

LIVERMORE AREA RECREATION AND PARK DISTRICT

MINUTES

REGULAR MEETING

WEDNESDAY, AUGUST 25, 2010

**ROBERT LIVERMORE COMMUNITY CENTER
4444 EAST AVENUE, LIVERMORE, CALIFORNIA**

7:00 P.M.

CRESTA BLANCA BALLROOM

DIRECTORS PRESENT: Director Goodman, Director Wilson and President Furst

DIRECTORS ABSENT: Director Faltings, Director Kamena

STAFF MEMBERS PRESENT: Chiye Azuma, Tim Barry, Jim Carlson, Sheryl Hardin, Jill Kirk, Michael Kyle, John Lawrence, Lynn Loucks, Gretchen Sommers

1. CALL TO ORDER – ROLL CALL – PLEDGE OF ALLEGIANCE

President Furst called the meeting to order at 7:00 p.m. All Directors were present except Director Faltings and Director Kamena. President Furst explained that Director Faltings is absent due to a long-planned trip; normally the District passes the final budget at the first meeting in August and he delayed the decision until the second August meeting in order to give the rock gym supporters ample time to prepare their proposal.

2. PUBLIC FORUM

President Furst opened public comment. No public comment. President Furst closed public comment.

3. CONSENT AGENDA

3.1 BOARD MINUTES

3.1.1 Meeting of August 11, 2010.

3.2 COMMUNICATIONS

None.

Moved by Director Goodman, seconded by Director Wilson, approved the Consent Agenda, passing 3-0. Faltings and Kamena absent.

4. CONSENT AGENDA RESOLUTIONS

4.1 REVISED 2010/2011 SALARY RESOLUTION

Resolution No. 2254, revising the 2010/2011 Salary Resolution to add the position of Senior Recreation Leader II.

Moved by Director Goodman, seconded by Director Wilson, approved Resolution No. 2254, by the following roll call vote:

AYES: *Goodman, Wilson and President Furst*

NOES: *None*

ABSTENTIONS: *None*

ABSENT: *Faltings, Kamena*

5. BIDS AND PUBLIC HEARINGS

5.1 PUBLIC HEARING: FISCAL YEAR 2010/2011 OPERATING BUDGET

President Furst stated that the FY 2010/2011 Preliminary Budget was adopted on June 30, 2010. Staff will present a recommendation for revisions to the Final Budget. A public hearing will be held to receive public comment.

General Manager Tim Barry referred to the staff report and proposed final budget for 2010/2011. He said that there are several changes that have been made since the preliminary budget was approved in June, and that the budget is currently balanced at \$16,077,567. Mr. Barry reviewed the revisions, noting that he regretted especially the necessity to implement the layoff of 4 full-time and 2 part-time designated staff.

Directors inquired about the following: under what conditions would the District be able to rehire staff? (GM Barry: improvements in District revenue sources and further reductions in expenses); has a hierarchy been developed for rehiring should the District be able to do that? (GM: no, we do not develop a priority of rehire; District's priorities may change; will reserve that process for the time at which the District has additional revenue and will assess priorities at that time).

General Manager Barry referred to a report prepared by staff regarding the rock gym, as well as a proposal by advocates of the rock gym. Assistant General Manager John Lawrence stated that there is no recommendation in the staff report other than that the Board proceed cautiously in its decision regarding the rock gym. He said that the rock gym is doing significantly better than it has in the past, and listed revenue figures. He said that staff projects a \$13,000 subsidy at year end; the subsidy has been closer to \$40,000 per year in the past.

Mr. Barry said that the Board had received the proposal from the rock gym enthusiasts. Director Goodman stated that the proposal had been reviewed by the Budget and Facilities committees.

