

ALAMEDA GOLF COMMISSION
MINUTES OF REGULAR MEETING

Wednesday, September 17, 2008

1. CALL TO ORDER

Chair Jane Sullwold called the regular meeting to order at 6:30 p.m. at the Chuck Corica Golf Complex, Ladies Lounge, 1 Clubhouse Memorial Road, Alameda, CA 94502.

1-A. Roll Call

Roll call was taken and members present were: Commissioner Betsy Gammell, Vice Chair Ray Gaul, Commissioner Bill Schmitz, Chair Jane Sullwold, and Commissioner Jeff Wood. Absent: Secretary Bill Delaney. Also present was Assistant Golf Professional Mike Robason.

1-B Approval of Minutes – Regular Meeting of August 20, 2008

The Commission approved the minutes unanimously.

1-C Adoption of Agenda

The motion was made to add the following to the agenda:

Nominations for Golf Commission Board Positions for 2009. (Action Item)

The Commission adopted the agenda unanimously with the aforementioned addition.

3. COMMISSION COMMUNICATIONS

Chair Sullwold stated that she has sent a letter to the Interim Chief Financial Officer Ann Marie Gallant with questions regarding the year-end financial report and the August 2008 report. Ms. Gallant was unable to attend the meeting and would send a written response to the Interim General Manager. The response has not yet been received. Chair Sullwold will review the questions during the financial agenda item.

4. AGENDA ITEMS:

4-A Report on Status of the Request for Proposals for Golf Complex Management

The Assistant Golf Professional reported that 7 proposals were submitted and screened by a committee consisting of the Assistant City Manager, Interim Chief Financial Officer, Interim Golf General Manager and two members of the Golf Commission. The top 4 firms were invited for interviews on Thursday, September 11, 2008. The interview panel consisted of the Deputy City Manager and two

outside golf industry professionals. The panel will make a recommendation to be forwarded to the City Council for action at the October 7, 2008 meeting. The groups interviewed were Kemper Sports, Empire Golf, Mike Robason Group and Bellows. The RFP for the interim management does not call for the company to pay the City of Alameda only make a reduction in expenditures. The City of Alameda will still be deducting the current charges from the Golf Complex to the General Fund. A member of the audience asked how the interim management proposals would reduce expenses. Chair Sullwold explained that all of the groups submitting proposals plan to reduce expenses by hiring pro staff and maintenance personnel at salaries lower than what are currently being paid. At such time as a long-term operator is secured the City of Alameda will be requiring a payment amount from the management company.

4-B Feedback on the Rate Increases

The Assistant Golf Professional reported that the rounds are up by 226 and the revenue is up \$4,203 compared with the same days in September 2007. There was not an overwhelming amount of opposition to the increases; the most adamant was concerning the Senior Monthly Ticket increase of 40%. The monthly ticket sales were reduced from September 2007, although the revenue was higher by \$3,130.

4-C Fiscal Year 2007/2008 Financials

Chair Sullwold introduced Bob Sullwold to report on the fiscal year 2007/2008 financial reports. Mr. Sullwold stated that the financial reports show that the Golf Complex lost approximately \$1,121,000. Payments to the City of Alameda were approximately \$1,072,500. The Golf Complex lost approximately \$46,000 prior to the payments to the City of Alameda. That amount reflects an additional \$485,000 in payments for services over fiscal year 2006/2007. The increase in services is made up of the \$343,000 set aside for the remainder of the 4-year golf cart lease and the \$119,000 paid to NGF for the City Council mandated studies. Also adding to the loss is the additional \$115,000 taken from the Golf Complex for the City of Alameda Belt Line lawsuit. The revenue for fiscal year 2007/2008 did in fact exceed the revenue for fiscal years 2006/2007 and 2005/2006. The total rounds were down compared to fiscal year 2006/2007 and about the same for fiscal year 2005/2006. Chair Sullwold stated that the rounds for August 2008 saw an increase over August 2007 making it the 5th month in a row to show an increase in rounds over last year. For the first two months of fiscal year 2008/2009 rounds are up by 3,500 rounds over the same period in fiscal year 2007/2008. There are some questions on the August 2008 financial report, which have been forwarded to the Interim Chief Financial Officer for clarification. Chair Sullwold suggested that the Golf Commission compose a letter to the City Council referencing the aforementioned financial points of interest. The Golf Commission agreed unanimously. The motion was made to appoint Bob Sullwold as the Golf Commission spokesman for the City Council meeting on October 7, 2008. The Golf Commission passed the motion unanimously.

