



# 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.

**September 30, 2014**

**6:00 pm**

**Closed Session**

**Council Conference Room**

Conference with Real Property Negotiator

Pursuant to Government Code Section 54956.8

Property: APN 097-05-097 (23 acres on the northwest corner of Lick Mill Blvd and Hope Drive);

APN 097-83-001 (11 acres on the east side of Lick Mill Blvd at Hope Drive); and

APN 097-05-105 (10 acres on the west side of Lick Mill Blvd, 1,300 feet north of Hope Drive)

Negotiating Party(ies): The Shimon Ben Joseph Foundation (Interland)

City/Agency Negotiators: Julio J. Fuentes, Contract Administrator (or designee)

Under Negotiation: Purchase/Sale/Exchange/Lease of Real Property  
(provisions, price and terms of payment)

and

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 of 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. CONTINUANCE/EXCEPTIONS:**

**3. 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.)

**4. NEW BUSINESS**

- A. Acceptance of the Status Report for the Fiscal Operation of the Santa Clara Golf and Tennis Club for the Fourth Quarter ended June 30, 2014 and End of Fiscal Year 2013-14.

**5. 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.

**6. REPORTS OF SOSA MEMBERS AND SPECIAL SOSA COMMITTEES:**

- A. Reports regarding conference attendance, if any.

**7. CLOSED SESSION MATTERS:**

- A. Authority General Counsel Reports:

**8. ADJOURNMENT:**

- A. To Tuesday evening, **October 14, 2014** at 7:00 pm for the regular scheduled meeting in the City Hall Council Chambers.

09/30/14

# 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, September 30, 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 REAL PROPERTY NEGOTIATOR**

Pursuant to Gov. Code § 54956.8

**Property:** APN 097-05-097 (23 acres on the northwest corner of Lick Mill Blvd and Hope Drive); APN 097-83-001 (11 acres on the east side of Lick Mill Blvd at Hope Drive); and APN 097-05-105 (10 acres on the west side of Lick Mill Blvd, 1,300 feet north of Hope Drive)

**Negotiating Party(ies):** The Shimon Ben Joseph Foundation (Interland)

**City/Agency Negotiators:** Julio J. Fuentes, Contract Administrator (or designee)

**Under Negotiation:** Purchase/Sale/Exchange/Lease of Real Property (provisions, price and terms of payment)

**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: September 26, 2014

*Richard E. Nosky, Jr.*  
RICHARD E. NOSKY, JR. *Vice*  
Authority General Counsel



**Date:** September 16, 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 Fourth Quarter ended June 30, 2014 and End of Fiscal Year 2013-14

### 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 fourth quarter and end 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 fourth quarter was \$233,398. The transfer to SOSA was \$128,800 less than budgeted. Revenues were lower than budget by \$120,026 mainly due to lower than expected instruction fees, green fees, range income, and other income. Operating Expenses were \$1,811 higher than expected primarily due to increased irrigation as the drought continued. This resulted in a total unfavorable variance of \$128,800 in Net Income for the fourth quarter. The fiscal year net income of the Golf and Tennis Club transferred to SOSA as of June 30, 2014 was \$836,290, which was \$230,193 less than budgeted.

### ADVANTAGES & DISADVANTAGES OF ISSUE:

The Status Report for the Fiscal Operation of the Santa Clara Golf and Tennis Club for the Fourth Quarter ended June 30, 2014 and End of Fiscal Year 2013-14 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 for the Fourth Quarter ended  
June 30, 2014 and End of Fiscal Year 2013-14  
September 16, 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 Fourth Quarter ended June 30, 2014 and End of Fiscal Year 2013-14.



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Gary Ameling  
Director of Finance, Sports and Open Space Authority

APPROVED:



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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 JUNE 30, 2014

