



CITY OF SANTA CLARA

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SPORTS AND OPEN SPACE AUTHORITY

AGENDA

A complete agenda packet with back-up reports is available at either City Library beginning Saturday before the Tuesday meeting or at the City Clerk's Office on weekdays. A complete agenda packet is also available at the City Council meeting and on the City's website.

March 25, 2014

6:00 pm

Closed Session

Council Conference Room

Conference with Legal Counsel-Existing Litigation
Pursuant to Government Code Section 54956.9(a)
*Vinod K. Sharma, et al. v. Successor Agency to the
Redevelopment Agency of the City of Santa Clara, et al.,*
Sacramento County Superior Court Case No. 34-2013-80001396

REGULAR MEETING

7:00 PM in the City Hall Council Chambers

APPEAL OF HEARING DECISIONS OF THE SPORTS AND OPEN SPACE AUTHORITY MUST BE MADE TO THE SUPERIOR COURT WITHIN 90 CALENDAR DAYS OF FINAL ACTION. BECAUSE OF THE AGENDA PROVISION FOR RECONSIDERATION, FINAL ACTION IS DEEMED TO OCCUR AT THE END OF THE NEXT REGULAR MEETING PURSUANT TO CITY COUNCIL POLICY (P&P 042). (CODE OF CIVIL PROCEDURE SECTION 1094.6)

AB23 ANNOUNCEMENT: MEMBERS OF THE SPORTS AND OPEN SPACE AUTHORITY BOARD ARE ENTITLED TO RECEIVE \$30 FOR EACH ATTENDED MEETING.

- 1. ROLL CALL:**
- 2. APPROVAL OF MINUTES:**
 - A. February 25, 2014.**
- 3. CONTINUANCE/EXCEPTIONS:**
- 4. UNFINISHED BUSINESS:**
 - A. Possible Reconsideration of Actions Taken at Immediately Preceding Meeting. (See Summary of Actions for potential reconsideration, which is attached to the posted Agenda and is in the Agenda Packet Binder in the Council Chambers.)**

5. NEW BUSINESS

- A. Acceptance of the Status Report for the Fiscal Operation of the Santa Clara Golf and Tennis Club for the Second Quarter ended December 31, 2013.

6. PUBLIC PRESENTATIONS:

This item is reserved for persons to address the Authority on any matter not on the agenda that is within the subject matter jurisdiction of the City. The law does not permit Authority action on, or extended discussion of, any item not on the agenda except under special circumstances. The Authority, or staff, may briefly respond to statements made or questions posed, and the Authority may request staff to report back at a subsequent meeting. Although not required, please submit to the Authority Secretary your name and subject matter on forms available by the door in the Council Chambers.

7. REPORTS OF SOSA MEMBERS AND SPECIAL SOSA COMMITTEES:

- A. Reports regarding conference attendance, if any.

8. CLOSED SESSION MATTERS:

- A. Authority General Counsel Reports:

9. ADJOURNMENT:

- A. To Tuesday evening, **April 8, 2014** at 7:00 pm for the regular scheduled meeting in the City Hall Council Chambers.

3/25/14



CLOSED SESSION NOTICE

Sports and Open Space Authority

6:00PM
SOSA



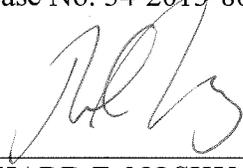
The **GOVERNING BOARD OF THE SPORTS AND OPEN SPACE AUTHORITY** will meet in closed session on **Tuesday, March 25, 2014**, at **6:00 p.m.**, or as soon thereafter as the matter can be discussed, in the Council Conference Room located in the East Wing of City Hall at 1500 Warburton Avenue, Santa Clara, California, to consider the following matter(s) and to potentially take action with respect to it/them:

CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

Pursuant to Gov. Code § 54956.9(a)

Vinod K. Sharma, et al. v. Successor Agency to the Redevelopment Agency of the City of Santa Clara, et al., Sacramento County Superior Court Case No. 34-2013-80001396

Date: March 21, 2014



RICHARD E. NOSKY, JR.
Authority General Counsel

3/23/14

2A
SOSA

**MINUTES OF THE SPORTS AND OPEN SPACE AUTHORITY OF
THE CITY OF SANTA CLARA FOR MEETING
HELD ON TUESDAY EVENING, FEBRUARY 25, 2014**

The Sports and Open Space Authority of the City of Santa Clara met at 6:00 pm, on the above mentioned date, for a Closed Session in the Council Conference Room for a Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9(a); *Vinod K. Sharma, et al. v. Successor Agency to the Redevelopment Agency of the City of Santa Clara, et al.*, Sacramento County Superior Court Case No. 34-2013-80001396 (Authority General Counsel - 02/21/14).

