

**CARMICHAEL RECREATION AND PARK DISTRICT  
MINUTES: ADVISORY BOARD OF DIRECTORS  
OCTOBER 24, 2013 SPECIAL MEETING**

**Directors: Arredondo-Carroll, Borman, Dax-Conroy, Rockenstein, and Younger**

**CALL TO ORDER:** The regular meeting of the Carmichael Recreation and Park District Advisory Board of Directors was called to order at 6:02 p.m. by Chairman Rockenstein.

**ROLL CALL:**

Directors Present: Arredondo-Carroll, Dax-Conroy, Rockenstein and Younger.  
Directors Absent: Borman (excused absence)  
Staff Present: Smith, Kerth, Maddison, and Penney

**PLEDGE OF ALLEGIANCE** – Boy Scout Troop 55 presented the colors and led the pledge of allegiance.

**PUBLIC OPPORTUNITY TO DISCUSS MATTERS OF PUBLIC INTEREST WITHIN DISTRICT JURISDICTION ON ITEM(S) SCHEDULED ON THE AGENDA** – None

**ACTION ITEM:**

**1. LA SIERRA COMMUNITY CENTER UTILITY RATE ADJUSTMENT FOR SFAC AND CHAUTAUQUA**

Kerth: Each year Staff is charged with reviewing utility and service costs for the La Sierra Community Center to better understand our operation. They are currently looking at the Sacramento Fine Arts Center and Chautauqua Playhouse. The leases with these community tenants require staff to review the costs to keep up with the rising utility and service demands.

*“The Lease Base Rent shall be reviewed on an annual basis. The District reserves the right to increase the rental cost every 2 years beginning January 1, 2014 to cover costs of utilities and services not to exceed 10% of the base rent.”*

The current utility rate and services for the La Sierra Community Center is calculated at \$.45 per square foot. For these community tenants, Staff has proposed a 7% increase and not the full 10% allowed by the lease. This will increase the lease rate from \$.35 per square foot to \$.3745 per square foot for each organization. The full 10% increase would be \$.385 per square foot.

Director Carroll asked whether \$.45 is the District’s actual services cost. Kerth said yes, it includes utilities and District overhead.

Director Carroll: Since these two facilities have been tenants for twenty seven years, shouldn’t the District ask them for more? If the District just charged them for utilities, how much would that be? Kerth said \$.33 per square foot.

Administrator Smith said these tenants are both covering their utility costs.

Penney: This year the District will establish a separate cost center for La Sierra to determine direct costs.

Kerth: La Sierra is one facility. It only has three meters, the utilities have to be divided by square footage.

Director Younger said the Montessori School is there all day. Is the Fine Arts Center not there as much? It seems like it’s harder to figure the fair share. Last time there was a lot of heartache about charging them as much as we are.

Director Carroll: The full 10% only raises it another penny or so per square foot. She said both tenants are valuable but 10% is not unreasonable to ask them to pay.

Penney said the District has gradually increased the rent to the Fine Arts Center. They were not originally paying their full utility rate. Chautauqua always has paid for their

utilities.

Kerth said she talked to both tenants. Both said the proposal was doable, but asked the District not to raise it to the ten percent. They are both aware, however, that it could be raised 10% effective January.

Chairman Rockenstein asked if a full 10% raise in utilities could make those tenants consider moving.

Kerth said they are getting a good deal where they are.

Director Carroll said the theater is in the black, but the arts center is in the red. On the other hand, the Advisory Board also has a fiduciary responsibility to the public. It's difficult.

Director Younger said the utility rate only goes up every 2 years for the tenants, but it goes up every year for the District. He was in favor of the full 10% raise. If the District intends to ask the public for a benefit assessment we have to make sure we are making the best fiduciary decisions.

### **Motion 1**

**M: Carroll S: Younger The Advisory Board voted to approve a utility and services increase of 10% (\$0.39 per square foot) for the Sacramento Fine Arts Center and the Chautauqua Playhouse beginning January 2014.**

**Vote: Unanimous vote of those present. Absent: Borman**

### **2. APPROPRIATIONS ADJUSTMENT REQUEST**

Penney: This is a request to make an appropriations adjustment to move appropriations and augment revenue to cover two important projects: the survey for a benefit assessment and the Carmichael Park Master Plan. When this year's budget was put together, the benefit assessment was not on the District radar, and the master plan is going to cost more than originally budgeted.

Staff has identified several funding options for these two projects. The District has sufficient funds available through personnel cost savings and additional revenue to avoid using Contingency. They anticipate savings from personnel costs due to changes in the health insurance program and savings realized from an employee on temporary disability. Staff has also identified additional revenues in building rentals, donations, and park impact fees.

The District has a commitment from the Foundation for \$15,000 toward the survey for the benefit assessment.

Director Younger asked if there is any chance the Foundation will come up with more funds.

Administrator Smith said the Foundation chair is meeting with people about this. The \$55,500 shown will fund most of the whole Benefit Assessment process.

