

Approved Meeting Minutes
PARK ADVISORY COMMITTEE

ATTENDING: Bank, Coffey, Dotson, Guarienti, Harryman, Hart, Hooper, Hudson, Peters, Shimansky, Southworth, Vann, Walters, Williams
NOT ATTENDING: Cant (Excused), Coomber (Excused), Kaplan (Excused), Kirby (Excused), Mercurio (Excused), Phillips (Excused), Shalaby (Excused)
STAFF ATTENDING: Barial, Collins, Kenny, Pfuehler
GUESTS: Nancy Skinner
PUBLIC: Norm Kidder, Dallas Harryman

1. **Approval of Minutes:** The July 28, 2008 meeting minutes were approved with minor suggestions and edits. PAC member Hooper said the minutes read Kirby stated the holiday dinner was the second Monday of December. Hooper believes it is the first Monday of the month and asked for clarification. Chair Guarienti indicated staff would clarify by the October PAC meeting.

PAC member Vann stated the minutes were well written. Additionally, he would like to have a summary of actions taken included at the end.

PAC member Southworth corrected the statement in the minutes made by Dave Reinsche. The minutes read “the heavier the fetch,” but should read “the heavier the thatch.”

PAC member Shimansky moved and approval was seconded by PAC member Vann. PAC member Harryman abstained.

2. **Introductions:** Chair Guarienti asked PAC Members and District staff to introduce themselves. Board Member Skinner asked to have her comments moved down to Item 4.

3. **Presentations:**

a. **2008 Mid-Year Budget Update: AGM Dave Collins**

AGM of Finance and Management Services, Dave Collins gave a presentation about the budget and provided three handouts: a process memo, the Midyear Budget Review and Amendments spreadsheet, and the 2009 Preliminary Budget Review spreadsheet.

PAC Member Hooper noted the PAC Finance sub-committee will be looking at next year’s budget in November.

AGM Collins explained the District’s budget is on a calendar year and split into two state Fiscal Years. Each year, the District conducts a mid-year review process – the Comprehensive Annual Financial Report (CAFR) – which allows for adjustments if revenue is not meeting expectations or if the state budget is late (as it was this year). The District receives two major tax payments during the year. AGM Collins mentioned personnel costs are higher this year because more positions are filled.

Upon reviewing the spreadsheets, PAC member Shimansky questioned whether the interest balance is negative. AGM Collins responded the balance is actually positive and the District’s interest more than doubled original projections. PAC member Hooper added the District altered its’ investment strategy to bring in more interest.

AGM Collins stated predictions suggest tax revenue for this year’s budget will be \$94.6 million, which is \$2.8 million above the \$91.8 million projected at the beginning of the year.

PAC member Shimansky asked if this was a bit optimistic. AGM Collins said the District typically is very conservative in its’ estimates, but he agreed the current economic conditions were not anticipated. During the first half of the year, the District saw a .06% increase of revenue from Contra Costa County and 5% from Alameda County. PAC Member Hooper added the District typically is conservative with regard to budget projections.

PAC member Williams noted the spreadsheet reflected numbers through the end of August and wondered how those numbers would compare to the last four months.

Chair Guarienti asked about personnel costs given the increase in filled positions. AGM Collins stated the District will still be about \$2.4 million under budget for personnel.

PAC member Shimansky suggested leaving “other sources” off the spreadsheet given there were none.

AGM Collins said the District overall is likely to be under budget in the range of \$8.9 million, provided revenue comes in as projected.

PAC member Walters asked about the transfer out column. AGM Collins explained transfers out are monies put to other funds from the general fund. Walters asked if the \$7.6 million will be transferred to the capital fund. PAC member Hooper clarified it covers additional expenditures not already covered by the capital fund. AGM Collins added that included in the transfer funds is money to complete required ADA improvements. The District spends about \$500,000 a year in ADA improvements and, last year, spent about \$500,000 in paving maintenance, service yards and fuels management.

PAC member Hooper wanted to know why miscellaneous revenue was so far under last year's actuals. AGM Collins explained that miscellaneous revenue comes from various sources like lawsuits, insurance claims and reimbursements from liability insurers. They vary widely from year to year depending on when payments actually come in.