The Sports and Open Space Authority then met at 8:31 pm for the regular scheduled meeting.

Present: Authority Members Debi Davis, Lisa M. Gillmor, Patrick Kolstad, Patricia M. Mahan, and Teresa O'Neill and Chairperson Jamie L. Matthews. Absent: Vice-Chairperson Jerry Marsalli (excused).

1. **MOTION** was made by Mahan, seconded and unanimously carried (Marsalli absent), that the Authority **excuse** Vice-Chairperson Jerry Marsalli from attendance at this evening's meeting.
- 2A. **MOTION** was made by Davis, seconded and unanimously carried (Marsalli absent), that the **Minutes** for the meeting of **January 14, 2014** be adopted as written.
- 2B. **MOTION** was made by Davis, seconded and unanimously carried with Kolstad abstaining (not present at the meeting) (Marsalli absent), that the **Minutes** for the meeting of **January 21, 2014 - Special Meeting** be adopted as written.
- 2C. **MOTION** was made by Davis, seconded and unanimously carried (Marsalli absent), that the **Minutes** for the meeting of **January 28, 2014** be adopted as written.
- 7A. Earlier in the evening, the Sports and Open Space Authority met for a Closed Session in the Council Conference Room for a Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9(a); *Vinod K. Sharma, et al. v. Successor Agency to the Redevelopment Agency of the City of Santa Clara, et al.*, Sacramento County Superior Court Case No. 34-2013-80001396 and there was no reportable action.

8A. MOTION was made by Davis, seconded and unanimously carried (Marsalli absent), that, there being no further business, the meeting was adjourned at 8:32 pm to Tuesday evening, March 18, 2014 at 7:00 pm for the regular scheduled meeting in the City Hall Council Chambers.

ATTEST: _____
Secretary

APPROVE: _____
Chairperson

DRAFT

Meeting Date: 3/25/14

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 5A
SOSA



Date: March 11, 2014

To: Contract Administrator for Sports and Open Space Authority Action

From: Director of Finance, Sports and Open Space Authority

Subject: Acceptance of Status Report for the Fiscal Operation of the Santa Clara Golf and Tennis Club for the Second Quarter ended December 31, 2013

EXECUTIVE SUMMARY:

Submitted for Sports and Open Space Authority (SOSA) review and acceptance are the following reports: Santa Clara Golf and Tennis Club Income Statement, Variance Report, the Administrative and Management Fee Calculation paid to American Golf, and Net Income Comparison graph for the second quarter of fiscal year 2013-14.

The Income Statement includes a summary of Golf Course attendance categorized as "Number of Rounds" that is presented at the bottom of the Statement. The Variance Report provides a narrative explanation of significant variances between actual and budgeted Golf Course revenues and expenditures. The Net Income Comparison Graph provides a graphic comparison of the current quarter and fiscal year actual, budget, and prior year actual Net Income for the Golf Course. Detailed departmental reports on the Golf Course operations are available for review in the Finance Department.

The Golf Course Net Income transferred to SOSA for the second quarter was \$160,664. This transfer to SOSA was \$4,137 greater than budgeted. Revenues were \$13,866 greater than budgeted mainly due to higher than anticipated green fees and cart rental. Operating Expenses were \$9,682 more than expected primarily due to an increase in water as a result of the dry second quarter. This resulted in a total favorable variance of \$4,137 in Net Income for the second quarter.

American Golf has taken a number of steps to stabilize revenues and increase the number of rounds played which have had a positive effect in the second quarter, including: dynamic pricing, e-notifications and incentives, and increased customer service contacts providing information about improved course conditions and availability of tee times to drive new and return rounds.

ADVANTAGES & DISADVANTAGES OF ISSUE:

The Status Report for the Fiscal Operation of the Santa Clara Golf and Tennis Club for the Second Quarter ended December 31, 2013 provides current information on the fiscal operation of the City's Golf and Tennis Club.

ECONOMIC/FISCAL IMPACT:

Acceptance of this report will have no fiscal impact to the City other than administrative staff time and expense.

Contract Administrator for Authority Action
Status Report for the Fiscal Operation of the Santa Clara Golf and Tennis Club

March 11, 2014

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RECOMMENDATION:

That the Authority accept the Status Report for the Fiscal Operation of the Santa Clara Golf and Tennis Club for the Second Quarter ended December 31, 2013.



