

STRAWBERRY RECREATION DISTRICT
BOARD OF DIRECTORS MINUTES

Date: October 10, 2018

Time: 6:15pm Closed Session followed by Open Session

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9. (One Potential Case)

Report out of closed session: Chair Nichols indicated that there was nothing to report out of closed session.

Chair Nichols called the regular meeting of the Board of Directors of the Strawberry Recreation District to order at 7:05PM.

QUORUM CALL:

Present were Directors, Bohner, Francis, Marino, Nichols, Teese and 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: A “good of the order item” regarding Harbor Point pool users and a special one month rate followed the discussion of minutes and fiscal calendar. Item B2 was moved before B1 as the discussion from the discussion transitioned into rates and fees.

Approval of Minutes: DRAFT Minutes

DRAFT Minutes Sept 26, 2018

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

Director Francis referenced a correction Item B1 paragraph 1 line, 7 change from Title “22” to Title “24”. The General Manager thanked Director Francis for the correction noting that Title 22 is the training requirement for lifeguard staff.

Director Francis commented on item A1 the last line in the last paragraph is incomplete “Chair Nichols expressed interest...”. Chair Francis referenced the conversation in which the request was made to have Mark Wilson of Nute Engineering categorize the invoices for the SRD Book keeper and place reference notes on the invoices. The General Manager stated that the project manager reviews invoices electronically and approves payments throughout the project through email. Chair Nichols reiterated the intent from the Board and provided language to complete her statement in the minutes, “Chair Nichols expressed interest in having Nute Engineering place notes on the project invoices for the SRD Book keeper to insert into the description column of the CIP summary report.

M/S/C PT/CN

Ayes: Francis, Marino, Nichols, and Teese Noes: _____ Absent for 9/26/18 meeting: Bohner

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-none

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

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

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

2018

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

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

B. New Business – Items

1. **Discussion/Action:** Review pool repair and resurfacing proposals/contracts and confirm start and completion dates

The General Manager presented the report from the Action Item summary. SRD staff contacted thirteen vendors, six responded, four made site visits, two have submitted proposals and two vendors indicate that their proposals are “pending. Staff requested the Board consider a budget amendment funding the project along with an additional 10% for potential related costs.

Director Francis brought a recent conversation with the General Manager to the Board’s attention in which timing for the resurfacing was originally intended to follow the construction of the new building however impacts to the pool surface may need to be discussed and timing may need to be revisited. The Board discussed the winter closure, the potential timing of the new construction and responsibility to the community to provide access when possible to the pool.

Director Marino recommended that the Board direct staff to work on the budget amendments and take into consideration the 100K adjustment for the pool resurfacing and coping project to move into the current fiscal year. The Board discussed and provided direction to staff.

2. **Discussion/Action:** Rates and fees during construction (note: construction dates will not be determined until 11/18)

Chair Nichols continued the Board discussion regarding the pool winter closure, pool resurfacing timeline and potential impacts of the new community building construction. Chair Nichols recalled prior conversations and staff’s intent to provide access to the pool before and after daily construction and various windows of opportunity. Director Francis expressed safety concerns related to the proximity of the construction. Chair Nichols inquired as to if the area could be safely closed off. Director Francis indicated that there would be related costs to closing off the area or regularly reconfiguring the area. Director Teese commented that as a Board we should do what we can to provided access if possible and are obligated to explore the options.” Director Bohner noted that various phases of construction may dictate if it is safe or not. Chair Nichols responded that the Board will discuss with Nute. The General Manager commented that the ultimately Environmental Health with determine if the pool will be operational during phases of construction and that SRD has been provided permission during construction in the past.

Director Teese noted that the pool may be closed entirely for 3 months then have limited access. Director Francis commented that it would be SRD’s decision and we would provide direction to the contractor however it may slow the progress of construction down. Director Teese stated that the Board would utilize common sense as to when it may be appropriate for example when the exterior is complete and interior finish work is occurring the pool may be safely and easily accessed. Director Teese noted that the SRD could sell a pass at some point in 2019 with a shorter duration. The General Manager noted that historical revenue from the pool occurs between March and June and that the organization will need to make significant cuts to expenditures to offset the loss in pool revenue in SRD’s 2018/19 Fiscal Budget. Director Marino noted that income may report in the later part of 2019.

The General Manager presented the content of the Action Item Summary indicating staff’s recommendation to maintain current 2018 rates in 2019 and notify regular user groups of the impact of construction and intention to raise rates in late 2019/ 2020. The Board discussed the rates for Tennis Passes, Facility Rentals and Field Rentals. The Board considered 5%, 10% and 20% increases to rates. Director Marino recommended that the Board consider half in early 2019 and half increase following the construction.

The General Manager referenced the option to increase in early 2019 justifying with consistent rising operating costs and standard cost of living increases for the area. Director Teese discussed calculating as a percentage versus flat monetary increases and the public perception of both options. Chair Nichols introduced the strategy of raining rates and allocating to the area of service providing the example of increased tennis pass rates and reinvesting funds into the tennis courts. The Board discussed the various strategies and potential increases. Director Marino and Director Francis discussed the impacts of construction on users. Director Francis recommend the Board put off increases to follow construction.

The Board discussed the field user groups and rates. Director Bohner inquired as to when the last increase took place. The General Manager confirmed the last increase was for 2018 rates. Director Marino requested the Board consider increasing the Athletic League Field Rate for the TPLL and TPSC. The Board requested the item be reviewed by Directors Francis and Teese as the sub-committee and the item be brought back at the November meeting.

