

STRAWBERRY RECREATION DISTRICT
BOARD OF DIRECTORS MINUTES

Date: October 3, 2017

Time: 6:30pm Closed Session 7:30pm Open Session

Place: Strawberry Recreation District –1st Floor Meeting Room, 118 E. Strawberry Dr., Mill Valley, CA 94941

Chair Nichols called the regular meeting of the Board of Directors of the Strawberry Recreation District to order at 7:10PM.

CLOSED SESSION

CLOSED SESSION Approximate start time 6:30pm (duration approximately 30 minutes - 1 hour)

CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of **Section 54956.9.** (Two Potential Cases)

CLOSED SESSION CONFERENCE WITH LABOR NEGOTIATORS - Government Code Section 54957.6(a)

Agency designated representatives: Peter Teese and Pam Bohner

Unrepresented employees: Coordinators, Supervisor, General Manager “

CONSIDERATION OF EMPLOYMENT OF PUBLIC EMPLOYEE [GOVERNMENT CODE SECTION 54957]

Report out of Closed Session:

Chair Nichols reported that direction was given to legal counsel and staff.

QUORUM CALL:

Present were Directors Bohner, Francis, Marino, Nichols, and Teese. District General Manager Leanne Kreuzer, and members of the public were also present.

OPEN GENERAL SESSION /Call to Order and Establishment of Quorum:

Agenda Adjustments:

Open Time for Public Expression for those items not on the Agenda: (limited to 2 minutes per person)

Approval of Minutes: DRAFT Sept 12, 2017 Minutes

Minutes (Bohner, Francis, Marino, Nichols, and Teese)

M/S/C JF/PT

Ayes: Bohner, Francis, Marino, Nichols, and Teese Noes: _____ Absent for meeting:

FISCAL REPORTS – CONSENT CALENDARS:

A. Fiscal Reports - Consent Calendar

1. Approval & Confirmation of Expenditures, Disbursements, Payroll, and Warrants

2. Review, Weekly Deposit Reports

3. Transfer of Funds

4. Approval Professional Service Contract: **Approval Professional Service Contracts: Arcsine Architecture submission, planning review, building and construction permits and Demolition Plans for a community building to replace the pool house,**

• **Motion:** Move to Approve Item A1 Fiscal Reports - Consent Calendars
M/S/C PT/PB Ayes: Bohner, Francis, Marino, Nichols, Teese Noes: None Absent:

• **Motion:** Move to Approve Item A2 Fiscal Reports - Consent Calendars
M/S/C PT/CN Ayes: Bohner, Francis, Marino, Nichols, Teese Noes: None Absent:

• **Motion:** Move to Approve Item A3 Fiscal Reports - Consent Calendars transfer of Funds Zone IV
M/S/C CN/PT Ayes: Bohner, Francis, Marino, Nichols, Teese Noes: None Absent:

B. New Business – Items

1. **Discussion /Action Item:** Mill Valley Refuse Service update on current industry status relating to recycling processes, procedures and costs.

The General Manager reviewed communication with Mill Valley Refuse indicating that there have been significant changes to the recycling industry including significant charges for processing and disposal of recycled materials. Mill Valley Refuse will be addressing the SRD Board at a future meeting. Staff requested authorization to co-sponsor and host community education meetings at SRD for the Strawberry customers. The Board provided direction to staff to work with MVRS on a community education meeting.

2. **Discussion /Action Item:** SRD Professional Service Contract and Publics Work bid contracts.

The SRD Board reviewed a professional service contract for Arcsine architecture services related to the pool house demolition and new construction. The Board reviewed requested modifications to the contract and discussed with legal counsel.

Motion: Move to Approve SRD Professional Service Contract between SRD and Arcsine Architecture for services related to the demolition of the Pool House and new construction plan sheets. Planning and building permit process.

M/S/C PT/CN Ayes: Bohner, Francis, Marino, Nichols, Teese Noes: None Absent:

3. **Discussion /Action Item:** SRD's National Joint Powers Alliance membership and related member services. Discussion to include potential project management firms potentially facilitating related vendor services and contracts.

