

ALAMEDA GOLF COMMISSION MINUTES OF SPECIAL MEETING

Tuesday, March 1, 2016

1 CALL TO ORDER

Vice-Chair Bev Blatt called the regular meeting to order at approximately 1:00 p.m. in Ladies Lounge, 1 Clubhouse Memorial Road, Alameda, CA 94502

1-A ROLL CALL

Present: Vice-Chair Bev Blatt, Commissioner Cheryl Saxton,
Commissioner Ron Carlson and Ed Downing

Absent: Commissioners Shawn Shelby

Staff: Greenway Principals Ken Campbell, George Kelley and Marc Logan

Also Present: None

2 ORAL COMMUNICATIONS

Norma Arnerich recommended that the City should move forward with the contract as presented.

Jane Sullwold urged the Golf Commission to recommend to City Council not to approve the current agreement and possibly give Jim's a temporary contract, and work through the proposal.

Stephen Burnett, men's and women's golf coach at Alameda High School, expressed his support for Jim's

Joe VanWinkle urged the Golf Commission to recommend to the City Council to wait 60 days to approve the agreement, and work through the items not clarified in the agreement.

3 COMMISSION COMMUNICATIONS

Amy Wooldridge, Park and Recreation Director, informed the Golf Commission of the mandatory Ethics Training required annually that had been sent to the commissioners previously, and is due by the end of March.

4 WRITTEN/ORAL REPORTS

5. AGENDA ITEMS

5-A Review and Recommend a 15-Year Concession Agreement, with a 10-Year Renewal Option, with Dialemi, Inc. (known as Jim's on the Course), for the Provision of Food and Beverage Service at the Chuck Corica Golf Complex.

Amy Wooldridge stated that she had a slide show presentation prepared, but the projector was not working, so copies of the presentation were distributed, which was attached to the agenda, along with the Staff Report from the City with an overview and it's recommendation.

Chair Blatt had inquired about the number of toilets required for the new capacity and Ms. Wooldridge stated that she had confirmed with the building inspector the requirements: One toilet for every 75 people available, and due to the fact that the clubhouse has four stalls in both the men's and women's restroom, that this fulfills the requirement. She was then asked by Commissioner Ed Downing, about the clubhouse restrooms being locked at dark, and she stated that they were working on an agreement between Greenway and Jim's, which has not been signed, that this provision is addressed in the agreement.

Commissioner Downing inquired whether the upgrades to the restrooms in the restaurant have been completed, and Tom Geanekos stated that, if the Concession Agreement is approved, he would be willing to further upgrade them. He was then asked if that would include additional toilets, Amy Wooldridge responded stating that as soon as you start moving walls, new fire codes would have to be complied with, which would include installing sprinklers, which is a cost of approximately \$400,000. The question was asked as to who was responsible for the restroom upgrades, and Ms. Wooldridge stated that it was the City's responsibility for upgrades per the current Concessionaire Agreement, but that the Golf Fund is at a negative, due to the \$1,000,000 that was borrowed from the Recreation Fund to fulfill the contribution to Greenway, and they are in the process of still paying that off.

Two questions were asked by Jane Sullwold. The first question was "Why is it that this Capital Improvement holdover is substantially less than what Greenway is required to make for capital improvements, and the second question is that the renovation to the kitchen does not require the movement of any walls. Mr. Geanekos responded to the second question stating that it is correct, that they will be not be moving any walls, they will be using a back room, which currently holds a walk-in unit, for the additional banquet kitchen prep area. Ms. Wooldridge responded to the first question regarding the capital improvement fund, and she stated that the City's thought process was that it was a significantly smaller area of the property.

Chair Blatt stated that at the January Golf Commission, that Greenway stated that they were planning to submit a proposal to the City for improvements to the Clubhouse and

the North Course, and she wants it clear that there will be total agreement between Greenway and Jim's that improvements will not look funny. Ms. Wooldridge stated that the City does not want it to look funny, and that Greenway gets to take the lead as to what the improvements look like, and she recommends that they are presented to the golf commission, and Jim's would follow the tile choice and color schemes chosen.

Commissioner Downing asked what would happen if Jim's chose not to agree to the color choices made by Greenway, and Ms. Wooldridge stated that per the agreement, he has to match design colors and style.

