

RANCHO SANTA FE ASSOCIATION COST SHARING AGREEMENT Q & A

How did this agreement come about?

The idea of cost sharing of the restaurant has been raised at Audit / Finance Committee meetings over the last few years. While the restaurant is available to all Association members, only Golf Club members have been responsible for the costs of running the operation. A joint committee was formed in December 2018 to explore a cost-sharing agreement between the Association and Golf Club and to lead an effort to explore redesign of the restaurant. The agreement approved by the Association Board and Golf Board was the result of many joint committee meetings over the last six months. The committee included co-chairs Golf Club President Bill Weber and Association Board Vice President Allen Finkelson, Golf Club Governor Dan Comstock, Association Director Steve Dunn, Golf Club Governor Bill Johnson, Association Director Rick Sapp, Golf Club General Manager Brad Shupe and Association Manager Christy Whalen.

Who will determine what the future of the restaurant will be?

The joint committee will oversee the work of developing and proposing a new restaurant concept. If a major redesign and relaunch of the restaurant is proposed, member input will be sought and approval by both the Golf Club and Association Boards will be required. Ultimately, however, the success and future of the restaurant is in the hands of the community. Even with the best food, service and ambience, the restaurant will succeed only if it appeals to and is frequented by Association members.

Who currently uses the restaurant?

All Association members have restaurant privileges, and usage is divided about evenly between residents who are Golf Club members and those who are not Golf Club members.

Will the Association help pay for future clubhouse renovations?

The agreement states that any capital costs would be shared by the Association and Golf Club with the approval of both Boards. However, the scope of future renovations, if any,

has yet to be determined. The design team, under the direction of the joint committee, is at the beginning stages of exploring possible concepts. Proposals and cost estimates, once developed, will require approval of both Boards, which would seek Association member input prior to making a decision on funding.

When will the restaurant be renovated?

The design team is currently gathering input from Association members. In a few months, the team will propose concepts for branding, menu theme, and design, including building usage and layout, décor, lighting and landscaping. Budget ranges will be developed based on the proposed concepts and then the proposed project will be considered by the Association and Golf Club Boards with input from the community.

How much would a renovation of the restaurant and clubhouse cost?

No concepts have been prepared or presented, so a cost estimate has not yet been developed. When estimated costs are available, they will be shared with members.

Specifically, what will the joint committee oversee?

The committee is tasked with overseeing policy and strategy regarding clubhouse and restaurant branding, name, design, menu theme, days and hours of operation, pricing parameters, service standards, major capital expenditures, and executive staff changes. However, ultimate decision making lies with the Boards.

Does this agreement mean the Boards will be micromanaging the restaurant operations?

The day-to-day management of the operation of the restaurant and snack bar will continue to be the responsibility of the Golf Club General Manager, who will oversee staff without the interference from the joint committee or either Board.

What if future leaders determine this agreement isn't working?

Either Board may terminate this agreement at any time without cause with a 90-day notice.