ALAMEDA GOLF COMMISSION
MINUTES OF REGULAR MEETING

Tuesday, January 10, 2012

1 CALL TO ORDER

Chair Jane Sullwold called the regular meeting to order at approximately 6:28 p.m. at the Chuck Corica Golf Complex, Ladies Lounge, 1Clubhouse 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

1-B APPROVAL OF MINUTES

The minutes of the regular meeting of December 13, 2011, were approved unanimously.

1-C ADOPTION OF AGENDA

The Commission unanimously adopted the agenda.

2 ORAL COMMUNICATIONS

None.

3 COMMISSION COMMUNICATIONS

None

4 WRITTEN/ORAL REPORTS

4-A Maintenance activities report by John Vest

John Vest stated that the reclaimed feed from East Bay MUD had to be turned back on due the lack of rain. The pressure pump on the North property needs to be replaced and that work will cost approximately $15,000 to $17,000; it should be completed this week. More road base has been ordered to patch up the cart paths, and dead trees are continuing to be removed from the property. Quotes are being obtained for repainting of the parking lot stripes.

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

John Vest stated that there has been positive feedback on the condition of the greens. December revenue was up 76% from last year due to the great weather. Revenue was $272,000, with over 8,300 rounds. Christmas Day generated 99 rounds and about $4,000 in revenue. The golf shop holiday sale, offering free gift wrapping, was successful. The three days of the sale generated about $5,000 in revenue, with total sales of $27,000 for the month.

The ballast and light kits on the range will be replaced next month at a cost of approximately $7,000. Installation will involve some closure of the range.

A promotion in December in conjunction with Jim's on the Course included green fee, cart fee, sandwich and a fountain soda for $35. The "Wacky Wednesdays" promotion is still running well.

Tournaments generated about $15,000 in December revenue. 2011 tournaments generated over $30,000 more in revenue and 648 more rounds than 2011, thanks in large part to the work of Mike Winkenbach.

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

None

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 reported that she attended and participated in the mandatory pre-bid meeting of prospective golf vendors last Thursday. Dale Lillard advised that there were eight separate companies represented at the meeting. The City Controller was present to answer or make note of financial questions, of which there were many. The meeting went well and it seems that there a number of companies are interested. The bids are due on February 10.

Norma Arnerich stated that, at the request of the Alameda Junior Golf Board, she sent a letter to John Russo and the City Council members stating that the Board believes the Par 3 course should be under one umbrella and be run by the operator of the Complex, and not by Alameda Junior Golf. She gave a copy of her letter to Chair Sullwold, who read the letter aloud at the meeting.

Tim Scates asked Chair Sullwold if she was going to recuse herself from the selection process for RFP responders, and she stated that she was not going to do so. Tim said he told Dale Lillard earlier in the day that he believes Chair Sullwold should be removed from the process because of bias, and has made an appointment with John Russo to express the same opinion. He stated that she is there representing the Golf Commission and all the golfers at the Complex. He said he is disappointed that the other Golf Commissioners, knowing her dislike for Kemper, have not spoken up. Vice Chair Schmitz stated that he has sat on at least two RFP screening committees with Chair Sullwold, and has always found her to be very professional. He has never seen her exhibit any personal prejudice, and instead has always kept the golf community as her number one concern, and has always been very thorough. He thinks she represents the golfing community very well and supports her being on the committee. Commissioner Gammell stated she agrees with Vice Chair Schmitz about Chair Sullwold's professionalism, but is concerned about her negative view of Kemper, and is concerned about positions she has taken regarding the Mif. Nevertheless, she feels that if Kemper presents the best proposal, Chair Sullwold would support that proposal. Commissioner Gaul expects that Chair Sullwold will do what is right for the Golf Complex, and Commissioner Wood also stated that he has confidence in her.

5-B Update on Golf Complex Finances

None

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

None

7. OLD BUSINESS

Chair Sullwold advised that she will be going directly to a meeting of the Alameda Youth Sports Coalition after the Commission meeting. Ron Cowan and Pat Bail have worked out an arrangement for Pat Bail to support the land swap. Ms. Bail told Mr. Cowan that she wants money for an all-weather sports complex at Alameda Point, and would support the swap if she could get money out of it for that purpose. Initially City Manager Russo proposed that, of the $7.2 million received as part of the land swap, $3.5 million would go to the Golf Complex (most of which to be used to reconfigure the Clark course and build a new Mif course), $1 million would be used to build athletic fields on the North Loop Road property, and the remaining $2.7 million would be held in reserve. Apparently Mr. Russo met with Ms. Bail after her meeting with Mr. Cowan, and agreed that Alameda Youth Sports Coalition could have all the reserve plus some more from the City. Mr. Cowan also agreed to sweeten the pot, with the result that the Coalition would end up with a total of $5 million. One million dollars would be used at North Loop Road, and the remaining $4 million would become seed money for the Alameda Point sports complex at Alameda Point. Chair Sullwold said that she intended to register her objections to the unfairness of this proposal in the strongest possible terms.

Norma Arnerich reported that Ron Cowan phoned her yesterday, asking her to change her mind regarding the land swap. He told her she could work with the new architect to design the Par 3 to her liking, but Norma told him she has not changed her mind. Chair Sullwold said that Ron Cowan has threatened Norma that he would get firefighters and kids from the Boys and Girls Club to go knocking on doors to get support for the land swap.

Ray Gaul asked what will happen to the Mif if none of the vendors want to operate it. Bob Sullwold answered, stating that if the vendors don't want it, and AJA doesn't want it, the only person that wants it is Ron Cowan. He believes the action taken by the Junior Golf board and the lack of interest that he expects to see from vendors will make it more likely that Ron Cowan's deal will go through. Chair Sullwold stated that the ideal solution would be for the vendors to bid on all 45 holes. Unfortunately, if a for-profit vendor is operating all 45 holes under a long term lease, Chair Sullwold believes that the Wadsworth Foundation offer would be taken off the table. That would mean the vendor would have to include the costs of improving the Mif in its plans.

Discussion followed regarding what happens if all responders propose to operate 36 holes, which is an option under the RFP. Tim Scates said he thought the RFP should immediately be subject to a change order requiring bidders to propose operation of 45 holes. Norma Arnerich stated that John Russo knew that Junior Golf did not want to operate the Mif prior to issuance of the RFP, but requested that the Board's position be put in writing. Chair Sullwold stated that she will speak to John Russo regarding the implications of the Alameda Junior Golf Board decision on the RFP process.

8. WRITTEN COMMUNICATIONS

Included in the Commission packet was a memorandum to the Finance Department showing a surcharge payment for December 2011 of $8,228.00. The year-to-date to the General Fund for surcharge is $64,321 for FY 2011-12. This should be the last such transfer, as the surcharge ended December 31, 2011.

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 7:17 p.m.

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