	FOR THE QUARTER ENDING JUNE 30, 2014									
	QUARTER		VARIANCES		PRIOR YEAR	YEAR-TO-DATE		VARIANCES		PRIOR YEAR
	ACTUAL	BUDGET	AMOUNT	%	ACTUAL	ACTUAL	BUDGET	AMOUNT	%	Y-T-D
SALES AND FEES										
INSTRUCTION	1,200	2,500	(1,300)	(52)	1,385	5,475	9,200	(3,725)	(40)	8,291
GREEN FEES	490,435	588,100	(97,665)	(17)	550,466	1,675,012	2,111,550	(436,538)	(21)	2,029,050
CART RENTAL	126,794	123,350	3,444	3	125,575	403,336	435,600	(32,264)	(7)	434,274
RANGE INCOME	79,811	99,000	(19,189)	(19)	93,747	301,869	346,000	(44,131)	(13)	346,800
TENNIS INCOME	15,891	16,100	(209)	(1)	15,361	48,192	51,000	(2,808)	(6)	49,556
MERCHANDISE SALES	47,086	48,000	(914)	(2)	41,449	142,110	164,000	(21,890)	(13)	163,730
OTHER INCOME	8,907	13,100	(4,193)	(32)	12,270	382,319	48,200	334,119	693	42,402
<b>TOTAL INCOME</b>	<b>770,124</b>	<b>890,150</b>	<b>(120,026)</b>	<b>(13)</b>	<b>840,253</b>	<b>2,958,313</b>	<b>3,165,550</b>	<b>(207,237)</b>	<b>(7)</b>	<b>3,074,103</b>
COST OF SALES										
MERCHANDISE	39,110	32,147	(6,963)	(22)	28,194	101,275	109,836	(8,561)	(8)	110,934
<b>TOTAL COST OF SALES</b>	<b>39,110</b>	<b>32,147</b>	<b>(6,963)</b>	<b>(22)</b>	<b>28,194</b>	<b>101,275</b>	<b>109,836</b>	<b>(8,561)</b>	<b>(8)</b>	<b>110,934</b>
<b>GROSS PROFIT</b>	<b>731,014</b>	<b>858,003</b>	<b>(126,989)</b>	<b>(15)</b>	<b>812,059</b>	<b>2,857,038</b>	<b>3,055,714</b>	<b>(198,676)</b>	<b>(7)</b>	<b>2,963,169</b>
OPERATING EXPENSES										
SALARIES/WAGES	216,806	222,062	5,256	2	117,448	848,351	863,197	14,846	2	827,872
UTILITIES-WATER	80,594	58,000	(22,594)	(39)	85,234	300,201	241,000	(59,201)	(25)	239,808
UTILITIES-POWER	11,188	11,400	212	2	11,235	47,733	44,600	(3,133)	(7)	46,153
SEED, SOIL, FERTILIZER	12,772	20,625	7,853	38	19,439	73,000	85,800	12,800	15	75,000
REPAIR & MAINTENANCE	20,136	12,300	(7,836)	(64)	21,998	81,808	67,400	(14,408)	(21)	80,633
SUPPLIES	17,820	20,225	2,405	12	19,731	80,944	81,725	781	1	82,282
UNIFORMS/LAUNDRY	231	1,500	1,269	85	1,106	7,338	8,000	662	8	6,184
BANK & CARD FEES	13,117	14,600	1,483	10	14,131	47,306	54,900	7,594	14	50,173
LEASE/RENTAL	24,276	29,706	5,430	18	29,754	108,466	122,944	14,478	12	113,107
SANITATION	6,932	6,600	(332)	(5)	9,331	32,802	25,400	(7,402)	(29)	11,729
TELEPHONE	2,862	2,250	(612)	(27)	3,156	15,104	9,000	(6,104)	(68)	8,466
RANGE BALLS	4,005	5,000	995	20	0	8,984	20,000	11,016	55	11,742
OTHER EXPENSES	6,690	6,625	(65)	(1)	5,791	51,726	37,450	(14,276)	(38)	38,523
MGMT/ADM FEES	77,004	79,638	2,634	3	78,172	304,256	306,719	2,463	1	300,753
INSURANCE	3,183	5,274	2,091	40	3,453	12,729	21,096	8,367	40	12,714
<b>TOTAL OPERATING EXP</b>	<b>497,616</b>	<b>495,805</b>	<b>(1,811)</b>	<b>(0)</b>	<b>419,979</b>	<b>2,020,748</b>	<b>1,989,231</b>	<b>(31,517)</b>	<b>(2)</b>	<b>1,905,139</b>
<b>NET FROM OPERATIONS</b>	<b>233,398</b>	<b>362,198</b>	<b>(128,800)</b>	<b>(36)</b>	<b>392,080</b>	<b>836,290</b>	<b>1,066,483</b>	<b>(230,193)</b>	<b>(22)</b>	<b>1,058,030</b>
LESS: CAPITAL OUTLAY	0	0	0		0	0	0	0		0
<b>NET INCOME</b>	<b>233,398</b>	<b>362,198</b>	<b>(128,800)</b>	<b>(36)</b>	<b>392,080</b>	<b>836,290</b>	<b>1,066,483</b>	<b>(230,193)</b>	<b>(22)</b>	<b>1,058,030</b>
<b>NUMBER OF ROUNDS</b>	<b>20,698</b>	<b>23,125</b>	<b>(2,427)</b>	<b>(10)</b>	<b>20,995</b>	<b>65,437</b>	<b>81,200</b>	<b>(15,763)</b>	<b>(19)</b>	<b>82,002</b>