Discussion ensued regarding several specific design items, and Ms. Wooldridge asked that they table this as the purpose of this meeting is to move forward with the recommendation for the Concessionaire agreement, and specifics can come back to the Golf Commission at a later date. The Concessionaire agreement is going before the City Council tonight for approval, and if approved, it moves forward, and if not approved, a couple of scenarios are they can make particular amendments to it and would still move forward or they could simply say no. If they say no, Greenway has first right of refusal in the existing agreement with the City, and she would then begin negotiations with Greenway, and if that failed at City Council level, then a formal Request for Proposal would be initiated, as well as if Greenway chose to waive their right of refusal.

Commission Downing asked if all the major renovations would require approval of the Golf Commission, and Ms. Wooldridge stated that currently the agreement states that it requires Golf Commission approval for the enclosed patio, but if the Golf Commission wants approval of all interior renovations, that would have to be a recommendation to the City Council, and they could approve the agreement with that amendment.

Chair Blatt asked Mr. Geanekos if there was somebody to fulfill the obligations of the agreement in the case of his retirement, and Mr. Geanekos responded that their goal is to remain a family business, but if this were to change, he could sign over to a City approved concessionaire.

Ken Campbell of Greenway Golf stated that the relationship between Greenway and Jim's has been positive, but they are looking for clarity within the agreement, for instance, having a breakdown of the cost estimates that Greenway had to provide, would be advisable. Mr. Campbell stated that, originally, Greenway endorsed the idea of the patio wrapping around the front, but after they saw the conceptual drawing, they would like to discuss further how it is going to look. Mr. Campbell stated that there was nothing about golf course services, including the North Course snack bar and the beverage cart, and also inquired about snack services at the practice facility. Mr. Campbell asked about maintenance of the common area, as the agreement states that Jim's is not responsible for any exterior landscaping. Greenway would also like clarity on the interior design of the restaurant. Mr. Campbell also would like the opportunity for Greenway's attorneys look at the possibility of a cross indemnity clause regarding any injuries that might occur on the property.

Ms. Wooldridge responded to the common area maintenance, stating there is a third party agreement between Greenway and Jim's on the Course, and was originally part of the City's agreement, but was pulled by the City's attorneys stating that the City could not be responsible for an agreement between two other entities.

Tom Geanekos stated that there has been a positive relationship with Greenway, but also expressed his concerns for working not having a lease and working on a month to month basis. He feels that in the last 10 years, that he has shown good faith, and asked the Golf Commission not to put him in the position of operating without a lease.

Discussion ensued regarding the conceptual drawings presented at the July Golf Commission meeting, as they are not the same as the proposed drawings in the current agreement, and it was discussed that in July, those were similar concepts, not the final concept.

Chair Blatt felt that a five year renewal would work to give Jim's security, and also, by then the golf course renovations would be complete, and then they would know what would be needed. Greenway responded that they would just like 60 days to work these issues out.

Commissioner Downing feels that the agreement is vague and is not in favor of moving forward.

Commissioner Carlson feels that Jim's should have some assurances, and possibly add some addendums to the agreement.

Commissioner Saxton understands both sides, but suggests taking 60 days, to solve the issues in question.

Commissioner Downing moved that the Golf Commission recommend to the City Council that they negotiate a six month lease extension of the current agreement with Jim's, and facilitate between the interested to decide the best course of action in that six month time period. The motion failed.

Discussion ensued as to how much time would be needed to work out the issues in questions. Jim's would like the contract approved tonight and Greenway would like 60 days to work on these items.

Commissioner Downing moved that the Golf Commission recommend to the City Council that they negotiate a six month lease extension of the current concessionaire lease with Jim's, and the two interested parties come back to the Golf Commission on April 12 with their agreed upon plan. The motion passed unanimously.

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

7. OLD BUSINESS

None

8. WRITTEN COMMUNICATIONS

None

9. ITEMS FOR NEXT MEETING'S AGENDA – March 8, 2016

10. ANNOUNCEMENTS/ADJOURNMENT

The meeting was adjourned at approximately 3:36 p.m.

The agenda for the meeting was posted seven days in advance in compliance with the Alameda Sunshine Ordinance, which also complies with the 72-hour requirement of the Brown Act.