

**USTA NorCal Board of Directors Meeting Minutes**  
**Wednesday, October 17, 2018**  
**USTA NorCal Office, Alameda, California**

**USTA NorCal Board of Directors Present:** Rosie Bareis, Margie Campbell (Delegate), Gordon Collins, Steve Cornell, Terry Cossette. Christine Costamagna, Anoosh Davoudzadeh, Nancy Deschane, Dale Evans, Alvin Hom (President), Sue Leo, Kevin Pope, Jim Swansinger, Mark Tappan, Brian Thomas, Sandy Tompkins, Ross Wisser

**USTA NorCal Advisory Directors:** Linda Peltz, Larry Olmstead

**NorCal Staff Present:** Steve Leube, Executive Director

**Legal Counsel:** Les Hausrath

**Guest:** Cornell Meyer, Operations Manager; Ana Elefant, Chair of Sanctions & Schedule Committee

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**Call to Order:** Noting the presence of a quorum, Alvin Hom, President, called the meeting to order at 6:30pm. Mr. Hom read the NorCal mission statement. He noted that there were no public comments.

**Approval of Minutes:** The minutes of the August 15, 2018 Board meeting were presented for approval. On motion duly made, seconded, and carried, the minutes of the August 15, 2018 meeting were unanimously approved.

**2019 Budget:** Mr. Meyer, Mr. Leube and Ms. Leo led a detailed discussion around the proposed 2019 budget. Prior to the commencement of the discussion, Mr. Leube provided an overview of the process, including the determination of the overarching goals and the development of operation plans. Ms. Leo then led a review of the proposed budget and forecast noting that NorCal manages to a balanced budget and that the reserves are healthy. Mr. Leube and Ms. Leo pointed out the areas of change from the prior year and the areas of focus – sportsmanship, 18-39 age group, JTT participation, street team and digital marketing.

Mr. Leube discussed the Inside Tennis contract which expires at the end of 2018. He reviewed the terms as well as the request from Mr. Simons. After discussion, on motion duly made by Ms. Leo and seconded by Ms. Tompkins, the Board unanimously approved a 2 year extension (through 2020) of the Inside Tennis contract which provides for 6 editions at a total of \$30,000 per year. It was noted that no additional funding would be provided to Mr. Simons for any digital work.

Mr. Leube then completed the presentation on the proposed budget. The Board was given an opportunity to comment or ask any follow-up questions. Mr. Leube briefly commented on the completed compensation study and re-emphasized the principle changes in the budget. Thereafter, on motion duly made by Ms. Leo and seconded by Ms. Costamagna, the Board approved the 2019 budget – 11 in favor, 1 opposed and 1 abstention.

**2019 Adult/Junior Appeals and Tournament Schedule:** Mr. Hausrath began by reiterating to the Board the tournament sanction and schedule review and approval process. He noted that for this meeting the entire adult and junior calendars for 2019 would be done on a consent basis. Ms. Elefant was in attendance to answer any questions regarding the proposed schedules. The 2019 Adult Tournament Schedule was presented to the Board for approval. After an opportunity to comment or ask questions, on

motion duly made by Ms. Costamagna and seconded by Mr. Wisser, the Board unanimously approved the 2019 Adult Tournament Schedule. The 2019 Junior Tournament Schedule was presented to the Board for approval. After an opportunity to comment or ask questions, on motion duly made by Mr. Cossette and seconded by Ms. Tompkins, the Board unanimously approved the 2019 Junior Tournament Schedule.

Mr. Hausrath explained the process for addressing appeals by member organizations. It was noted that there were no adult appeals and 5 junior appeals from the same member organization. The representative from the member organization was invited to attend the Board meeting. Ms. Elefant reviewed the Sanction & Schedule Committee decisions as well as the reasons for approving or denying them. After discussion, on motion duly made by Ms. Leo and seconded by Mr. Wisser, the Board approved the appeal recommendations made by the Sanction & Schedule Committee – 13 in favor, 0 opposed, 2 abstentions. It was noted that tournaments can be added to the schedules throughout the year.

Questions arose concerning approaching member organizations to host tournaments, the number of members organizations represented in the tournament schedule and requesting p/l's from tournament directors.

**Investment Committee:** Ms. Deschane reminded the Board that the Investment Committee was looking at the current mortgage options with Comerica Bank as well as the investment opportunities with the excess cash. She reported that the Committee looked at various new mortgage structures and unanimously felt that paying off the loan (\$1.3 million balance) was in the best interest of NorCal. She noted that NorCal would be obligated to pay an additional \$23,000 based on the terms with Comerica. After discussion, on motion duly made by Ms. Bareis and seconded by Ms. Deschane, the Board unanimously approved paying off the current mortgage loan with Comerica Bank.

