

STRAWBERRY RECREATION DISTRICT
BOARD OF DIRECTORS MINUTES

Date: May 9, 2017

Time: 6:30pm Closed Session

7:00pm Open Session

Chair Nichols called the regular meeting of the Board of Directors of the Strawberry Recreation District to order at 7:19PM.

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 Case)

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

Agency designated representatives: Peter Teese and Pam Bohner

Unrepresented employee: General Manager

Report out of Closed Session: Chair Nichols reported that direction was given to County Counsel and staff.

QUORUM CALL:

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

CHAIR OPENING COMMENT: Chair Nichols opened the meeting and welcomed the public.

OPEN TIME FOR PUBLIC EXPRESSION: (limited to 2 minutes per person): None

AGENDA ADJUSTMENTS: Items B1 and B2 moved to the start of the meeting.

B. Old Business – Items

- 1. Discussion /Action Item:** Zone IV-2016 Strawberry Channel Maintenance Project & 2016/17 Zone IV Budget Report, proposed 2017/18 Budget and Special Tax Assessment.

Chair Nichols provided an overview of the item and welcomed the Zone IV Citizen's Committee, residents and property owners noting that the Board is reviewing its role in Zone IV and the Special Tax for the SRD 2017/18 Fiscal Budget. Chair Nichols then introduced Director Sylvia Marino. Director Marino summarized the history of dredging noting that prior to the 1980's the dredging was coordinated and administration performed by the residents. Residents became SRD Board members and in 1989 Zone IV was created and the relationship with SRD assuming administrative role. These same Board members performed the administrative duties for the dredging. In more recent dredging episodes the General Manager's time has been greatly impacted. The documents that created Zone IV clearly state that Zone IV dredging does not benefit the greater community. The Board recognizes that the dock does benefit the greater community however the percentage of the dock maintenance to the overall scope and scale of the project is very small. The Board is also concerned about the liability related and decision making and that a large portion of the project is not SRD property. Director Marino provided an example of the channel markers which were proposed to be maintained however after research it was determined that they were installed by the County on County property and performing any maintenance may lead to future liability and assumed responsibility. The Board went back and forth discussing these Zone IV related items with County Counsel and the impacts on the General Manger. SRD is a small organization with 6 full time employees. The Board is looking to open the conversation to explore every option. Director Marino proposed the following questions, "Can we not be the administrator? Can we transfer the responsibility of administration? Does liability transfer with it?" Further commenting that the Cove is not in Zone IV, referencing the numbers of hours spent by staff, the Board, and County Counsel. The Board is looking at managing all SRD properties and managing the resources as well as the liability and asking exploratory questions. Noting that the SRD Board has not made any decisions regarding the future of Zone IV.

The Board would like to invite public comment.

Barbara Wambach representing the Zone IV Citizen's Committee provided an overview of the research into the structure of administration and roles various organizations play in area dredging noting that Greenbrae, Larkspur and Paradise Cay are nearby dredging areas that have different structure and administration. Greenbrae is administrated by a homeowners association. Larkspur is a community service district administrated through the City of Larkspur. Paradise Cay is County Service Area administrated by the County of Marin. Zone IV is 61 improved parcels and small for a district commenting that one could only image how small in the County. Ms. Wambach went on to report that the Citizen's Committee feel that a compensation should be put into place for the administration and would be happy to take on additional responsibility. She

went on to note that all permits, bonds, taxes are currently in SRD commenting that unraveling that would be problematic. The current permit expires in 2024.

A member of the public commented that they did not feel informed of legal and administrative costs and issues when voting for the funding measures and stated that she did not feel that the handful of those in attendance represented the full community.

Ms. Wambach briefly summarized the transfer of responsibility from the committee to the District.

A member of the public requested clarification as to if the work was volunteer or if the Committee can't perform aspects of the work.

A member of the public questioned the Board, "How much time do you have to research options?" And, "Is there a solid idea of actual costs of hours, salary, or a cost sheet for the last year?"

Ms. Wambach noted that the cost on the budget includes legal cost but not District or Management time.

A member of the public expressed, "It is disingenuous to say that it doesn't benefit all and only these 60 people."

