

ALAMEDA GOLF COMMISSION
MINUTES OF REGULAR MEETING

Wednesday, April 16, 2008

1. CALL TO ORDER

Chair Jane Sullwold called the regular meeting to order at 6:30 p.m. in Room 360, Alameda City Hall, 2263 Santa Clara Avenue.

1-A. Roll Call

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

1-B Approval of Minutes - Regular Meeting of March 19, 2008:

The Commission made the following correction to the minutes:

Item 4-B, page 3, line 14: "interested" should be "interest".

The Commission approved the minutes unanimously with the aforementioned correction.

1-C Adoption of Agenda

The Commission adopted the agenda unanimously.

2. ORAL COMMUNICATIONS

3. COMMISSION COMMUNICATIONS

Chair Sullwold reported that the Golf Commission received a letter from the Alameda Girl's Golf Team thanking them for presenting the team with the congratulatory plaque.

4. AGENDA ITEMS:

4-A Response from the Finance Department and Budget Update.

The Interim General Manager reported that he has not yet received a response from the Finance Department due to the budget preparation and tax season.

The Interim General Manager is in the process of preparing the Golf Complex budget for fiscal year 2008/2009. He announced that he has heard that City

Council may be amenable to suspending the Return on Investment (ROI) and Surcharge payments that are currently paid from Golf Complex revenues into the City's general fund, amounting to approximately \$252,000 annually. He estimates that revenue for FY 2008/2009 will be \$4,382,779, taking into consideration current revenue and the downward trend in the golf industry. Should ROI and surcharge be suspended, he estimates expenditures for the coming fiscal year will be \$4,830,685. This figure represents a decrease in all areas except the Maintenance Department's salaries, which have increased due to upcoming raises in salary for the Alameda City Employees Association (ACEA) employees during the budget year. Accordingly, the proposed budget shows a deficit of approximately \$448,000 if the ROI and Surcharge are suspended, and approximately \$700,000 should City Council decide to continue to require those payments.

The Interim General Manager stated that there are two options to cover the deficit. The first option would be to fund the difference out of the Golf Enterprise Account reserves. Funding the loss out of the reserves would allow the golf operation to remain status quo until June 30, 2009, with the hope that other efforts might result in additional revenue above the estimate. The second option would be to eliminate six current positions, close the Mif Albright Course and nine holes of the Jack Clark Golf Course. Reducing the positions would most certainly effect the entire golf operation. The same options exist should City Council decide not to suspend the ROI and Surcharge payments, although the staff reductions would be nine and the entire Jack Clark Golf Course would need to be closed. It was noted that any reduction in the workforce would no doubt accelerate the deterioration of the facility. The Interim General Manager stated that he is recommending to City Council that the deficit be taken out of the reserves. It was also reported that the entire City of Alameda budget will go before City Council in late May, although there are generally two or three workshops prior to final approve.

Chair Sullwold mentioned that she has discussed possible revenue-generating ideas with the Pro Shop management staff, such as discontinuing the lower greens fees for play on the Jack Clark Golf Course, and allowing multiple shotgun golf tournaments on weekends. Mr. Lillard said he will investigate whether bringing the Clark rates up to the same level as the Fry rates requires City Council approval. Chair Sullwold made the motion to allow Pro Shop management staff to book multiple shotgun tournaments on weekends at their discretion. The Golf Commission passed the motion unanimously. Asked whether there is any foreseeable downside to booking weekend shotgun tournaments, Assistant Golf Professional Mike Robason stated that as long as one golf course is available for regular play there should not be an issue. It was also suggested that if a shotgun tournament is not completely filled, an e-mail message could offer online subscribers the opportunity to fill open spots in the shotgun event.

The Interim General Manager suggested another way to generate revenue would be to eliminate complimentary golf for various groups. Following a heated discussion, Chair Sullwold suggested a flat rate of \$15 for employees and Golf Commissioners for a period of three months. Chair Sullwold made the motion to

charge a rate of \$15 for employees, Golf Commissioners and other complimentary rounds, excluding Marshals and City Council members, for a three-month period beginning May 1, 2008. Vice Chair Gaul seconded the motion and the Golf Commission passed it unanimously.

Secretary Delaney suggested that the Golf Complex put together a marketing plan to better position the golf courses in the market. He suggested a committee be formed to discuss ways of self-promotion. Possible ideas will be discussed at the May meeting.

4-B Discussion regarding improvements to front entrance.

Commissioner Wood reported that he spoke with Kevin Hester of McGuire and Hester and the cost to demolish the fire tower would be quite expensive.

5. ORAL REPORTS

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

The Assistant Golf Professional reported that the junior clinics now have 100 participants and staff is looking at starting an additional clinic for more experienced juniors. The suggestion was made to take pictures of the clinics for the newspaper. Chair Sullwold will come out and photograph the clinics. The Callaway "Demo Day" was a success. The Golf Complex is now on board to receive money from the NCGA to defer the cost of the discount to junior golfers. The Golf Complex will be hosting a "Demo Day" with Nike on May 4, 2008 and TaylorMade on May 17, 2008. Also mentioned was the possibility of having scorecards with local advertising on them to defer the cost of the cards. The Assistant Golf Professional will bring additional information to next month's meeting.

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

The Interim General Manager reported that the planter in the breezeway has been stained and the "snack shack" is being painted. Also mentioned was that work will begin soon to repair the sea wall on Island Drive that was damaged by a motorist. The offender's insurance will pay for the repair. Chair Sullwold stated that the shelter and bench on the ninth tee of the Earl Fry Golf Course is in desperate need of repair. She also suggested moving the monthly Golf Commission meeting to the Ladies Lounge at the Golf Complex. The Golf Commission approved the change of venue unanimously.

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

Mrs. Arnerich reported that there are three ceremonies in May. She also mentioned that the Alameda Junior Golf Club is currently taking applications for

the 2008 season and work is beginning on the Jack Clark Pro Am, which will be renamed the Jack Clark Invitational and will be held in October.

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

The Interim General Manager reported that the restaurant has replaced the sign on the outside of the building and they are currently doing golf/meal promotions in conjunction with the Pro Shop. Mrs. Arnerich stated that a relative went to a function at the Metropolitan Golf Course and said the tent structure was a very nice venue and possibly Jim's on the Course would be interested in putting one up at the Complex.

6. COMMISSIONERS' REPORTS

6-A Marketing and Promotions, Commissioner Gammell.

No report given.

6-B Golf Complex Financial Report, Secretary Delaney.

Previously discussed.

6-C New Clubhouse Project, Vice Chair Gaul and Commissioner Schmitz.

It was reported that the additional information from Saylor and Associates has not yet been received.

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

Commissioner Wood reported that the Driving Range looks good. Vice Chair Gaul mentioned that the center area of the Driving Range where balls collect and get stuck in the mud needs to have a screen placed over the area to keep the balls out of the hole. It was also stated that the golf courses are in excellent shape.

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

None.

8. OLD BUSINESS

Vice Chair Gaul inquired about the previously requested legal opinion from the City Attorney's office concerning the regulations for leasing out City owned land.

9. WRITTEN COMMUNICATIONS

Included in the Commission packet was a memorandum to the Finance Department showing a surcharge payment for March 2008 of \$12,861. The year-

to-date total to the General Fund is \$100,441 for the fiscal year 2007/2008.

10. ITEMS FOR NEXT MEETING'S AGENDA

Response from the Finance Department.

Score Card Advertising

Feedback on Elimination of Complimentary Rounds

Marketing Plan

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.