

**CARMICHAEL RECREATION AND PARK DISTRICT
MINUTES: ADVISORY BOARD OF DIRECTORS
OCTOBER 13, 2011 SPECIAL MEETING**

Directors: Borman, Brown, Rockenstein, Safford, and Younger

CALL TO ORDER: The special meeting of the Carmichael Recreation and Park District Advisory Board of Directors was called to order at 6:00 p.m. by Chairman Borman.

ROLL CALL:

Directors Present: Borman, Brown, Rockenstein, Safford and Younger
Staff Present: Harrison, Kerth, Maddison and Penney

PLEDGE OF ALLEGIANCE – Director Safford led the pledge of allegiance.

PUBLIC OPPORTUNITY TO DISCUSS MATTERS OF PUBLIC INTEREST WITHIN DISTRICT JURISDICTION ON THE AGENDA – None

ACTION ITEMS:

1. LEASE WITH CALIFORNIA MONTESSORI PROJECT (CMP)

Presentation:

Administrator Harrison said CMP has requested additional space, which increases their leased space from 24,574 square feet to 35,126 square feet. District Staff supports this request and wants to make additional changes, to which CMP has agreed. Because the changes are significant, Staff believes a new lease is in order. Other than the increase in leased space, the other changes below have been negotiated with CMP:

- Rather than a fixed flat rate of \$1.05 per sq. ft., the lease rate will be \$1.05 plus an annual escalator of \$.03. Their board wanted a fixed amount for budget planning.
- Rather than an August 1, 2011 start date for the five year lease, the start date will be January 1, 2012 for five years, with a five year option.
- Rather than a statement that says “lease rate may be adjusted if District utility costs increase”, we include a methodology for measuring utility costs and passing any increase on to CMP. District will measure the amount of their utilities, using 2012 as the base year then measuring changes in 2013.
- Rather than merely saying “Lessor will be responsible for providing security in the common areas” we include a statement that says “if CMP provides District pre-approved security services, District will reimburse CMP for such services at a pre-approved cost” up to \$5,000 per month for coverage ½ hour before and after the school day.
- Rather than say “CMP has the first right to expand into available space”, District includes language that requires CMP to respond within 30 days after being notified that vacant space is becoming available and that they have up to six months to occupy such space. Six months gives them time to let them plan for occupancy.
- Language has been added to the new lease that commits the District and CMP to share the cost of up to \$25,000 each in FY 2012-13 for a playground in the vicinity of the CMP leased space. The playground will not be for the exclusive use of CMP.

Administrator Harrison said he was asking the Advisory Board to approve the changes to the lease because it would be difficult to bring back the final lease document prior to the December Board of Supervisors meeting.

Discussion:

Director Younger asked if it was CMP's intention to occupy more space than this new lease outlined. Administrator Harrison said yes, their long term goal is to expand from an elementary school to a high school as space becomes available.

Director Younger asked if the use of the kitchen and other facilities are the same as before. Administrator Harrison said yes, it would be same as before at same hourly charge.

Tracy Kerth said CMP has taken over space that was formerly Lynn's School of English and the Gibbons Suite as well.

Director Younger asked if the parking issues have been resolved. Tracy Kerth said they are still working on this. The County is also looking into a crosswalk and speed tables on Gibbons.

Motion 1:

M: Rockenstein S: Safford Motion to: Approve the proposed terms for a new lease and recommend approval by the Board of Supervisors.
Unanimous Vote

2. LEASE WITH GATEWAY COMMUNITY CHARTER SCHOOL**Presentation:**

Tracy Kerth said Staff is working with County Counsel to finalize the terms and conditions of the first amendment to the lease agreement with Gateway Community Charters (GCC), referred to as the Community Collaborative Charter School, or CCCS. They expanded their space in August 2011 to include rooms 830, lobby area, and 620 (3806 sq ft). This brings their total occupied space to 7733 sq ft at a lease rent of \$1.05, with a 3% escalation clause. The term of the master agreement expires June 30, 2015, with two 3 year options to renew. Staff recommended approving the terms of the lease addendum to include rooms 830, lobby, and 620 and request approval by the Board of Supervisors.