Staff presented information on SRD's membership in National Joint Powers Authority (NJPA) and the opportunity for SRD to utilize the membership to streamline public bids related to public works and capital improvement projects. Staff introduced Paul Burns of Gordian who reviewed information sheets as submitted relating to the services and processes available to SRD. NJPA is co-op that purchases contracts that members can utilize. NJPA facilitates a bid process for a variety of services and materials, contract awards are granted to the lowest qualified bidder and members then can utilize these vendors who have been vetted through the required public bid process. Mr. Burns referenced public codes related to the process. Gordian is hired by NJPA on behalf of its members. Members can also contract Gordian directly to function as project managers on various public work projects. Gordian customers include several of the California state and UC campuses as well as post offices, municipalities and special districts. The process utilizes an established price book itemizing specific services and related prices. This is used to establish overall costs for projects and services. Mr. Burns restated the importance of organizations following the public bid process and assured the SRD Board and staff that the NJPA does conduct this process and awards contracts to the lowest qualified and responsive bidder. Directors Francis and Teese asked about payments to Gordian. Mr. Burns responded that Gordian receives approximately 6% commission which is built into the NJPA pricing. Additional project management services are also made available that Gordian can provide direct proposals to SRD.

The SRD Board discussed the NJPA, the public bid process and Gordian's role. The Board inquired on specific terms and examples of application. Mr. Burns responded noting that the process can be utilized for renovations, remodels, repairs, and small contracts as projects are funded. Director Francis asked about primary contractors versus sub-contractors.

Director Francis commented that this might be an option that is in SRD's best interest to consider due to the high costs associated with the public bid process. Director Teese commented that this might be something to consider and SRD should look into comparing local vendors and the NJPA bids. Mr. Burns commented that projects with fixed budgets can be accommodated through the use of the fixed price index and that contracts can be value engineered to meet budgetary restriction providing flexibility. Staff commented that the process may be useful in circumstances where acquiring three competitive bids is difficult for small projects and small organizations as many vendors are no longer doing business with government organizations due to the increase in regulatory processes and costs related to the increasing number of regulations.

Chair Nichols requested confirmation that the strategies discussed all qualify for the public bid requirements. Mr. Burns responded confirming that the NJPA awards to the lowest qualified bidders. The SRD Board discussed the motion and provided direction to staff to reach out to local vendors and sub-contractors in addition to utilizing the NJPA membership to acquire bids.

Motion: Move to Approve the utilization of the SRD's membership in National Joint Powers Authority membership for public works and capital improvement project public bids and contracts.

M/S/C PT/CN Ayes: Bohner, Francis, Marino, Nichols, Teese Noes: None Absent:

- 4. Discussion /Action Item:** Proposed changes to SRD Pay Scale Ranges and Steps for all part time positions and full time positions including Specialist, Coordinator, Supervisor, District General Manager relating to the requirement to increase minimum wage and the expansion of services provided by SRD.

Staff presented the current SRD Pay Scale Ranges and commented on the mandated changes to the California Minimum Wage as it is set to increase over the next few years to \$15 per hour. Many organizations, businesses and municipalities have already moved to \$15 per hour to attract a work force as unemployment has hit a historical low of 3-4% in the region. SRD is struggling to attract and retain part time employees as local Southern Marin businesses have established entry level positions at \$14-\$17 per hour. SRD has been adjusting annually to the minimum wage which is currently \$10.50 and scheduled to increase to \$11.50 in 2018. Staff recommends that the Board review and evaluate the impacts of the part time entry level position pay scale ranges changing from \$10.50-\$12 to \$15-\$17 for five steps. This change then impacts the second and third tiers of part time positions which then impacts the full time benefitted positions in succession.

The Board discussed the current pay scale and changes to the pay scale as the minimum wage increases to \$15 per hour. The Board discussed the full time employee benefits and the phone and technology reimbursement that is in place for the general manager position. The Board discussed extending the phone and technology reimbursement to the Facility Property Supervisor position as many of the vendors and staff are contacting this position through his personal cell phone and this position is on call after his daily shifts and on weekends. The Board provided direction to staff to provide a \$70 per month telephone and technology reimbursement to the Facility Property Supervisor in addition to the existing reimbursement for the General Manager position. The HR Sub Committee addressed the Board commenting on the number of part time employees and the small number of full time employees currently at 5 and authorized for 8. Director Teese discussed the importance of retaining quality employees and continuing to develop programs, services and improve the properties and facilities. Director Teese commented that it is important for SRD to establish a reputation as a high quality employer in order to attract and retain employees. Equally important is to attract part time candidates to SRD as we are competing with In and Out Burger and franchise coffee shops that pay \$4 dollars more for entry level employees.