Gary Ameling

Director of Finance, Sports and Open Space Authority

APPROVED:



Julio J. Fuentes

Contract Administrator for

Sports and Open Space Authority

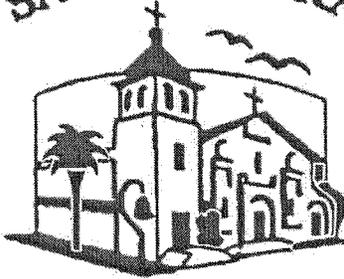
Documents Related to this Report:

- 1) *Santa Clara Golf & Tennis Club Income Statement*
- 2) *Variance Report*
- 3) *Fee Calculation*
- 4) *Net Income Comparison Graph*

SANTA CLARA GOLF AND TENNIS CLUB
INCOME STATEMENT
FOR THE QUARTER ENDING December 31, 2013

FOR THE QUARTER ENDING December 31, 2013												
	QUARTER		PRIOR YEAR		YEAR-TO-DATE		VARIANCES		PRIOR YEAR			
	ACTUAL	BUDGET	AMOUNT	%	ACTUAL	BUDGET	AMOUNT	%	ACTUAL	BUDGET		
SALES AND FEES												
INSTRUCTION	2,104	2,400	(296)	(12)	1,777	3,575	4,800	(1,225)	(26)			4,067
GREEN FEES	451,330	441,950	9,380	2	413,200	992,694	1,078,950	(86,256)	(8)			1,024,058
CART RENTAL	102,237	86,750	15,487	18	84,144	234,130	226,300	7,830	3			222,126
RANGE INCOME	66,061	70,000	(3,939)	(6)	62,353	165,929	172,000	(6,071)	(4)			164,439
TENNIS INCOME	9,850	10,000	(150)	(2)	8,971	23,932	25,150	(1,218)	(5)			22,629
MERCHANDISE SALES	32,960	35,000	(2,040)	(6)	30,959	77,149	83,000	(5,851)	(7)			76,689
OTHER INCOME	8,224	12,800	(4,576)	(36)	8,388	18,162	21,700	(3,538)	(16)			17,511
TOTAL INCOME	672,766	658,900	13,866	2	609,792	1,515,571	1,611,900	(96,329)	(6)			1,531,519
COST OF SALES												
MERCHANDISE	23,487	23,440	(47)	(0)	22,387	52,608	55,588	(2,980)	(5)			52,544
TOTAL COST OF SALES	23,487	23,440	(47)	(0)	22,387	52,608	55,588	(2,980)	(5)			52,544
GROSS PROFIT	649,279	635,460	13,819	2	587,405	1,462,963	1,556,312	(93,349)	(6)			1,478,975
OPERATING EXPENSES												
SALARIES/WAGES	208,436	210,780	2,344	1	182,084	429,113	431,632	2,519	1			393,000
UTILITIES-WATER	60,543	50,000	(10,543)	(21)	50,412	201,692	165,000	(36,692)	(22)			184,736
UTILITIES-POWER	12,129	10,400	(1,729)	(17)	12,622	24,247	22,100	(2,147)	(10)			25,087
SEED, SOIL, FERTILIZER	14,647	15,525	878	6	21,516	36,682	41,150	4,468	11			43,893
REPAIR & MAINTENANCE	26,349	25,500	(849)	(3)	15,640	46,818	41,100	(5,718)	(14)			39,594
SUPPLIES	13,125	18,250	5,125	28	12,295	47,916	46,600	(1,316)	(3)			41,088
UNIFORMS/LAUNDRY	1,884	2,000	116	6	1,133	4,457	4,000	(457)	(11)			2,437
BANK & CARD FEES	12,140	13,300	1,160	9	11,241	27,901	28,500	599	2			26,659
LEASE/RENTAL	39,498	33,826	(5,672)	(17)	28,772	67,019	63,532	(3,487)	(5)			56,254
SANITATION	4,910	6,100	1,190	20	24,977	16,352	12,600	(3,752)	(30)			33,204
TELEPHONE	4,195	2,250	(1,945)	(86)	2,671	9,016	4,500	(4,516)	(100)			4,229
RANGE BALLS	4,979	5,000	21	0	4,639	4,979	10,000	5,021	50			4,639
OTHER EXPENSES	8,541	8,025	(516)	(6)	8,149	26,438	21,900	(4,538)	(21)			15,810
MGMT/ADM FEES	74,056	72,703	(1,353)	(2)	71,248	153,159	154,227	1,068	1			151,838
INSURANCE	3,183	5,274	2,091	40	3,453	6,365	10,548	4,183	40			6,905
TOTAL OPERATING EXP	488,615	478,933	(9,682)	(2)	450,852	1,102,154	1,057,389	(44,765)	(4)			1,029,373
NET FROM OPERATIONS	160,664	156,527	4,137	3	136,553	360,809	498,923	(138,114)	(28)			449,602
LESS: CAPITAL OUTLAY	0	0	0	0	0	0	0	0	0			0
NET INCOME	160,664	156,527	4,137	3	136,553	360,809	498,923	(138,114)	(28)			449,602
NUMBER OF ROUNDS	16,403	16,500	(97)	(1)	15,591	37,620	41,045	(3,425)	(8)			40,168