Discussion:

Chairman Borman asked how this works if CMP wants to expand. Administrator Harrison said CMP knows these particular rooms are not available. CMP would be notified if these rooms eventually do become available.

Ingrid Penney said anyone leasing must give the District 90 days to let us know if they will exercise their option.

Director Rockenstein asked if these rooms were refurbished. Tracy Kerth said they are already renovated and occupied.

Motion 2:

M: Younger S: Brown Motion to: Approve the terms of the first amendment to the lease to include Rooms 830, lobby, and 620 recommending final approval by the Sacramento County Board of Supervisors. Unanimous Vote

3. FY 2011-12 BUDGET REVISIONS**Presentation:**

Administrator Harrison said the Sacramento County Board of Supervisors approved the District's Final FY 2011-12 Budget in September. Because the District has now reached accord with the California Montessori Project and Mission Oaks, rather than wait until mid year Staff is bringing Budget revisions to the Advisory Board now. He said he had been looking forward to the time the financial situation would change positively. Most of the District employees weathered the storm - and with great attitudes. He said he felt confident in the revenue projections, which provide a solid revenue base. Staff met with the Budget Committee to review and discuss available funding and a proposal for a Salary and Benefit Restoration Plan. He said Staff is asking the Advisory Board to approve the Restoration Plan. He thanked the Advisory Board for their past concern for the District's employees. This Plan will get them to where they would have been now if there had been no reduction over the past two years.

Ingrid Penney said the reductions started in 2009 with furloughs and management pay percentage cut. There were more cuts and reductions in the following years.

She said expected additional revenue sources to include:

- Additional rental and lease income from the California Montessori Project (CMP), including the temporary space
- Grant reimbursement for labor costs associated with the Jan Park development
- Gym rentals from CMP, which were not included in the September Budget
- The Montessori preschool, which is a month to month rental, was also not included in the September Budget.

She said she did not plan for growth but a minor decrease in property taxes over last year, trying to be conservative. The recent assessed valuation report showed marginal growth. There will be enough revenue to meet the Restoration Plan. District is not expecting any surprises.

The Restoration Plan includes:

- Restoration of salaries/wages for all full time employees, including the Administrative Services Manager which had been reduced by 50%, and possible merit steps for eligible full time employees,
- Restoration to full time and possible merit steps for eligible employees in the administrative support positions which had been reduced to regular part-time (Bookkeeper, Administrative Secretary, and the Secretary/Receptionist at the La Sierra Community Center).
- Restoration to regular part-time, the Recreation Coordinator for the Kids Hang-Out/Summer Day

- Camp programs. Because of program changes, the other Recreation Coordinator position is no longer eligible for a regular part-time position.
- Adds a new classification, Building Monitor II with a salary range of \$12 - \$14 per hour (formerly the range used for the custodial assistants). Back in 2009-10, the custodial assistants were reclassified to building monitors.
 - Covers the increased cost of health benefits for employee and dependent coverage for the Kaiser and Healthnet programs; including the increased cost of dental insurance. The new rates are effective January 1, 2012.

The Salary Restoration Plan would be effective on October 15 for employees on the part time pay cycle; on October 23, for full time and part time employees using the full time employees schedule, consistent with the November 10 paydate.

Discussion:

Director Younger, as Budget Committee member, said they went over this Plan, and he felt confident there is enough to cover everything Staff presented. He said to let the employees know the Advisory Board is pleased to be able to do this, and it was his honor and privilege to make a motion to approve this plan.

Motion 3:

M: Younger S: Rockenstein Motion to: approve the Salary and Benefit Restoration Plan as presented; that Staff pursue any appropriation adjustments that may be needed to address the additional revenue and expenses; that the effective date for these changes is to be consistent with the next available pay period realized on the November 10, 2011 pay date.