PAC member Hudson stated this is a fairly conservative and safe budget given the foreclosure crisis and delinquencies. PAC member Harryman asked if the delinquencies are people not paying taxes. Hudson answered yes.

b. 2009 Initial Budget Projections: AGM Dave Collins

AGM of Finance and Management Services, Dave Collins gave a presentation about the 2009 budget projections. While we know tax revenues for Contra Costa increased .06% and by 5% in Alameda County for the first half of the 2008-2009 Fiscal Year, we don't have a clear understanding about the second half. There was concern the legislature could suspend Prop. IA to shift money into the Educational Revenue Augmentation Fund (ERAF). While Prop. IA requires the state to pay back local governments for "borrowed" money in three years with interest, there would be a significant impact on the District. Prop. IA did not specify the formula for how the state would shift money from non-enterprise Special Districts. Non-enterprise Special Districts, like EBRPD, cannot raise rates to make up for lost tax revenue. It is important that any formula which shifts money from Special Districts to the state takes into account the differences between enterprise and non-enterprise districts. The District benefits from a calendar year budget because it can spread cuts between two Fiscal Years. For next year, the District's Finance Department assumes property tax revenues will be flat. Total tax revenue for 2009 is expected to be \$112 million.

PAC member Vann pointed out an addition error in one of the spreadsheets. AGM Collins noted he would check it.

PAC member Shimansky wanted to know if increased personnel costs were on account of additional employees or wage increases. AGM Collins said it was both new personnel and wages, as well as post employee benefits and projected costs for future staff needed for projects in the pipeline. He also indicated the District is likely to hire less new staff this year.

Chair Guarienti wanted a clarification about pipeline staff. AGM Collins explained the District is committed to staffing properties as they open. Exact costs are difficult to determine, but it is important to estimate them for budget purposes.

PAC member Hooper asked about the retirement fund for police officers. AGM Collins explained the District has four different pension plans – two with Trans America (one for regular employees and one for public safety). Currently, the public safety plan is closed and most regular employees have transferred into CALPERS. AGM Collins noted the District is not fully pre-funding retirement, but funding according to actuarial studies. Other Post Employee Benefits are a Governmental Accounting Standards Board (GASB) requirement or guideline. The District has, however, set aside some money to prefund retirement benefits.

PAC member Williams wondered about long range forecasting. While it looks like the budget is currently about \$8 million to the good, he asked if future deficits are likely. AGM Collins noted that about 85% of the general budget is staff driven and more or less predictable. Increases in medical benefits, inflation and decreases in tax revenue are the wildcards. AGM Collins said the District did not project a zero growth rate, but almost no one did. If Prop. IA is suspended, it would be a one time hit and the District will budget accordingly. The District is not likely to add many positions, but will also try to prevent layoffs.

PAC member Williams asked why the District is on a calendar budget year and not fiscal. AGM Collins responded that it was mostly historical reasons due to the traditional heavier use of parks in the summer.

Chair Guarienti stated his interest in pipeline projects, such as Vargas Plateau and the mobile visitor center. He wondered if Measure WW does not pass, would that mean a cut to pipeline projects of \$500 million? AGM Collins responded that this budget does not take into account any instant revenue. If Measure WW passes, it may take the District three to five years for many of the projects to be incorporated into the budget. In some cases, where the District currently has options on property, Measure WW could have a more immediate impact.

Chair Guarienti asked if there were any other questions. Hearing nothing, he added the projections were good.

4. Board Member Comments:

Director Skinner commented on AGM Collins' presentation and reflected that the current economic situation will impact projections. She also commented on the California budget situation and the need to be concerned about suspending Prop.

IA. The 2/3 requirement to pass the state budget creates a difficult environment and leads to questionable budgets like this year's because of the inability to raise new revenue.

Director Skinner began by stating the Board has been very busy giving presentations about Measure WW at city council meetings, chambers of commerce's and civic groups. She noted the Board was surprised with the public's concern about the removal of eucalyptus and Monterey pines at Redwood Regional Park as part of the fire fuels management program – particularly given the record number of wildfires California had this year. She also noted the public's interest in protecting Native American sites at Brushy Peak. The District understands the importance of this cultural site for native and indigenous peoples and will only allow guided walks to the peak.