September 12, 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 June 30, 2014

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 June 30, 2014:

	FAVORABLE/ (UNFAVORABLE) VARIANCE	SUBTOTAL	VARIANCE – EXPLANATION
<b>INCOME:</b>			
INSTRUCTION	(1,300)		Less city class sign ups than expected
GREEN FEES	(97,665)		Less rounds than expected
RANGE INCOME	(19,189)		Less range revenue than expected
OTHER INCOME	(4,193)		Less other income than expected
OTHER VARIANCES	2,321		Revenue categories with variances of less than 10%
TOTAL INCOME VARIANCE		(120,026)	
<b>COST OF SALES MERCHANDISE</b>	(6,963)	(6,963)	More product ordered than budgeted

September 12, 2014

Santa Clara Golf & Tennis Club Variance Report for the Quarter Ended June 30, 2014

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	FAVORABLE/ (UNFAVORABLE) VARIANCE	SUBTOTAL	VARIANCE – EXPLANATION
<b>OPERATING EXPENSES:</b>			
WATER	(22,594)		More irrigation due to dry conditions
SEED, SOIL & FERTILIZER	7,853		Less products needed than budgeted
REPAIR & MAINTENANCE	(7,836)		Repair of leak under tennis courts
SUPPLIES	2,405		Less supplies needed than budgeted
UNIFORMS & LAUNDER	1,269		Less needed than budgeted
BANK AND CARD FEES	1,483		Less usage than budgeted due to closure
LEASE/RENTAL	5,430		Less expense than budgeted
TELEPHONE	(612)		More expense than budgeted
RANGE BALLS	995		Less supplies needed than budgeted
INSURANCE	2,091		Billed amount less than budgeted
OTHER VARIANCES	7,705		Expense categories with variances of less than 10%
TOTAL EXPENSE VARIANCE		(1,811)	

NET INCOME VARIANCE		(128,800)
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September 12, 2014

Santa Clara Golf & Tennis Club Variance Report for the Quarter Ended June, 2014

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Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Lynn Jones". The signature is fluid and cursive, with a long horizontal stroke at the end.

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

SANTA CLARA GOLF & TENNIS CLUB  
 AMERICAN GOLF ADMINISTRATIVE & MANAGEMENT FEE CALCULATION  
 FOR FOURTH QUARTER FY 2013-14 ENDED JUNE 30, 2014

## 3% MANAGEMENT FEE:

<u>REVENUE DESCRIPTION</u>	<u>GROSS REVENUE</u>	<u>3% MANAGEMENT FEE</u>	
Instruction (1)	\$ 0	\$ 0	
Green Fees	490,435	14,713	
Cart Rental	126,794	3,804	
Range Income	79,811	2,394	
Tennis Income	15,891	477	
Merchandise Sales	47,086	1,413	
Other Income (2)	<u>8,907</u>	<u>267</u>	
TOTALS	<u>\$ 768,924</u>	<u>\$ 23,068</u>	\$ 23,068
FIXED MANAGEMENT FEE (\$13,479 per month)			40,437
ADMINISTRATIVE FEE (\$4,500 per month)			<u>13,500</u>
TOTAL MANAGEMENT FEE FOR QUARTER ENDED JUNE 30, 2014			\$ 77,005
Rounding			<u>1</u>
Management Fee per Income Statement for Quarter Ended June 30, 2014			<u>\$ 77,004</u>

(1) Instruction revenue per the Income Statement	\$ 1,200
Less - Revenue from instructor rent and golf lessons not subject to the 3% management fee	(1,200)
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 ENDED JUNE 30, 2014  
 ACTUAL, BUDGET, AND PRIOR YEAR ACTUAL