Director inquiries included: do we know, specifically, what volunteers are going to be able to do with the rock gym and how they can be useful? (GM: for the rock gym to be sustainable financially, he can envision a volunteer committee to advise staff and implement marketing, as well as programmatic volunteers; Senior Recreation Supervisor Jim Carlson explained what function volunteers can perform for the program); what about liability issues for volunteers? (GM: the District is liable for any volunteers working for it; LARPD performs background checks, and provides training and proper supervision; AGM Lawrence: legal counsel advises staff, and there is always at least one paid staff working with volunteers).

President Furst opened public comment.

- 1) Phil Schuyler, representing Valley Rock Gym supporters and the Altamont Cruisers Car Club, spoke about his club's annual car show fundraiser. Mr. Schuyler pledged \$1,000 donation to the rock gym, on behalf of the car club, contingent upon the rock gym budget being approved. He said that he will lobby for another donation in the range of \$1,500 to \$2,000.
- 2) Bob Sanchez asked how the Board is able to vote on the budget tonight with only 3 Directors present. General Manger Barry said that a quorum is present and that three Directors can vote. Mr. Sanchez thanked staff, spoke in support of the rock gym, and reviewed elements of the proposal that the committee of rock gym advocates had prepared, as well as the work it had been doing. He said that the volunteer group will remain involved, but that LARPD will have to manage the budget.

- 3) Jeff Hansen spoke in support of the rock gym and reiterated the concern about only 3/5 of the Board being present. He presented ideas on make the rock gym successful.

President Furst requested clarification on how staff perceives of the use of volunteers (GM: volunteers could be used to assist with marketing efforts and on site with the program; AGM: the advocates' basic proposal does not include volunteers; however, volunteers can be used to enhance the efforts; there will be additional savings if volunteers are used to replace some of the staff hours).

- 4) Brendan Gagnon, LARPD employee, said he felt that the suggestions of the advocate group are sound, valid and easily attainable.
- 5) Lisa Holmes Elkihel, spoke about volunteers assisting with fundraising and marketing; said that the volunteers of Save Valley Rock are committed; thanked staff.
- 6) Carrie Sanchez said that her son attends the rock gym and it is a large part of his lifestyle; reminded the Board of LARPD's mission statement, saying that a wide range of LARPD programs are subsidized.
- 7) Jennifer Sider said that she climbs and her kids climb; said she had been helping to distribute brochures; if the rock gym closes, it will not come back; spoke of marketing and fundraising efforts and how she can assist with them.

Director comments and discussion: to staff: level of subsidy in LARPD budget--if a motion is made, what level of subsidy will be in the budget? (GM: we've put in a full year of a projected \$34,557 subsidy; the proposal is something quite less than that); can the Board approve the budget with changes? (GM: his sense is to approve the budget as is, and hope for a better result at mid-year and beyond; there is a mid-year budget review in February); clarification that, at the moment, only the 2010/2011 budget and any possible subsidy for this year is being discussed; will staff have enough time to do more real-time tracking and decision-making, as suggested in the proposal, given the decrease in resources because of layoffs? (GM: staff has managed the gym for four years or so; we took it over from the owner, who could not satisfy the revenue goals for his business; the method for reducing staff time is reducing the schedule; staff can track attendance during different times of the day and week; feels we must be cautious about juggling the schedule, as the public expects service hours; there must be an effective method of communicating gym closures with the public); does LARPD have the resources to implement the plan? (GM: the Board can approve the budget as is, with the direction that, if the rock gym program is not meeting our expectation from a subsidy standpoint, it be considered for closure; the Board must decide the acceptable subsidy level, or break-even level; staff needs that kind of direction; the \$34,000 subsidy is not desirable in terms of what is being proposed).

Moved by Director Goodman, seconded by Director Wilson, to approve the budget with the caveat that the level of subsidy for the rock gym be looked at, at a level of \$13,000.

President Furst clarified that the intent of the motion is to keep the rock gym open, with a subsidy of no more than \$13,000 over this next fiscal year.