HR Sub Committee members Peter Teese and Pam Bohner discussed the costs associated with increasing the minimum wage and how the Board might consider increasing 2018 rates and fees to offset future expenses.

Staff reported that if full time positions increased in relation to the entry level and lower level position changes the salary increase would be \$4160 per full time employee at the \$12.50 rate and \$9360 at the \$15 rate. Staff reviewed the calculation as $\$2. \times 2080$ hours in a calendar year = \$4160 and $\$4.5 \times 2080 = \9360 . Additional tax and related fees would also increase and these calculations were input into the Fiscal Budget Worksheet presented and reviewed by the Board. Staff noted that the SRD Fiscal Budget goal is to maintain employee costs at or below 65% of the fiscal budget annually. The staff and Board reviewed the Fiscal Budget worksheet illustrating actual employee costs reporting at 46.22% in 2016/17 and projected at 54.87% in the 2017/18 current budget. The proposal illustrated that if the Board were to consider increasing the base hourly rate to \$12.50 on 2018 the percentage would increase to 57.25% and if the Board considered increasing the base hourly rate to \$15 per hour the projection is 60.08%.

Directors Teese and Bohner noted that the SRD can remain on budget in the 2017/18 fiscal year as the open Supervisor position has not been filled. The costs of the proposed increase to the pay scales were reviewed in relationship to the fiscal budget. Director Teese discussed the full time positions and existing inequities in the Coordinator level that have been addressed and rectified by the Sub Committee. Job related duties have been increased along with compensation. Director Francis expressed the importance of clear communication moving forward. The Board discussed the importance of maintaining compensation and performance benchmarks. Director Teese expressed the importance of investing in the full time staff to retain a higher skilled workforce.

The HR Sub Committee discussed the organizational chart and the need for SRD to consider creating a position between the General Manager and Supervisor level in order to plan and prepare for ongoing employee elevation and succession opportunity. Once again noting the importance of retaining quality and skilled employees as well as the organization's history and continuity. Chair Francis commented on the importance of maintaining job descriptions and proposed the HR subcommittee consider a bonus plan related to benchmarks and project outcomes.

The Board discussed and reviewed proposed pay scale and Fiscal Budget Worksheet providing direction to the HR Sub Committee and staff to bring the item back to the November meeting.

- 5. Discussion /Action Item:** 2018 Rates and Fees for provided services

Staff recommended the Board consider increasing the tennis passes, rental rates and fees and class fees in relationship to their decision regarding the minimum a wage item. Staff inquired as to the Board's position on the senior fitness class rates and the Pool Pass rates. The Board discussed the impacts to the pool pass holders if the pool house is removed and the need for SRD to self-generate funds in order to address the pool house and proposed new community building. The Board discussed maintaining current pool pass rates in 2018. The Board provided direction to staff to place the item on the Nov agenda.

C. Old Business – Items

1. **Discussion /Action Item:** Proposed strategic plan and discussion of the pool house, proposed community building replacement, related public relations and correspondence.
2. **Discussion /Action Item:** Proposed phased construction plan including the demolition of the 1960's Pool House, new construction and impacts on facilities, services, and user groups.

Items C1 and C2 were combined into a discussion. Chair Nichols reviewed the October meeting discussion commenting on the condition of the current Pool Building and the safety and structural concerns. Chair Nichols commented that the current building is not in-line with the community and does not provide facility needs that are now becoming standard. Director Teese commented on the current experience of customers and the importance of improving the overall experience of user groups. Chair Nichols stated that the current experience is archaic. Director Francis shared his preference for the Tam high School style pool environment and facility features. Chair Nichols noted that many Mill Valley pool users have transitioned to SRD and stayed preferring the outdoor environment and pool allocation schedule. Director Teese commented that when a building was taken down at a club that he belongs to the membership responded with funding. Director Marino noted that SRD is not a large complex and to Peter's point when new facilities are provided revenue and membership increases significantly. Director Marino provided an example of a 1970's aquatics club and locker room that once renovated increased membership and now has wait lists for access. The board discussed renovations versus new construction. Director Marino commented that in example only one wall of the old structure was retained. Director Francis expressed his concerns and preference to retain and renovate the existing building until the funding is secured for a new community building. Director Teese responded noting that the funding mechanisms are not in place at this time but the Board voted in July and is committed to a new community building. Chair Nichols reiterated that the scope of new construction will depend on the funding available when the Board does decide to begin construction. Director Marino reiterated that the Board has discussed the possibility of phased construction and that demolishing the existing building would be considered one phase of the process. Director Marino commented that the existing structure is no longer servicing the needs of the members. Chair Nichols reiterated safety and structural concerns. Director Marino recommended that the Board approve reducing risk and demolish the existing 1960's pool house and create a transition plan to service the life guard office and outdoor showers as a transition plan. Director Francis expressed that he strongly disagrees with taking down the building. Director Francis spoke with a tile contractor about removing the existing tile and concrete and replacing it and has a rough estimate of 60K. Director Francis expressed concerns regarding expenses related to professional design services and permit process. Chair Nichols responded stating that at the last meeting the Board decided that they do not want the risk of injury and liability associated with the condition of the current pool house. Director Teese responded that the pool house is way beyond repair and pouring money into fixing the foundation, floor and improve safety and accessibility will not move the funding and new construction forward commenting that he believes that the building is in worse condition than it appears. Chair Nichols commented on the pool renovation projects in 2013 adding the spa, training pool and splash pad which has unlevelled the experience. The deck project with glass rail has opened up the view from the 2nd floor of the Main Building and significantly improved the experience of utilizing the space. The Board continued the discussion.

