

**HONEY LAKE VALLEY RECREATION AUTHORITY  
GOVERNING BOARD MEETING  
Regular Meeting Minutes  
October 17, 2017 – 3:00 p.m.  
City Council Chambers 66 North Lassen Street Susanville CA 96130**

Meeting was called to order at 3:01 p.m. by President Wilson.

Roll Call of Board of Board members present: Dave Meserve, Tom Hammond, David Teeter, Kathie Garnier and Brian Wilson.

Staff Present: Dan Newton, Executive Officer, Heidi Whitlock, Secretary and Quincy McCourt, Project Manager.

**APPROVAL OF AGENDA:** Motion by Vice President Garnier, second by Board member Hammond, to approve the agenda. Motion carried unanimously.

**2 APPROVAL OF MINUTES:** Motion by Vice President Garnier, second by Board member Meserve, to approve minutes for the June 20, 2017 meeting. Motion carried unanimously. Abstain: Hammond.

Motion by Vice President Garnier, second by Board member Teeter, to approve the minutes for the August 15, 2017 meeting. Motion carried unanimously. Abstain: Wilson.

Motion by Board member Teeter, second by Board member Meserve, to approve the minutes for the September 19, 2017 meeting. Motion carried unanimously. Abstain: Garnier.

**3 CORRESPONDENCE:** None.

**4 PUBLIC COMMENT:** None.

**5 MATTERS FOR BOARD CONSIDERATION:**

**5A Financial Reports through October 12, 2017**

Mr. Newton stated that he could start the item however, he was sure that Ms. Wemple would have to speak to some of the items. He added that he will start by providing a quick description of each of the items. On the first page is the general ledger, which is basically stating where the Authority stands per the budget. The other attachments included are those items depicted on the general ledger.

President Wilson inquired as to whether or not the numbers were actuals.

Ms. Wemple confirmed.

Mr. Newton continued that the cash balance was as of the date of the report. He added that it may not reflect to date as some funds still need to be paid out.

Mr. Newton continued that the budgetary fund balance needed to be backed out as it is not cash available to spend and inquires as to whether or not the Board has any further questions.

President Wilson asked Ms. Wemple were he would look to see how much they have available.

Ms. Wemple responded \$212,000 in cash as of the date the report was generated.

President Wilson inquired as to how much was pending on the contract with Modern.

Ms. Whitlock responded, \$27,500.00.

President Wilson inquired as to whether or not that amount was to be taken out of the \$212,000 cash balance.

Ms. Wemple responded that it is included in that \$212,000, that it would come out of that balance.

Vice President Garnier inquired as to whether or not the County has submitted their annual contribution.

Ms. Wemple responded, they have not.

Vice President Garnier stated that the \$212,000 is not including the \$80,000 contribution.

Mr. Newton also added that the encumbrances for the starter blocks etc. will still come out of this amount. He added that there is a bit of a delay from when invoices come in, get processed and sent to the County prior to the payments being made as well as the deposit from the HLVRA bank account to the County HLVRA account for September.

Vice President Garnier requested the date that the reports were generated.

Ms. Wemple responded, October 12, 2017.

President Wilson requested confirmation from Ms. Wemple, if the Board knows of this cash balance, while knowing there are pending invoices and other account receivables, etc. and other money that is coming, there is no way that you would know how much, unless the City told us right now about September numbers, how much we would have after encumbrances etc...He continued that he just wanted to know how much money they had.

Ms. Wemple responded that, in order to have everything, she would have to get those numbers from Ms. Whitlock.

Board member Hammond stated that he would like to see an accounts receivable and accounts payable log showing exactly where we are at soon.

President Wilson asked Ms. Whitlock if she currently had that information.

Ms. Whitlock responded that she also kept a spreadsheet for her own records and she has everything to date that has been sent to the County. She continued, looking at the cash on hand in the spreadsheet minus those items at the County, the reimbursement request in the packet, the encumbrance for the starter blocks and also taking out the \$27,500 due to Modern, then adding in the \$80,000 still anticipated from the County and the revenues to date from the pool, the balance is approximately \$180,000.

President Wilson stated that the information was very helpful as it is hard for the Board, sitting up there, to make decisions to get through the winter and then the spring if they do not know where they stand.

Ms. Whitlock added that there will also be utility bills coming in etc.

President Wilson agreed as there will still be a cost associated with the pool even when it is closed.

President Wilson asked if utilities were figured out.

Mr. Newton responded that yes, it looked like most of the utilities were paid out of one utility account but, if the Board were to look at page 3 it would show the breakdown of who was paid. He continued that it would be adjusted back to the correct accounts.