Director comments: [Wilson] is thrilled that LARPD has the gym and glad that the District has been able to offer it; the District is in bad financial times; another park district in California had to eliminate its entire softball program; we have had to do things we don't want to; there are people in the audience right now who will be laid off if this budget is passed; part of the difficulty is that

the District is leasing space from a business; another business should be operating the gym, possibly more effectively; the park District does not generally do this.

[Furst]: he has been going back and forth on the gym; he was initially in support of it; likes that it is an individual sport, which he supports; during these financial hard times, the District must cut somewhere; he would not vote to keep the gym at a \$34,000 subsidy; if we see a plan that we are willing to try for a year with an expected subsidy of \$13,000, he is willing to support it, but would urge the Board to stop supporting the gym next fiscal year if the subsidy rises above that; right now, he is willing to support it.

[Goodman]: it seems that at first, people felt that this was an “us vs. them” situation; the District has good staff that wants to provide programs; when Mr. Grandfield was unable to make the gym successful, LARPD came in, against the wishes of the staff, and subsidized the program; the District is supportive of alternate things, and yes, it is our mission to provide many programs; several staff are losing their jobs and their programs are going away and hours are being reduced; he supports a \$13,000 subsidy, but people must understand that we know our mission; LARPD had to close the Friendship Center; LARPD needs the help and understanding of residents; appreciates the passion of the rock gym enthusiasts, and we need that energy and passion to keep it going; he cannot support the gym at a \$34,000 subsidy when other programs are being cut; he can live with a \$13,000 subsidy and he thinks it will be less if the volunteers do what they say they will; if not, we’ll deal with it; appreciates the efforts of the group and Mr. Grandfield.

[Wilson]: also supports individual sports; \$34,000 is not an acceptable level of subsidy; \$13,000 is acceptable; let’s shoot for that.

The motion to keep the rock gym program in the budget, with an expected subsidy of \$13,000 for the 2010/2011 fiscal year, passed 3-0. Directors Faltings and Kamena absent.

President Furst invited Director questions on other elements of the operating budget. No questions.

President Furst opened public comment to allow public input on other units of operating budget. No public comment. President Furst closed public comment.

Moved by Director Wilson, seconded by Director Goodman to approve final operating budget for fiscal year 2010/2011.

Director Goodman said that he appreciated the citizen comments about Directors not being present to vote. Director Faltings could not be here. He said, “We are here. I support the motion.”

General Manager Barry said that, when the Board approved setting the rock gym subsidy at \$13,000, it caused the budget to be out of balance by \$21,557; he recommended putting this amount in the District contingency fund for unexpected expenses.

Director Wilson made an amending motion to the motion to approve the budget, seconded by Director Goodman, that the extra funds in the amount of \$21,557 be allocated to the District contingency fund for unexpected expenses.

President Furst opened public comment. No public comment. President Furst closed public comment.

Resolution No. 2255, adopting the Operating Budget for Fiscal Year 2010/2011, was adopted by the following roll call vote:

AYES: *Wilson, Goodman and President Furst*
NOES: *None*
ABSTENTIONS: *None*
ABSENT: *Faltings, Kamena*

President Furst called a recess at 8:13 p.m. Meeting was called to order and resumed at 8:21 p.m.

5.2 PUBLIC HEARING: FISCAL YEAR 2010/2011 CAPITAL IMPROVEMENT BUDGET

President Furst stated that the FY 2010/2011 Preliminary Budget was adopted on June 30, 2010. Staff will present a recommendation for revisions to the Final Budget. A public hearing will be held to receive public comment.

Mr. Barry referred to the staff report and the list of capital projects for fiscal year 2010/2011 and beyond, noting that the Facilities and Budget committees had reviewed the information and given their input. He said that the Budget Committee had prioritized projects into three groups, in addition to those projects, such as the MSC debt service, that are required. Mr. Barry listed projects and their costs. He said that he would like to remove the Robert Livermore Park pump station from the list, as staff had received new information that changes the scope of the project; he would like to look at it next year. He said that his recommendation regarding the Sycamore Grove Park Ranger Station had changed; he has discussed this with the Budget and Facilities committees and he now recommends that the District not do the project. He said that he sees too many issues in the future to keep project in the budget, and it has already had many problems.