A member of the public questioned if the Board is amicable for the District to continue administration if the residence allocate funds?

A member of the public commented that the channel should be considered an emergency channel and boats as a public resource. Noting that they see people using the channel for paddle boards and kayaks. Stating that there are people using the channel. The channel was a resource first dredged in the 50's. These residents don't use the tennis courts or the pool.

A member of the public asked about the permits and Ms. Wambach responded that there are permissions, rights to dredge noting some parts are SRD, some the County and others belong to the residents. BCDC is the hardest aspect of the permit process. It will take time to unravel the permissions.

A member of the public identified themselves as a resident of Harbor Cove Way. They (4 homes) do not have docks or boat access. He asked if he will be assessed again next year and stated that he has been paying since 1986 and doesn't receive the value as other with docks and boat access do. A member of the public responded stating that they have the option to build a dock.

A member of the public questioned the boundaries of Unincorporated County of Marin and as to why the Cove's address is in Tiburon.

A member of the public commented that the District administrative costs to manage Zone IV is recognized and that there is tension but it is difficult to assess at this time.

A member of the public question if the intent of the Board is to get rid of the costs asking if they have looked at best practices and are they exploring other options?

Director Marino responded commenting on the Brown Act guideline and the creation of the Zone IV Sub-Committee to address these items and report back to the Board. Director Marino noted that the Board has had discussions in open session and many of these questions the Board and sub-committee continue to explore. The Sub-committee consist of Sylvia Marino and Jeff Francis. Director Marino stated that LAFCO has input and are part of the process noting a recent letter drafted to LAFCO regarding the review of the SRD sphere of influence and the SRD Board's intention of requesting that the boundaries if the District and Unincorporated County be realigned. Chair Nichols commented that the Board is requesting the LAFCO take a look at the SRD sphere of influence.

The General Manager commented that the Executive Director of LAFCO will be attending the June 13 meeting.

Director Marino resumed an overview of the Zone IV actions. Director Francis commented on the impacts to the district and recognized Terry Graham and Barbara Wambach's dedication and the great job they have done. Further noting that historically homeowners have done the work of the administration, legal counsel placed pressure to change project management. Staff commented that there isn't an accounting of the exact time spent on the last large dredging cycle as it was not billable time and incorporated into the overall role of the General Manager.

Director Francis commented that there should be some sort of system for administration.

Director Marino stated that the District can't turn over the responsibility and only participate at the end of project meetings and calls. They have to be involved and on the project meeting calls. SRD can't permit non employees to sign contracts and act independent of the District. Litigation has changed since 1980. There is a much bigger impact on the Board as seen through the Board agendas and packets. The District is questioned about where they are spending money, their time and the impacts of Zone IV on the general understanding of the SRD's budget and finances. SRD is not making decisions at this time and will be going to LAFCO for a review. The General Manager commented on the requirements of government organizations in public works projects noting that the regulations and requirements have increased for government projects increasing the administrative responsibilities as well as costs. The public bid process was generally outlined.

Director Francis commented on the requirement to contract the lowest bidder eliminating the ability to choose a quality vendor or contractor.

Chair Nichols questioned how a new owner is notified of the Zone IV related items. The staff responded noting that the contract and escrow paperwork discloses the Zone IV related items at the time of purchase.

Director Marino addressed the "District Wide Benefit" in relationship to SRD property and private property and observations when looking at the map. What SRD does have is pocket parks and facilities here. Noting that she is an avid open water swimmer and fan of the water, she commented that the public can't go utilize or access resident's private property and go jump off their docks. Chair Nichols commented if there was any change in administration the SRD would participate as a property owner.

Director Marino requested 2 actions. 1) The General Manager provide a best estimate of time over the last dredging cycle. 2) Ask for the Board to provide direction to the Zone IV Sub Committee to continue ongoing research on different options as

well as the pros and cons related to liability. Commenting that the research stage should be transparent. Stating that the SRD Board need to understand options, fiduciary and liability related items.

Director Marino noted that she previously understood that all the residents supported the tax measure and was surprised to hear the comments made at this meeting. Further confirming the importance of future open public meetings on the item.