President Wilson inquired as to whether or not a geothermal charge was coming.

Mr. Newton confirmed.

President Wilson asked how much that amount would be and asked Ms. Whitlock if she knew.

She responded, \$2,100 per month.

President Wilson asked Ms. Whitlock what the cash balance was again.

She responded, approximately \$180,000.

President Wilson stated that he did not believe he had any additional questions and expressed his gratitude to both Ms. Wemple and Ms. Whitlock.

Tony Jonas (Public) asked Ms. Whitlock if the \$180,000 took into account, the City's reimbursement request.

She confirmed.

#### **5B Consider Standing Purchase Order Request for Lincoln Aquatics**

Mr. Newton stated that this item was included to request a standing purchase order to be able to purchase Pulsar Tablets for the pool.

Vice President Garnier inquired as to whether or not this has been done before.

Ms. Whitlock responded no, we have to obtain a purchase order every time as the amount is always in excess of the purchase order limits. However, to prevent the need to obtain a new purchase order every time, a standing purchase order is being requested.

President Wilson inquired about a previous meeting where the need to use those specific tablets was discussed and asked Mr. McCourt were we were on that topic.

Mr. McCourt responded that staff thought there was an option of using other tablets as the cost savings would be worth the loss of the warranty; however, staff found only a savings of approximately \$800, which did not make it worth it to void the warranty. He added that SCP has now purchased Lincoln Aquatics and, if we think we are being overcharged, SCP has already provided a quote. However, it is not worth the difference.

Vice President Garnier responded that there are too many variables at this time. She also asked if the chemicals will go bad.

Mr. McCourt responded that, for clarification purposes, this is not a purchase, this is a PO so that we can order when needed without requiring a new PO every time. However, he added that Mr. Jonas could probably speak to how long the chemicals will last in storage.

Mr. Jonas responded that they are delivered in a way that it should be fine. They should be safe unless it is exposed to Muratic Acid.

President Wilson inquired as to whether or not this was for all chemicals.

Mr. McCourt responded no, it is just for the Pulsar Tablets. He continued that we also order chemicals from Lee Joseph but we are still requesting quotes from other companies often.

Motion by Vice President Garnier, second by Board Member Meserve, to approve the standing purchase order in the amount of \$25,000 for Lincoln Aquatics for the purchase of Pulsar Tablets. Motion carried unanimously.

**5C Approve City Reimbursement Request for Expenses through September 22, 2017**

Mr. Newton stated that this request is for reimbursement to the City of Susanville for the Administrative and Pool staff from the beginning of this fiscal year through September 22, 2017. Mr. Newton reviews all charges included in the reimbursement request. He added that the attachments include all the documentation for the funds including both invoices and timecards.

President Wilson stated that all of the documentation should go to the County; however, it does not all have to be included here as it becomes a public record.

Ms. Whitlock inquired as to whether or not the spreadsheet including the breakdowns would suffice.

President Wilson confirmed.

Motion by Vice President Garnier, second by Board member Teeter, to approve the reimbursement request from the City of Susanville. Motion carried unanimously.

**5D Consider resolution No. 17-22, Adoption of Amended Agreement between HLVRA and the City of Susanville**

Mr. Newton stated that the agreement between the City and the Honey Lake Valley Recreation Authority was previously adopted however, it was previously brought back to discuss the amendment of the included appendix. It has been brought back again for formal adoption.

Motion by Board member Hammond, second by Board member Meserve, to approve Resolution No. 17-22, adopting the Amended Agreement between the HLVRA and the City of Susanville. Motion carried unanimously.

**5E Discussion regarding HLVRA Administrative Structure**

Mr. Newton stated that it was requested to bring this item back during the previous meeting and that staff was looking for direction.

President Wilson replied that the Board wanted to map out a method to create a way to become autonomous.

Board member Meserve responded that now would be a good time to discuss since it is soon going to be the off season.

President Wilson stated that the Board needed to decide how autonomous they needed to be. Did they want to change everything or the expectation of both the City and County. He continued that their involvement has been valuable however, a \$5,000 cost each month is expensive.

Board member Meserve stated that he can see the HLVRA operating more along the lines of a special district.

Board member Teeter stated that his concern with becoming a special district was the cost of becoming autonomous exceeding the revenues. He added that the HLVRA benefits from the assistance of the bigger agencies as this year the HLVRA benefitted from the City picking up most of these tasks. He added that the change of who will be operating the pool and whose employees they will be is a political question and not a policy question. There is not a policy problem, except the expense of the services but most of that is because we are at the end of this project.