Director inquiries: must the Board approve the CIP budget tonight? (GM: yes, although it can be amended during the year); it would be good to have the full Board weigh in on this; question about the pump station and whether \$445,000 should be taken out of the capital budget; was it not funded? (GM: not all of it was funded; he proposes that some of the funding can be used to offset funding that we need for other projects; he would like to see some of it stay with the project, as we will need to do something at Robert Livermore Park; he also wishes to correct the figure for the Robertson Park turf conversion project—the correct figure is \$72,235, not \$72, 253).

President Furst opened public comment. No public comment. President Furst closed public comment.

Moved by Director Goodman, to approve the recommend CIP budget as presented, without the pump station and without the Ranger Station and with the corrected figure for the Robertson Park turf conversion. Motion died for lack of a second.

Moved by President Furst, seconded by Director Wilson, to approve CIP budget without the pump station, but including the Ranger Station.

Director comments and discussion: [Wilson]: said that she was on neither the Budget nor Facilities committee this year; she was surprised to hear about the Ranger Station; the District has discussed the project over the years; understands that the General Manager has concerns; we have the money, which the District got from Chevron as mitigation for work it did in Sycamore Grove; though, legally, the mitigation funding need not be spent in Sycamore Grove Park, ethically, to her it does; the District promised staff and constituents a Ranger Station; it should have been completed and used four years ago; agencies other than this Board and staff have caused the delays; now being told that the project is not so practical; I am saying it is something we have to do for a great many reasons.

[Goodman]: originally, the Board said we should go out to bid to see what the District could get for its dollars; he is open to listening to both Directors; wishes that the other Directors were here; there is an expectation of getting good bids; concerned because of the financial situation of the District; there are many unknowns; the General Manager said that he cannot honestly say that the project will stay within budget limits (GM: that is correct; there are still some unknown costs, especially with a used building on undeveloped land; the length of time and money that has been spent on the design process was more than what the District would normally do; we have engineer's estimates, and we can bid for construction costs; however, there are other costs besides construction; the Board has asked him to keep projects within budget and in the timeframe; he does not feel that his can be done and he prefers not to embark on something about which he has these concerns; also, the financial situation of the District is a concern--our CIP budget is underfunded; he is not confident that the project will stay within budget); if we go out to bid, some additional money must be spent for the bid process; what if the bids are \$200,000 under what was expected; he voted for arena cover, and is glad that we have it, but this is another arena cover; respects General Manager's point of view, but will vote against his recommendation.

[Furst]: asked District Legal Counsel Michael Kyle if a majority of the total number of Directors (5) or a majority of the number of Directors present (3) is needed for a vote (Mr. Kyle: a 3-0 vote is needed); recommends that we go forward with this; he was President of the Board five years ago, when the Ranger staff first made a presentation to accept the Denton House and proceed with the project; there have been a number of delays for various reasons; this is a good climate in which to get projects going; he would like to test the waters by going out to bid, then make a decision once the bids are received; it is frustrating, and possibly detrimental, to the people that the District serves if we do not go out to bid now; if we can get the Ranger Station built within budget, and I have been firm about that, I feel we need to go to bid.

[Goodman]: if we go out to bid, and vote 3-0, when would we go to bid and when would we have the numbers? (GM: assumes that the City will approve the out-of-area sewer agreement in September; referred to Landscape Architect/Project Manager Chiye Azuma: there are several utility issues still unresolved, including the fire line with Zone 7 and the domestic water line supply; staff expects to get these resolved in under two months; then we would be able to put this out to bid; we can go out to bid for the building under one contract, and the civil component could be a separate contract); is it correct that, unless we bid whole package, we will not know the full cost? (GM: yes; past December, it is a whole different discussion); give me a reason to vote for this; right now I am not going to vote for it; separate bids will not give us the information we need.