Ms. Deschane then discussed the various opportunities for the excess cash (approximately \$400,000). The national funding structure was explained. Ms. Deschane noted that there are no investing restrictions but it cannot be spent. It was suggested that NorCal leverage national on investing options.

**Executive Director Report:** Mr. Leube provided an overview of his report, a copy of which was provided in the meeting material. He then commented on the following items:

- 1) Semi Annual Meeting in New York
- 2) Golden Gate Park activities
- 3) Dragon Boat races/Net Generation
- 4) Marketing status
- 5) Peter Herb Memorial
- 6) Diversity & Inclusion conference in Detroit
- 7) ROG activities
- 8) North/South event in Fresno
- 9) Grand Prix at Blackhawk
- 10) Adult Leagues
- 11) Bill Talbert Award
- 12) NorCal elections on November 3

**President's Report:** Mr. Hom noted that he had nothing additional to report.

**Delegate's Report:** Ms. Campbell noted that all items were passed at the Semi Annual meeting.

**Treasurer Report:** It was noted that there was nothing additional to report.

**Monthly Financials:** Mr. Hom noted that the monthly financials were included in the meeting material.

**Committee Decisions:** Mr. Hom noted that the Committee decisions were provided in the meeting material and reconfirmed how decisions can be challenged.

**Unfinished Business:** Mr. Hausrath brought up the adoption of the Constitution which was approved at the last Board meeting. He noted a question was raised as to whether the Board, not the member organizations, could approve a constitution. He consulted a number of sources and determined that a member organization approval is likely the most appropriate. He reported that there is no urgency to adopt a constitution and that the Board can consider a number of options. Thereafter, on motion duly made by Ms. Leo and seconded by Mr. Evans, the Board unanimously agreed to rescind the August 15, 2018 Board approval of the Constitution.

**New Business:** Mr. Leube noted that a proposal from 6 Board members was being presented regarding the implementation of a \$25 per player facility use fee to play in any NorCal league. Mr. Hausrath provided background surrounding the prior league fee proposals that were brought before the Board and noted that the current proposal is similar to the prior proposals. He summarized the 2016 proposal which was denied and for the 2017 proposal, he reported that a task force was formed, a member organization survey was circulated and outside counsel was consulted. The Board again denied the proposal.

The Board convened a brief Executive Session.

Mr. Hausrath reviewed the options for the Board regarding the current proposal - deny it, vote on its merits, consider the proposal but defer to a committee to consider and report back. A motion was made by Ms. Costamagna and seconded by Mr. Pope to vote by a secret ballot which was approved – 14 in favor, 1 opposed, 0 abstentions.

The Board convened a brief Executive Session.

It was noted that the current proposal impact was not included in the 2019 budget that was earlier approved by the Board. Mr. Pope provided additional context around the current proposal noting that it applies to all member organizations. Ms. Campbell articulated her issues, including fiscal impact, fiduciary responsibility, lack of implementation date, administrative costs, proposed fee amount, and impacts on customers. She asked how the fees would be used to grow the game of tennis and does the current proposal perpetuate the elite nature of the sport. It was asked whether the current proposal places restrictions on the per player fee and why the proposal was being raised again. Several Board members provided their input in favor of and against the current proposal. Mr. Olmstead inquired about the analysis to support the current proposal considering NorCal is #1 in retention. It was asked how the current proposal fits in with the mission of NorCal. Mr. Pope expanded the discussion around overall costs of programming, specifically junior tournaments. Mr. Leube noted that the player fee to NorCal remains the same regardless of what the entry fee is. Mr. Olmstead commented on the implementation of the post season team fee for leagues which, among other things, improves the player experience. Several Board members reviewed how leagues were managed at their respective facilities.

Ms. Tompkins and Mr. Swasinger asked if everyone believed a per player fee was appropriate and Ms. Tompkins suggested that the fee could be something less the \$25 in the current proposal. Mr. Evans noted that the Board has a fiduciary responsibility to all members and commented on bridging the gap with minorities, status of court building and the perceived lack of commitment to public facilities. Several Board members needed clarity around whether facilities would still charge a fee if the current proposal was approved. Mr. Leube reminded the Board of the national funding model which is based on participation which staff could do a study to determine the impact.

At the conclusion of the lengthy discussion, on motion duly made by Ms. Tompkins and seconded by Mr. Pope, the Board opposed the proposal of a \$15 (amended from the original \$25) fee per player as a facility use fee which would include an IT component for implementation, the cost of which would be determined at a later – 6 in favor, 11 opposed, 0 abstentions.

**Adjournment:** The meeting was adjourned at approximately 10:00 pm.

Respectfully submitted,

Christine Costamagna  
Secretary