Director Skinner commented this would likely be her last PAC meeting before transitioning to her new role in Sacramento. She will continue to be an advocate for the District, and her doors will be open to the PAC, the Board and District staff. She encourages the District to expand programs for young people. She spoke about the “nature deficit disorder” that suggests young people are impacted intellectually by lack of exposure to outdoor activity. As positive examples, the District has partnered with the Oakland YMCA to provide swimming lessons for all Oakland 3rd graders. The District has also partnered with East Bay Asian Youth Center (EBAYC) to implement Girls Outside, which gives at-risk girls the chance to learn about the outdoors. The sports fields at Eastshore Park are already being used by teens in the area.

Director Skinner mentioned her support of establishing a visitors center at Pt. Pinole. Funding to move forward is included in Measure WW. Building a facility at Pt. Pinole will open the shoreline to more people and provide service to children in an underserved community.

Director Skinner highlighted the District's work on integrated pest management. In the 20 years since adopting the policy, the District has done a good job, but can always do more. The District should be a model for the public. Director Skinner is proud of the Board, PAC and Ecology Committee for taking this policy seriously. She highlighted the Board's discussions about preventing spraying for the Light Brown Apple Moth and finds it interesting that this issue doesn't come up anymore.

Director Skinner discussed the District's efforts to monitor water use given the drought and EBMUD's rate increase. The District has an opportunity to be a leader in water efficiency and developing alternatives to turf picnic areas.

Lastly, Director Skinner mentioned the District's discussions about climate change. Protecting open space is a form of carbon sequestration. Trees, shrubbery and soil in unpaved areas store carbon. The District needs to demonstrate the value of open space protection in a measurable way. She will be working on this in the legislature as well.

Chair Guarienti thanked Director Skinner and opened the floor to questions. PAC member Williams asked if the District would be involved in the carbon offset discussion. Director Skinner noted the District has developed a statement about getting credit from the state if it adopts a cap and trade system, but that a methodology to register what the District's land represents has not been developed nor is there a formula for others to purchase “credits” by investing in the District. If a company is over their cap and needs to buy offsets or invest in protected land for sequestration, they should be able to donate funds to the District to purchase open space as a carbon offset. PAC Member Hooper added land with more vegetation should be “worth” more because it sequesters more carbon. Director Skinner agreed that proper protocols need to be developed. She added the District should be a recipient for carbon offset land donations in the same way developers get mitigation benefits by donating land to the District.

PAC member Vann motioned the PAC congratulate Director Skinner on her election to the legislature and wish her the best. PAC member Dotson seconded. The vote was unanimous.

5. Water Usage Update – Chief Park Operations, Jack Kenny

Chief Park Operations, Jack Kenny distributed the 2008 Drought Policy Summary and 2008 Water Conservation Guidelines. EBMUD has taken the lead in mandating water use reductions. Properties using water for irrigation need to reduce water usage by 30%. Other properties face a 15% reduction. Only 24 of the 65 District's parks are served by EBMUD. Some of the District's swimming areas and water retention basins are as far as seven feet below normal levels. Chief Park Operations, Jack Kenny showed photographs of Shadow Cliffs where the rental boat dock is pretty much resting on the lake bottom forcing the boat launch to close. PAC member Williams asked if the boat launch was open on Labor Day. Kenny said the park was, but not the launch.

Chief Park Operations, Jack Kenny mentioned the District hired an intern to help find all water meters, their account numbers and how to track usage. The District has centralized billing handled by the Finance Department for all water usage, which makes it hard to measure use at individual parks. EBMUD gave the District credit for installing computerized systems which limit irrigation at Middle Harbor, Crown Beach and Pt. Isabel. In some areas, the District has replaced turf with native plants. This District has also begun to install waterless urinals and low flow toilets. Where the delivery infrastructure is feasible, the District is looking at recycled water.

PAC member Peters asked if there is artificial turf in any park areas. Kenny said no, except the new sports fields at Eastshore Park have some artificial turf.

PAC member Hooper asked if the District was confident in the accuracy of its meters. Kenny responded we have a lot of old meters, so there is concern.