[Furst]: when can the District get a bid that will be all inclusive instead of going out for two separate bids? (Ms. Azuma: we can go out for one complete bid by the end of the year).

[Furst]: in his memo about the Ranger Station, the General Manager said November (GM: I will go with staff's update to December; AGM Lawrence: the updated timeframe is the result of not getting responses when expected; we can only anticipate; GM: we will have to push harder on those agencies); what else do we need from Zone 7? (Ms. Azuma: Zone 7 asked us to put together plans for connection to a 12" line, etc.; Zone 7 has revised the plans and we just got them last week; now, it is up to us to finish the plans for Zone 7's review and approval); discussion regarding letter from Zone 7 in March 2009.

[Goodman]: I will change my vote.

Resolution No. 2256, adopting the Capital Improvement Budget for Fiscal Year 2010/2011, with the removal of the Robert Livermore Park pump station, but including the Ranger Station, and the

General Manager's correction on the Robertson Park turf conversion, was adopted by the following roll call vote:

AYES: *Goodman, Wilson and President Furst*
NOES: *None*
ABSTENTIONS: *None*
ABSENT: *Faltings, Kamena*

6. OLD BUSINESS

None.

7. NEW BUSINESS

7.1 PROPOSED CHANGES TO IMPROVEMENT PROJECTS BY ARROYO CROSSING INC. FOR ROBERTSON PARK

President Furst stated that the Board will consider approving the proposed changes to the scope of work for the park improvement projects at Robertson Park.

Mr. Lawrence explained the two components of the project, noting that it is a developer-built project with a limit of \$300,000 from the developer. He said that staff has value engineered the costs of the project down several times. Mr. Lawrence said that the developer has, once again, received prices from contractor which include LARPD's standard details, which drove the price up. Staff wishes to eliminate the sand play area and respite area from the project. The Facilities Committee has reviewed staff's proposal and recommends Board approval. He added that these changes may have an impact on the City's development agreement with the developer; they will need to be discussed with the City if the Board approves.

President Furst opened public comment. No public comment. President Furst closed public comment.

Moved by Director Wilson, seconded by Director Goodman, to adopt Resolution No. 2257, approving the proposed changes to the scope of work for the park improvement projects at Robertson Park, passing by the following roll call vote:

AYES: *Wilson, Goodman and President Furst*
NOES: *None*
ABSTENTIONS: *None*
ABSENT: *Faltings, Kamena*

8. COMMITTEE REPORTS

No reports.

9. MATTERS INITIATED/ANNOUNCEMENTS BY THE DIRECTORS

1) Director Goodman said that Director Wilson had alluded to softball; the City of Sunnyvale voted to eliminate its adult softball program. LARPD had discussed doing the same, but has not eliminated it. We have continued some programs that other cities have eliminated. He said that, going forward, he was fearful that we will have to make additional cuts, and he appealed to the public to support LARPD programs, so that we can continue to offer them.

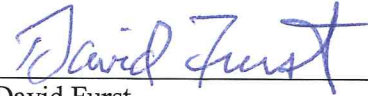
10. MATTERS INITIATED/ANNOUNCEMENTS BY THE GENERAL MANAGER

1) General Manager Barry stated that the Board voted on the District budget tonight. This budget embodies workforce reductions and layoffs. He announced that Frank LaScala is retiring this week, after

many years. Mr. Barry said that Mr. LaScala has served the District well and loyally for many years, and congratulated him.

- 11. ADJOURNMENT**
Meeting adjourned at 8:53 p.m.

APPROVED,



David Furst
President, Board of Directors

ATTEST:



Timothy J. Barry
General Manager and ex-officio
Clerk to the Board of Directors