Penney said that the Advisory Board and the Sacramento County Board of Supervisors will need to approve moving forward with the proposed benefit assessment before the funds allocated for the rest of the process are authorized to be spent. Since the allocations are based on estimates, Staff will report back if additional changes are needed. The District has a placeholder on the December 10 Board of Supervisors agenda.

Public comment:

Joan Komaromi: She was not aware the District was doing a survey. She doesn't think investing in a survey is a wise investment. The economy is not that much better. She thinks it's a waste of money at this time.

**Motion 2**

**M: Younger S: Carroll – The Advisory Board voted to: approve the Appropriations Adjustment Request to the Sacramento County Board of Supervisors; allocating funds for the Carmichael Park Master Plan and Benefit Assessment Survey and Process, authorize expenditures and authorize Staff to move forward on the Carmichael Park Master Plan and the survey to consider a benefit assessment as follows:**

**Source of Financing:**

<b>Fund #</b>	<b>G/L Acct</b>	<b>Account Title</b>	<b>Amount</b>	
337a	10111000	Regular EE	8,100	Moving appropriation
337a	10121000	Retirement (SCERS)	2,280	“
337a	10122000	OASCHI (SSI & MEDI)	620	“
337a	10123000	Group Insurance	38,000	“
337a	94942900	Building Rental	20,000	Augmenting revenue
337a	97973000	Donations/Contributions	15,000	“

**Use of Funds:**

<b>Fund #</b>	<b>G/L Acct</b>	<b>Account Title</b>	<b>Amount</b>	
337a	20259100	Professional Services	55,500	BA Survey & Process
337a	42420200	Other Improvements	28,500	CP Master Plan

**Vote: Unanimous vote of those present. Absent: Borman**

**3. CARMICHAEL MASTER PLAN – CONSULTANT AGREEMENT**

Administrator Smith: The Advisory Board has given direction and budgeted for a Carmichael Park Master Plan to be completed in fiscal year 2013-14. Requests for Proposals (RFP) were sent out on September 3, 2013, to eight design firms in the Sacramento area. A walk through was held at Carmichael park on September 13, 2013 and was attended by the District Administrator, Recreation Services Manager, and Maintenance Services Manager. Three consultant groups attended this non-mandatory meeting and were provided with an introduction to the project, a tour of the site and told of the hiring process and requirements to be included. Four consultants turned in proposals to the District on September 23, 2013 and were graded by criteria explained in the proposal instructions by an evaluation team made up of District Staff, Foundation Board members, and Advisory Board members (Directors Conroy and Carroll). They graded and decided to interview the three finalists leading up to the recommended firm.

The recommended firm based on the interviews held on October 10, 2013, is The HLA Group of Sacramento. Staff has met with HLA and a price has been negotiated of \$39,460 including contingency and incidentals to complete the master plan. The schedule for the master plan will encompass approximately seven months.

Director Conroy said these were definitely qualified candidates. All of them made nice presentations, each with a different approach. As a group, the team felt HLA did the best presentation.

Director Carroll said everyone on the panel seemed to be on the same wavelength. Administrator Smith said he had an initial meeting with HLA to go over what was expected of them. He has asked them to do an open house for the first public meeting, hoping more people will get involved. In their original proposal, HLA had

included CEQA, but the District will do that. After all the bids were opened, HLA also turned out to be the least expensive by \$10,000. Next Thursday, HLA plans a kickoff meeting with Staff. HLA will have draft plans by April or May of next year, about ballot time for a possible benefit assessment.

Director Younger recused himself from voting on this matter. HLA does work for his firm.

Director Conroy also recused herself from voting. She also does business with them.

Due to the above, there was no quorum for a vote.

Administrator Smith said this could be held over to the November meeting or pushed to a special meeting just for this item. Director Borman must be at the meeting to vote.

Chairman Rockenstein said they need to find out when Director Borman can be present to vote.

Administrator Smith said he was pretty sure HLA will go ahead with this at their own risk until a vote can be taken.

**This item was tabled to a special meeting to be held in one to two weeks. The Clerk was directed to contact Director Borman about her availability for a special meeting and set it up for just this one action item – preferably Wednesday or Thursday of next week.**

**UPCOMING EVENTS:**

1. Carmichael Park Cleanup and Boulevard Brush-up – Saturday October 26 at 8:30 am
2. Wall of Honor Commemoration at Patriots Park - Saturday, November 2 at 10 am
3. Park Rec and Eat It – Carmichael Park Thursday, November 7, 5–8 pm

**FUTURE AGENDA ITEMS**

1. Quarterly Recreation Activity Report
2. Quarterly Financial Report
3. Quarterly Work Plan Update

**TIME AND PLACE OF NEXT MEETING:**

1. **Regular Meeting**  
Proposed: Thursday, November 21, 2013 at 6:00 pm, Community Clubhouse #2 at Carmichael Park

**ADJOURNMENT** – The meeting was adjourned at 6:55 pm.

Respectfully submitted,

Betty Phillips  
Administrative Secretary

APPROVED BY:

ATTESTED BY:

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MICHAEL ROCKENSTEIN  
CHAIRMAN OF THE BOARD

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BETTY PHILLIPS  
Administrative Secretary  
Clerk of the Advisory Board of Directors