President Wilson added that, in addition to the money, there has also been a structural issue between the City and County in terms of having differing policies and procedures that make it a bit difficult to operate. He believed that the differences in the rules may have caused some friction between the two agencies, sometimes taking longer to purchase some items. However, that does not mean that we need to stop utilizing the agencies, just refine what is being done.

Board member Teeter wanted to add that, there may have been some rough areas during this first season but overall, if you step back and look at the entire package and what was put out there, it was a great product.

Board member Teeter continued that he understood where the request for the change is coming from with the HLVRA having its own employees etc. But, what he saw, was the City getting the work done and the project was finished with the County's help. He understood that there were some rough spots and we do not want to ignore those but wanted to state that we just went through the first season, we built the pool and then we operated it and it is going to operate again next season. He continued that he saw why the Board is talking about it, as it is worth talking about, but it is also worth looking at what we were able to accomplish overall.

Vice President Garnier inquired as to whether or not the County wanted to continue.

Board member Teeter responded that he was sure the County was in.

Tony Jonas (public) stated that the Board needed to look at five, ten years from now or even when the City and County contributions are no longer coming in, as the amount Ms. Whitlock provided would be gone at that time. At that point equipment will require replacement or refurbishment, technology will have changed and the subsidy that we are relying on right now will no longer be there.

Vice President Garnier stated that she did not feel the question was whether or not to be a special district but more on how they would be structured.

Board member Meserve stated that we can still operate as an Authority. He continued, like Mr. Jonas mentioned, it is not that many more years until the subsidy will no longer be available and the Board needed to be looking down the line before the controversy of not planning becomes an issue.

Tony Jonas stated that Board member Meserve has been there when a pool closed before.

Board member Meserve responded yes, that was one of the reasons that he left.

President Wilson stated that he was hearing two different sides and requested clarification on whether or not the Board wanted to be completely autonomous or if they would simply restructure what they already have. He added that, if we chose to restructure, although Ms. Whitlock and Mr. McCourt have done a fine job, the tasks could be performed by someone else at a lower cost at the pool site.

Board member Meserve stated his concern with the costs associated with the administrative functions through the City and responded that the Board could have someone report directly to them and that the Board could handle it themselves.

Board member Teeter stated that this is the time to discuss, being that the season is almost over. He continued that the benefits and drawbacks need to be identified.

Mr. Newton responded that whatever structure is decided upon nothing is going to be perfect. He added that there are benefits to working with the City and County, especially from a payroll and personnel standpoint, as they have the experience with those areas. However, if you hire your own staff, your Director will need to have experience with those functions and it may be difficult to find. Also, if you hire a Director from the City or County, the issue of discipline or termination could become an issue. He added that, if the Board would like, we can see if there is someone in house at the City who can assess what the best options are and bring that back. There could be multiple suggestions including keeping the current structure but using lower paid staff members as there is a lot of time involved.

Vice President Garnier stated that the Alliance for Workforce Development (AFWD) may offer something for Human Resources or Payroll related.

Board member Meserve stated that a local CPA may be able to handle the payroll.

Vice President Garnier inquired as to what would be done for Human Resources, rolling both of those services into one would be nice.

Board member Meserve stated that some Human Resources could go through the Chico foundation, some could go through the local college.

President Wilson responded that if the Board stays with the current structure, he would like to see where the Pool Manager would be able to answer questions of the Board and then the Board could handle some of the items. He continued that maybe, for the next meeting or another meeting in the future, staff working in any capacity for the pool could be interviewed regarding the processes.

President Wilson again requested input on whether or not the Board desired to be completely autonomous.

Vice President Garnier responded, maybe there should be some autonomy, but added that it would depend on the cost.

Board member Hammond inquired as to how much it would cost to do the restructure.

President Wilson asked if the Board desired having the analysis performed.

The Board responded yes.

Board member Hammond requested a cost on the analysis.

Board member Teeter inquired as to whether or not an RFP would have to go out.

President Wilson replied that he is not willing to spend that much. He continued that the problems should be identified and then the Board could continue to work within the existing structure or, make the decision to be autonomous.

Vice President Garnier agreed with the prior request the discussions should occur with the staff to identify issues and also talk with the City and County to see if this is something we can work out.

Board member Hammond inquired about the Roosevelt Pool and how items of this nature were handled.

Mr. Jonas responded that the City ran it. He stated that he did the ordering and banking however, payroll was handled by the Finance Department.

President Wilson requested of the Board, what the direction to staff should be.

Board member Hammond stated that they needed to obtain the County's thought on this item as well.