Direction was provided to staff. Board provided direction to the Zone IV Sub Committee to continue ongoing research on different options as well as the pros and cons related to liability.

- **Motion:** To approve the 3.5% Tax increase to the Zone VI Special Tax Assessment for 2017/18 and incorporate into the 2017/18 Fiscal Budget

M/S/C CN/JF Ayes: Francis, Nichols, Teese Noes: Marino Absent: Bohner

B.2 Discussion /Action Item: Proposed Preliminary 2017/18 Fiscal Budget Draft

The General Manger reviewed the 2017/18 Fiscal Budget Line item by line item providing a three year history. Youth Recreation, Special Events, Adult Recreation, Aquatics/Pool, Tennis, Facilities and Administration make up the generated revenues and operational expenditures of the District. Other categories discussed were other revenues, Capital Improvement Projects, Replacement Reserves, Zone IV (Strawberry Channel area) and Zone V (DeSilva Island area). Noted were the Zone IV line items that will reflect the previous motion in item B1. The General Manger discussed the generated revenue and the generated operating expenses as well as the percentage of overall employee costs to revenue. The SRD operating line items of the proposed budget are balanced. The line item changes to Zone IV assessing the special tax and incorporating projected Zone IV expenditures will indicate a surplus in the total combined budget which includes Zone IV. The General Manager commented that projected revenues are conservative reflecting the average of past years and expenditures are realistic projections based on history and projected increases in costs.

- **Motion:** Move to Approve 2017/18 Preliminary Fiscal Budget

M/S/C SM/JF Ayes: Francis, Marino, Nichols, Teese Noes: None Absent: Bohner

APPROVAL OF THE MINUTES: DRAFT Minutes

DRAFT April 2017 Minutes (Bohner, Francis, Marino, Nichols, absent for meeting Teese)

M/S/C SM/JF

Ayes: Francis, Marino, Nichols Noes: _____ Absent 5.2017: Bohner, Absent for 4.2017 meeting: Teese

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: none

- **Motion:** Move to Approve Item A1 Fiscal Reports - Consent Calendars

M/S/C SM/JF Ayes: Francis, Marino, Nichols, Teese Noes: None Absent: Bohner

- **Motion:** Move to Approve Item A2 Fiscal Reports - Consent Calendars

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

- **Motion:** Move to Approve Item A3 Fiscal Reports - Consent Calendars transfer of Funds Zone IV

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

B. Old Business – Items

3. **Discussion /Action Item:** Funding Strategies Sub-Committee and SRD Foundation nonprofit 501(c)(3) status progress report.

The General Manager provided an update on the creation of the Strawberry Recreation and Parks Foundation and filing for the 501(c)(3) status. Staff requested recommendations for the Foundations Board of Trustees. The Board discussed providing candidates to the General Manager. Staff provided an overview of the next steps in the establishment of the Foundation.

- 4. Discussion /Action Item:** Proposed strategic plan and discussion of the pool house and proposed for community building replacement.

The General Manager recommended that the Board place the item on a meeting agenda on Monday May 15 at 6:30 to meet with the Architect who will be attending the Strawberry Design review Board meeting regarding the SRD Tennis Court light project. The Board discussed the proposal and briefly discussed the pool house providing direction to staff to place the item on a future agenda for discussion.

C. New Business – Items

- 1. Discussion /Action Item:** Re-affirm Senior rates and annual deadline for Senior Pool Passes.

Staff provided an overview and referenced the following:

Senior Rate: Historically the administration have awarded a grace period from January to April so that Seniors can benefit from the Early Bird Special.

Staff requests the Board discuss and provide direction on a formal cut-off date for the senior rate and advertise the cutoff date in the marketing material. Please note that the year SRD celebrated the 65th anniversary SRD ran a special for all those turning 65 years of age extending the senior rate throughout the calendar year to them as a recognition. We then returned to the previous historical policy.

The Board discussed if pass holders should turn 65 within the year of the pass or at/by the purchase of the pass. The Board discussed cut off dates determining that pass holders must be turn 65 within the calendar year end date of Dec 31.

Motion: Move to Approve the Senior Rate as turning 65 within the year with a cut off of Dec 31

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

- 2. Discussion /Action Item:** Re-affirm permissions to access pool and tennis courts by SRD staff, employee family rates and fees.