PAC member Walters asked if the District has considered high flow bypass filters and Reverse Osmosis Units (ROUs). He explained they reduce salt content. Kenny had never heard of these and would like to get more information.

PAC member Williams stated at Cull Canyon they drain the swim lagoon each year. He acknowledged there are safety concerns, but it seems like a lot of lost gallons. Kenny said these lagoons are drained because the District has no staff to monitor the area in the winter.

PAC member Southworth wondered why Sunol doesn't have drinking water and wanted to know what to tell people who are concerned. Kenny answered an attempt to pump from a well failed, so a new one will be dug if they can find a reliable aquifer. He recognized the need for water in the picnic areas and at park headquarters.

PAC member Vann mentioned a movie called FLOW and suggested it could raise awareness about water quality in the same way Inconvenient Truth did for climate change.

Chair Guarienti thanked Chief Park Operations, Jack Kenny.

6. Public Comments:

None.

7. PAC Member Comments:

None.

8. Report from the Chair:

PAC Chair Rich Guarienti mentioned the Trail Use Change Checklist in the PAC packet and suggested members visit the trails before the rains come.

Chair Guarienti went to the Operations Committee on August 31, 2008. Board Member Skinner discussed the two most contentious issues in her earlier comments. He mentioned the Brushy Peak trail to the peak would actually be on LARPD land. If someone wants a guided hike to the peak, they need to pay a fee and register with LARPD.

Chair Guarienti attended the Meyers Garden dedication which he thought was very nicely done by staff. PAC members Hooper and Kirby also attended. Hooper said staff deserves a lot of credit for creating a great park experience where six years ago it was severely damaged by water. Southworth asked if it was open for regular visitation. Guarienti noted it is open and Kenny specified it is open Thursday through Sunday every week.

Chair Guarienti recognized PAC Member E.J. Shalaby who is the GM for West County Waste Water District. Their District received the Platinum Peak Performance Award in July from the National Association of Clean Water Agencies (the highest award possible). The award was granted because they were 100% compliant for five consecutive years.

Chair Guarienti noted that Glenn Kirby was not in attendance, but added Glenn and retired EBPRD Legislative Assistant Ro Aguilar took advantage of the Napa Valley gift certificate the PAC gave Ro upon her retirement. Ro and Glenn thanked the PAC for the gift in an e-mail to the Chair.

Chair Guarienti showed the new Measure WW brochure to the PAC. Pfuehler said copies would be mailed to each PAC member.

9. Board Committee Reports:

PAC Member Hooper reported on the Finance Committee meeting of August 27, 2008. There is a typo on page two: the word "revenue" should read "expenditure" in the first column. The PAC will receive another presentation about the budget at the November meeting.

PAC Member Bank reported on the Operations Committee meeting (referred to in Director Skinner's comments) which was well attended and lasted two hours. Bank also attended the Ecology Committee meeting where finalizing the 2007 Annual Analysis of Pesticide Use at EBRPD was discussed and recommended to be considered by the Board. There was a report on the Least Tern Habitat Enhancement Recovered Project at Hayward Regional Shoreline. The District is rehabilitating one of the islands that is fairly close to the trails so people can see the terns yet predators cannot reach them. The 2008 Annual Santa Cruz Tar Plant survey was also discussed. They have been monitoring sites for about 20 to 25

years. The endangered plants are impacted by wind, rain, other plants and crowding. The artichoke thistle has been eliminated from the area.

Chair Guarienti mentioned the next Board Executive Committee. One of the items on the agenda is planning for the 75th Anniversary of the District. The other two items are the conflict of interest code update and the 2009 budget objectives.

10. Status of Recommendations:

All items passed.

11. Old Business:

None.

12. New Business:

None.

13. Adjournment: The meeting was adjourned at 9:05 PM. The next meeting will be Monday, October 27, 2008.

Summary of Actions :

1. The July 28, 2008 meeting minutes were approved with minor suggestions and edits. Unanimous with one abstention.
2. PAC member Vann motioned the PAC congratulate Director Skinner on her election to the legislature and wish her the best. PAC member Dotson seconded. Unanimous.
3. Collins to check addition error brought up by Vann.
4. Measure WW flyers were mailed to all PAC members.

Respectfully submitted,
Yolande Barial, PAC Secretary