Director Teese requested the Board consider a 5% rate increase at this time and up to 15% increase following construction and notify the user groups in advance. Chair Nichols expressed interest in the resident rate maintain a lower price point than the regular (non-resident rates). Director Marino provided examples of traveling and visiting various hotels and facilities that post “pardon our dust” banners and maintain the same fees and rates. The Board discussed the item.

The General Manager reviewed the initial 2018/19 Fiscal Budget financial report illustrating potential revenue loss of 450K (pool passes/swim lessons) and 50K (facility rental). The General Manager recommended the Board consider amending the 2018/19 Fiscal Budget to reflect the changes in revenue and identify reduction in expenditures in the amount of 500K to maintain balance in the budget. The Board may also consider utilizing the reserve to offset a portion of expenditures through the construction. Staff reiterated that revenue may be possible during phases of construction however it is not guaranteed therefore the SRD should prepare an amended budget in order to maintain stable balances in the “cash on hand” reserve.

The Board discussed the project, cost, and the proposed Nov 13 decisions. Director Teese requested the Board take the time to review the proposed budget amendments prior to the Nov 13 meeting and prepare for making decisions about funding the new community building project.

The General Manager requested the Board consider the proposed parcel tax or ballot measure prior to the fundraising efforts noting that residents will need to know if they will be charged a tax for the building prior to determining donation or contribution to the project. Director Marino provided the background on the tax discussions noting that the Board intended on revisiting the discussion once real costs were established and consider a measure for the June 2019 ballot. Director Bohner stated that she believes that it would be a hard sell to the community with Measure J (school bond) and the Southern Marin Fire District Measure U. Director Marino noted that there will be a cost associated with a ballot measure that the Board will also need to consider.

Staff requested the Board consider appointing the Finance Sub Committee to review the budget and proposed amendments prior to the Nov 13th meeting and in preparation of the decision to fund the community building. The Board provided direction to staff to work on the proposed budget amendment and provide the report in advance of the Nov 13 meeting to the Board. Director Teese reiterated the importance of the Board reviewing the proposed budget amendments prior to the meeting in order to make decisions on the community building proposals.

3. Discussion/Action: Review:

1. Updated CIP document for any final layout/format changes.

The Board reviewed the CIP report format and provided direction to staff to remove or hide the “New Community Building” column 3, utilize abbreviation “NCB” when referencing the building, Expand the memo description noting progress payments. Director Francis referenced payments to Arcsine for architecture design services and requested the term “schematic” be added to the payment relating to the specific contract.

2. Updated WIP board approvals document for community building

The Board reviewed the WIP board approvals worksheet and provided direction to staff to simplify and reduce to single line, single sentence format.

3. Community Building Budget document draft

Director Bohner inquired as if it would be possible to merge the separate documents together. The Board indicated a preference for the use of “landscape” page orientation when possible. Director Marino discussed the approved items reflected in the budget projection column, the actual and variance columns.

Director Teese discussed QuickBooks accounts payable indicating a preference for streamlining the information into a lower number of worksheets. Director Francis discussed the “memo” column on the CIP report and inquired as to if the detail, in chronological order, can be placed into the budget report. The General Manager outlined the QuickBooks account payable worksheet is auto populated into the CIP report and the Budget worksheet is a manual report of projection budget expenditure to approved expenditure payments categorized by service. Director Francis reiterated that he is interested in tracking alternates and change orders.

(3.) 4. Discussion/Action: Dates for annual property tour and Board/staff luncheon

The Board discussed proposed dates for a staff/board luncheon. Availability and venue were discussed. The Board requested that Dec 5 and Dec 7 be considered as options and will discuss location and format as the December approaches.

C. Administration:

1. Manager's Report

The Board discussed the format and schedule of Manager's Reports. The General Manager indicated that historically she creates reports quarterly with financial information, season pass sales status, programs, events and facility projects. The Board expressed interest in reviewing construction progress reports through the NCB project and if there is any significant change in program services during 2019. The Board discussed a strategic plan for 2019. Director Marino reiterated her interest in regular updates throughout the special project noting that standard quarterly reports are sufficient beyond 2019.

2. Review Board Request Document

The Board reviewed the request document and confirmed the layout and format providing direction to staff to continue to track Board requests. The HR sub-committee commented on the request to schedule staff training indicating that they received the proposed training material and informed staff that they have identified a service provider through Renee Brewer (County Counsel) and will facilitate the outreach in order to schedule a training.

D. Board Member Items/Good of the Order:

Sub Committees: Public Affairs, Finance, Human Resources, Design, Zone IV & Property Maintenance.

Director Teese requested that the Board create a fall one month pass for Harbor Point pool users as their pool is scheduled to close on Oct 20. The Board discussed the weekly rates and provided direction to staff to create the pass active as of 10.20.2018.

E. Correspondence

Director Bohner reviewed a correspondence with the Board and requested approval. The Board discussed and approved the letter and position as consistent with SRD policy and Board direction. Staff was provided a signed letter to mail out on behalf of the Board of Directors.

F. Chair Nichols thanked the Board members for their discussion. 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 8:25PM

The next regular meeting of the Strawberry Recreation District Board of Directors will be held on: Tuesday, November 13, 2018 at 6:30pm in the 1st floor meeting room.

Secretary, Board of Directors Strawberry Recreation District

Chair, Board of Directors
Strawberry Recreation District