Unanimous vote

4. LOAN AGREEMENT WITH MISSION OAKS RECREATION AND PARK DISTRICT

Presentation:

Administrator Harrison said he had been talking to Mission Oaks for several months, as it is in their best interest to help the District keep the La Sierra facilities open. District went to their board about lending us money, offering to pay them 1% more than the County is paying them on their reserves. The Mission Oaks Advisory Board supported a loan of up to \$600,000 to be repaid in five years. The interest rate the first year will be at 1.7% and will be adjusted annually thereafter to a rate that is 1% above the County rate on reserve funds (currently 0.7%). The District will have adequate funds to repay the loan based on the income from the new lease with California Montessori Project (CMP). He said they anticipate borrowing \$300,000 in January 2012 and another \$200,000 in June 2012. County Counsel will prepare the loan agreement with Mission Oaks and it will be ready for review/approval at the November 17, 2011 Advisory Board meeting.

He said the commitment will be to pay off the loan in five years, 1/5 each year. The loan can be paid off early without any penalty. This benefits both the District and Mission Oaks.

Discussion:

Director Younger asked when each year the payment will be due. Ingrid Penney said the first payment will be due the end of June, 2012, interest only. We're considering annual payments made in July each year.

Director Rockenstein said this appeared to be a mutually beneficial agreement.

Motion 4:

M: Safford S: Younger Motion to: Approve the loan terms described by Staff and ask County Counsel to complete the loan document.

Unanimous vote

5. DISTRICT RECREATION MASTER PLAN

Presentation:

Tracy Kerth said it has been a long journey to this day. In 2009, they started working on developing this Recreation Master Plan. The District had just approved a Park Master Plan. Staff did a lot of research. There are not very many Recreation Master Plans out there. They conducted community surveys, public workshops, inventories, and comparisons. Staff researched best practices, looked at current trends, and attended relevant workshops. The result of the research focused on five areas:

- Recreational Programming
- Partnerships
- Marketing and Technology
- Facilities
- Personnel

Using this information, they created a Recreation Program Mission Statement:
To satisfy the recreational interest of District residents by providing a wide range of programs and services

They also set 5 year goals:

- Encourage community participation
- Provide relevant recreational programs
- Improve recreational services
- Encourage residents to seek healthy lifestyles by recreating regularly
- Create recreational opportunities to access natural areas
- Provide sufficient resources to accomplish goals

These will help Recreation Staff to set priorities. She said she is very proud of the Recreation Staff and they are what make District programs great. She said the promise is that this document will not sit on the shelf, but will be used to improve Recreation Services. Recreation Staff will be looking at it on a monthly basis to see how they are doing. The last pages of the Plan clearly define the recommendations, their implementation, and the schedule to reach goals. All of the recommendations and the schedule are reasonable and within reach in the next five years.

Discussion:

Director Brown asked if there will be opportunities to share this Plan with other park districts. Tracy Kerth said there could be. Other districts are already asking for copies.

Director Rockenstein said he read through the plan and found great information in it. It identifies quality things that Recreation does. Tracy Kerth said they have a lot of unique activities.

Director Brown asked if the Recreation Master Plan can be incorporated into the District Work Plan.
Tracy Kerth said, yes, it can.

Motion 5:

M: Brown S: Younger Motion to: Approve the proposed Recreation Master Plan and require an annual update from the Recreation Division.

Unanimous vote

UPCOMING EVENTS:

1. Capra Park's Open (Farm) House – Saturday, October 15th, 10 am to noon
2. Patriots Park Wall of Honor – Saturday, November 5th at 10 am
3. Adopt A Park – Saturday, October 22 at 8:30 am, at Jan, Patriots, O'Donnell, and Glancy Oaks Parks

FUTURE AGENDA ITEMS

1. Work Plan Update
2. Quarterly Activity Report
3. Ranger Patrol Update

Proposed: Discuss future agenda items and announce upcoming events of relevance or interest

TIME AND PLACE OF NEXT MEETING:

1. Regular Meeting

Proposed: Thursday, November 17, 2011 at 6:00 pm, Community Clubhouse #2 at Carmichael Park

ADJOURNMENT – The meeting was adjourned at 7:11 p.m.

Respectfully submitted,

Betty Phillips
Administrative Secretary

APPROVED BY:

KAREN BORMAN
CHAIRMAN OF THE BOARD

ATTESTED BY:

BETTY PHILLIPS
Administrative Secretary
Clerk of the Advisory Board of Directors