The General Manager provided the following review of current policy.

Confirming Board member access. All Board members have access to the facility including pool and tennis courts. Family member of Board members are provided the rate of “additional member of the household” which is \$70 per person for the pool and \$42 per person for the Tennis Courts.

Confirming staff access. Historically SRD has provided pool and court access to employees of SRD. Year round employee family members may have access to the pool and tennis courts and are provided the rate of “additional member of the household” which is \$70 per person for the pool and \$42 per person. Seasonal employee’s family members pay full price.

Special Events: Board member’s, staff member’s immediate family are invited to attend community special events at no charge. This does not include charges by vendors for food and entertainment.

Swim Lessons: Board member’s, staff member’s immediate family do pay for swim lessons as there is a fixed and direct cost to the swim lesson services based on small class ratio.

Camp: Staff member’s children are permitted to be guests at the SRD summer camp program as SRD does not have an incremental cost associated to providing access nor denies another member of the community registration. Costs to SRD are limited to access of surplus art/craft projects and supplies. Note: SRD purchases 15-20 additional project kits and related supplies as a back-up measure for the entire program. Excess projects are compiled and utilized in miscellaneous art project activities optimizing supplies and eliminating any waste.

Policy Note: All the above policies do not apply to contract service providers, seasonal staff and access does not include programs offered onsite by other vendors or providers.

New item: Facility Use.

Shall SRD extend access to the meeting rooms and facility to employees with a rental agreement, waiver form, and security deposit at varying rates based on levels of employee status?

Shall employees be charges the regular rate or a periodic/ resident rate?

Board Member

Full Time staff persons

Year Round Part Time Staff

Seasonal Staff

Access to the pool by contractor vendors and renters. SRD does not provide access to the pool at no charge to contract vendors or renters.

Staff stated that the only access at no charge is provided to Board members and employees. Staff noted that a current contract vendor is requesting free access into the pool facility to utilize the pool, spa and shower. Staff requested direction from the Board and confirmation of the existing policies.

Motion: Move to reaffirm existing policy and approve the resident rate for Facility rental for regular employees

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

3. Discussion /Action Item: Marin Local Agency Formation Commission (LAFCO). Status of SRD Review by LAFCO, SRD draft letter and request.

The Board reviewed a draft letter to LAFCO requesting that SRD be returned to the 2017/18 work plan for evaluation and review. The letter of correspondence indicates that the last review was 13 years prior and is long overdue. The Board discussed the importance of the LAFCO review and the need to research and consider expanding the boundaries of the District to match the unincorporated County of Marin boundaries for the area referred to as "Strawberry". Zone IV and the Strawberry Channel property management was also discussed in relationship to LAFCO's role in reviewing the sphere of influence of the SRD. Direction was provided to staff.

Motion: Move to Approve letter to LAFCO and designation of Chair Nichols as the authorized signatory.

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

D. Administration: Manager's Report:

The General Manager reviewed the program and season pass status reports. Provided updates on facility repairs and improvement projects and announced special events and upcoming programs.

E. Correspondence: Tiburon Peninsula Little League submitted a proposal for field and facility improvements and donations.

F. 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.

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.

Chair Nichols discussed the importance of scheduling a future property walk to review the current condition and future proposed projects for the SRD main site. Director Francis expressed interest in a property walk. Staff recommended the Board schedule an annual property walk meeting with public announcement and agenda. The Board discussed a future property walk meeting.

G. Adjournment:

H. Proposed future Regular Board meetings: June 13, 2017

There being no further business to come before the Board, Chair Nichols motioned that the meeting be adjourned, seconded by Director Marino. The meeting was adjourned by Chair Nichols at 9:31 PM

The next meeting of the Strawberry Recreation District Board of Directors will be held on: Monday, May 15 for a special meeting to discuss the pool house at 6:30 and tennis court light project with the Strawberry Design Review Board at 7pm. The next regular meeting will be held on Tuesday, June 13, 2017 at 7:00pm in the 1st floor meeting room.

Secretary, Board of Directors Strawberry Recreation District

Chair, Board of Directors
Strawberry Recreation District