Motion: Move to Approve the demolition the existing 1960's Pool House at the end of the 2017 season and approve the creation of a transition plan to provide limited services as a part of phased construction to replace the pool house with a 2nd community building.

M/S/C PT/PB Ayes: Bohner, Marino, Nichols, Teese Noes: Francis Absent: None

The Board provided direction to staff to work with Arcsine and the Design Sub Committee to facilitate the demolition and transition design plan. Costs associated with the project are allocated through the current 2017/18 Fiscal Budget and Capital Improvement and Replacement Reserve line items and Measure A funding.

- 3. Discussion /Action Item:** Master Renovation Plan-Basic Plan, projects, funding & strategies – fund raising, donations, sponsor and advertisement signage, related public relations and correspondence.

The General Manager provided an update on the Strawberry Recreation And Parks Foundation and the creation of the SRPF Board of Trustees. The filing is completed for articles of incorporation and request for 501 (c)(3) tax status. The Strawberry Festival foundation Booth will be one of the fundraising efforts planned for 2018. The Board of Trustees will establish a strategic plan for fundraising and supporting the SRD Facility Renovation Plans as well as future programs and services.

D. Administration: Manager's Report:

The General Manager provided program updates on the new Youth Programs, upcoming Halloween Faire special event and facility managements. Updates were given on the dock permit, tennis court light renovation permit and human resource items.

E. Board Member Items/Good of the Order:

Sub Committees: Public Affairs and Outreach, SRD Public Meeting Sub Committee, Finance, Human Resources Sub Committee, Design Sub Committee, Zone IV & Property Maintenance.

Public Affairs and Outreach reviewed a recent correspondence from Higgins Tennis requesting additional court use and accommodation on the lower courts 1 and 2 through March. The Board discussed and reiterated that the direction to staff is to limit the court use to 2 courts at any time and preserve court availability for pass holders with the exception of the approved USTA and Jr League team matches. Chair Nichols authorized the continued booking of Court 2 on Tuesdays and Thursdays for 1.5 hours as there was a double booking processed and the renters have clientele that are being accommodated. Additional use of the lower courts will be limited to select classes already on the schedule accommodated through December when the new lights will be installed and only when they do not negatively impact pass holders. No new classes or program expansion will be authorized to utilize the lower courts. The Board commented on the maintenance schedule of the drinking fountains

The Board discussed the website and access to information on the main home page and community updates on the projects as well as tennis court reservation system.

Director Marino provided an update on community related items including the Oct 2 meeting of the Strawberry Design Review Board and the North Coast Land proposal for the Seminary property expressing concern that the existing property consists of 2 parcels and if SRD were to be proposed a parcel tax North Coast Land would have two assessments for proposed 450 residents.

F. Adjournment:

Chair Nichols thanked the Board members for their discussion commenting that she will work with staff on community public relations and notifications related to the items on the agenda.

There being no further business to come before the Board, Chair Nichols motioned that the meeting be adjourned, seconded by Director Teese. The meeting was adjourned by Chair Nichols at 9:15 PM

The next regular meeting of the Strawberry Recreation District Board of Directors will be held on: Tuesday, Nov 14, 2017 at 7:00pm in the 1st floor meeting room.

Secretary, Board of Directors Strawberry Recreation District

Chair, Board of Directors
Strawberry Recreation District