 2011-12.

9. ITEMS FOR NEXT MEETING'S AGENDA

- Status Report on Long Term Lease, Mif Albright Negotiations, and proposal for Golf Complex reconfiguration by Ron Cowan and Harbor Bay Isle Associates, including Golf Commission recommendations, if any
- Update on Golf Complex Finances

10. ANNOUNCEMENTS/ADJOURNMENT

The meeting was adjourned at 7:32 p.m.

The agenda for the meeting was posted 72 hours in advance in accordance with the Brown Act.