SANTA CLARA



GOLF & TENNIS CLUB

March 10, 2014

Gary Ameling
 Director of Finance
 Sports and Open Space Authority
 City of Santa Clara
 1500 Warburton Avenue
 Santa Clara, CA 95050

Re: Santa Clara Golf & Tennis Club Variance Report for the Quarter Ended December 31, 2013

Dear Mr. Ameling:

The following is a brief discussion of revenue and expense variances over/under 10% and \$200 compared to budget for the quarter ended December 31, 2013:

	FAVORABLE/ (UNFAVORABLE) VARIANCE	SUBTOTAL	VARIANCE – EXPLANATION
INCOME:			
INSTRUCTION	(296)		Less city class sign ups than expected
CART RENTAL	15,487		More cart revenue due to increased on-line bookings from bundled offers
OTHER INCOME	(4,576)		Miscellaneous fees collected were less than anticipated
OTHER VARIANCES	3,251		Revenue categories with variances of less than 10%
TOTAL INCOME		13,866	
VARIANCE			
COST OF SALES			
MERCHANDISE	(47)	(47)	

March 10, 2014

Santa Clara Golf & Tennis Club Variance Report for the Quarter Ended December 31, 2013

Page 2 of 2

	FAVORABLE/ (UNFAVORABLE) VARIANCE	SUBTOTAL	VARIANCE – EXPLANATION
OPERATING EXPENSES:			
WATER	(10,543)		More water needed due to dry 2nd quarter
POWER	(1,729)		More usage than budgeted
SUPPLIES	5,125		Less expenses in various departments
LEASE/RENTAL	(5,672)		January, 2014 payment made early in December, 2013
SANITATION	1,190		Less expenses than budgeted
TELEPHONE	(1,945)		Corporate changed phone vendor company-wide resulting in increased expenses
INSURANCE	2,091		Actual billed amount less than budgeted
OTHER VARIANCES	1,801		Expense categories with variances of less than 10%
TOTAL EXPENSE VARIANCE		(9,682)	

NET INCOME VARIANCE		4,137
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Please feel free to contact me with any questions.

Sincerely,



Lynn Jones
General Manager
Santa Clara Golf & Tennis Club
408-980-9515

SANTA CLARA GOLF & TENNIS CLUB
 AMERICAN GOLF ADMINISTRATIVE & MANAGEMENT FEE CALCULATION
 FOR SECOND QUARTER FY 2013-14 ENDED DECEMBER 31, 2013

3% MANAGEMENT FEE:

<u>REVENUE DESCRIPTION</u>	<u>GROSS REVENUE</u>	<u>3% MANAGEMENT FEE</u>	
Instruction (1)	\$ 0	\$ 0	
Green Fees	451,330	13,540	
Cart Rental	102,237	3,067	
Range Income	66,061	1,982	
Tennis Income	9,850	296	
Merchandise Sales	32,960	989	
Other Income (2)	<u>8,224</u>	<u>247</u>	
TOTALS	<u>\$ 670,662</u>	<u>\$ 20,121</u>	\$ 20,121

FIXED MANAGEMENT FEE (\$13,479 per month)	40,436
ADMINISTRATIVE FEE (\$4,500 per month)	<u>13,500</u>
TOTAL MANAGEMENT FEE FOR QUARTER ENDED DECEMBER 31, 2013	\$ 74,057 0
Rounding	<u>1</u>
Management Fee per Income Statement for Quarter Ended December 31, 2013	<u>\$ 74,056</u>

(1) Instruction revenue per the Income Statement	\$ 2,104
Less - Revenue from instructor rent and golf lessons not subject to the 3% management fee	<u>(2,104)</u>
Instruction revenue subject to the 3% management fee	<u>\$ 0</u>

(2) Consists of Pull-Cart rentals and American Golf Membership fees.

SANTA CLARA GOLF & TENNIS CLUB NET INCOME COMPARISON
 FOR THE QUARTER ENDING DECEMBER 31, 2013
 ACTUAL, BUDGET, AND PRIOR YEAR ACTUAL