Mr. Egan responded that he felt it was time to evaluate the process. It will probably be more expensive to be autonomous but there could be a political benefit. He continued that it would be difficult to find someone who could do all the work or it would be expensive. He suggested the possibility of contracting with another agency to actually run the pool, perhaps the college of the high school to operate the pool, but that would take a cooperative partner.

President Wilson added that he thought the Authority could not afford a full time director. This is a seasonal pool and it should be a seasonal position. It may mean working with either the City or the County to "rent" the individual during the season for meetings etc., with the pool manager being stronger and able to have more authority and able to run the day to day items during the season. This would be preferred in his opinion over divorcing from the City and County.

Board member Hammond agreed.

Vice President Garnier stated that she did not understand why there has to be politics involved and suggested the County and City just work it out. She added that she did not like the separation. We gave the community a pool, let's help the community by coming up with a solution.

Board member Hammond stated that we still needed a new Pool Manager.

Vice President Garnier stated, not right now. She asked if the position has been flown yet.

Mr. Newton responded that staff would need direction.

Vice President Garnier stated to fly it.

President Wilson responded that we will need someone to watch it this winter.

Board member Hammond asked if the Board wanted to look at programming etc.

President Wilson stated that he had asked Mr. Hancock for details as he wanted to see where they were however, they were not yet available. He continued that, if our income is not what it is supposed to be, we need to know that information.

Direction was given to Mr. Newton to provide what the projections were and where we are.

Board member Hammond added that he also wanted to see the actual costs per month to run the pool.

President Wilson continued that he believed we are on the high side for expenses.

Vice President Garnier stated that she thought revenues could have been higher as people should have been notified sooner of the passes.

President Wilson responded that it opened so closely to when the Pool Manger was hired, we lost that option. However, this upcoming year we will have more time.

Mr. Newton responded that we can bring that information back at the next meeting.

President Wilson agreed that it should be brought back at the next meeting and inquired as to whether or not we should still be open or should we have shorter hours.

Sam Williams (Lassen Times) requested confirmation that the Pool Manager position was vacant.

President Wilson inquired of Ms. Whitlock what Ms. Rice's title was.

Ms. Whitlock responded, Assistant Pool Manager.

Mr. Williams inquired as to when the pool would be closing.

President Wilson responded, October 31<sup>st</sup>.

President Wilson suggested that a recap should be completed on the City and County. Talk with everyone, the County, and the City including Ms. Whitlock and Mr. McCourt on how everything worked and what changes still need to be made, Ms. Rice and everyone else at the pool in order to see how everyone felt and how it worked or did not work. He added that he felt the existing structure could work with some changes.

Mr. Egan stated that the Pool Manager is currently a City employee. He suggested that, prior to hiring the next manager, the determination be made on whether or not they will continue to be a City employee.

President Wilson stated that, although he knew Vice President Garnier wanted to fly the position, he would rather wait until the Board had answers to the questions they all had and to ensure Ms. Rice is happy doing it in the interim. He

continued that he has had many conversations with past and present employees and discussions need to be had with them as there are issues that need to be heard.

Mr. Newton agreed.

Board member Hammond stated that it was a mad dash to get the pool opened.

President Wilson agreed but added that it was still a successful year. He added that he thought that Mr. Newton's direction, talk with staff and see what could be better is a good start. He added that a Board member could also be there.

President Wilson will accompany Mr. Newton is discussing with staff.

Board member Meserve added that if it would help, he would assist.

Vice President Garnier stated, anything to help Mr. Newton.

President Wilson stated that he and Board member Meserve and Mr. Newton could make up the subcommittee.

Mr. Egan stated that he would also assist if needed.

President Wilson inquired as to whether or not anything else was needed.

**6     BOARD MEMBER ISSUES/REPORTS:**

The Board requested numbers for October to be presented at the next meeting.

Board member Meserve inquired as to whether or not the pool covers were in use.

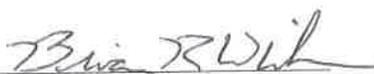
Mr. Jonas responded, not yet.

President Wilson asked if there were any chemical changes due to this.

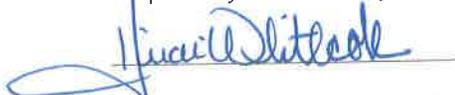
Mr. Jonas responded, yes.

Mr. Newton responded that staff will figure out the best time to cover the pool.

Meeting adjourned at 4:16 p.m.

  
Brian Wilson, President

Respectfully Submitted by

  
Heidi Whitlock, Secretary HLVRA

*Approved November 16, 2017*