4-D Nominations for Golf Commission Board Positions for 2009. (Action Item)

The Nominations for Golf Commission Board positions for 2009 were as follows:

Chair: Jane Sullwold
Vice Chair: Bill Schmitz
Secretary: Jeff Wood

The Nominations for Golf Commission Board positions for 2009 were approved by the Golf Commission unanimously.

5. ORAL REPORTS

5-A Golf Shop and Driving Range activities report by Assistant Golf Professional Mike Robason.

The Assistant Golf Professional reported that Golf Complex showed an increase over last August. The NCGA's Youth on the Course program brought in \$770 for the month. Commissioner Gammell stated that the Council member deHaan is pressing for the junior rate to be increased. Chair Sullwold stated that is not a large concern with the money now being received from the NCGA program.

5-B Golf Complex Maintenance activities report by Superintendent Doug Poole.

Chair Sullwold reported that the crew is in the process of removing the foliage in the ditch along #2 of the Earl Fry Golf Course. The material is being placed in the Fire Tower parking lot to drain before being moved to the waste area behind the Driving Range. Also the greens on the Jack Clark Golf Course are scheduled to be aerated on September 22, 2008.

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

Mrs. Arnerich reported that the tree dedication for long-time golfer and marshal Neil Coe was nice and many who attended reminisced about the Golf Complex. The Junior Golf Club is having its major fundraiser on October 6, 2008, the Jack Clark Invitational. She encouraged all to sign up for this event, which is \$100 per player. Also mentioned was that the Alameda High School Girl's Golf Team started their season and are doing very well. All of the girls have come up through the Junior Club and they are very proud of them. The Junior Club donated \$500 to the team.

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

No report.

6. COMMISSIONERS' REPORTS

6-A Marketing and Promotions, Commissioner Gammell.

Commissioner Gammell reported that the Driving Range has a new promotion going on. The Preferred Customer Card promotion entitles the customer to a free bucket of balls after purchasing 9 buckets. The suggestion was made to place a larger promotion for the Jack Clark Invitational on the web site.

6-B Golf Complex Financial Report, Secretary Delaney.

Previously discussed.

6-C Maintenance, Buildings, Security, Albright Course and Driving Range, Commissioner Wood.

Commissioner Wood reported that there has been a shift of play to the Earl Fry Golf Course from the Jack Clark Golf Course since the rate increases. Also play on the Mif Albright Course is holding steady, as is the Driving Range.

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

The Golf Commission received a letter from a customer requesting the start time for the late twilight rate begin at 4:00 pm as opposed to 5:00 pm. The Assistant Golf Professional will research what the local courses have for a start time to see if we are competitive. Upon his findings he will contact the customer.

8. OLD BUSINESS

None.

9. WRITTEN COMMUNICATIONS

Included in the Commission packet was a memorandum to the Finance Department showing the surcharge payment for August 2008 was \$16,734. The year-to-date total to the General Fund is \$33,209 for fiscal year 2008/2009.

10. ITEMS FOR NEXT MEETING'S AGENDA

- Discussion on City Council Report Regarding Recommendation for Golf Course Management
- Election for Golf Commission Board Positions for 2009. (Action Item)
- Response from the Interim Chief Financial Officer
- Update on the Rate Increases

11. ANNOUNCEMENTS/ADJOURNMENT

The Meeting was adjourned at 7:50 PM.

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