

**EAST FORK SWIMMING POOL DISTRICT
BOARD OF TRUSTEES
GENERAL MEETING MINUTES
October 17, 2018 at 8:00 a.m.
Carson Valley Swim Center
1600 Hwy 88, Minden, Nevada**

The Board of Trustees October 17, 2018 meeting was called to order at 8:00 AM at the Carson Valley Swim Center, Minden, NV. Board members present were Chairman Mike Hardie, Vice Chairman Doug Robbins, Dave Ellison, Kimberly Rigdon and Frank Dressel.

AGENDA

Upon motion by Rigdon to approve agenda, second by Robbins, agenda unanimously approved.

NO PUBLIC COMMENT.

CONSENT AGENDA ITEMS

Upon motion made by Ellison and second by Robbins. The consent agenda items 1a and 1b were unanimously approved.

- 1a For possible action. Approval of previous minutes from the September 19, 2018 Regular Board Meeting.
- 1b. For possible action. Approval of general ledger cash balances, expenditures and investments through September 30, 2018.

NO PUBLIC COMMENT.

2. Discussion Only. Discussion and update on the Capital Improvement Plan ongoing projects. (Shannon Harris, Scott McCullough)

Chairman Hardie introduced this item. McCullough states that the CMAR delivery method that we have selected is working. We had an instance where they hit underground electric. We identified the underground electric so under the CMAR method, the contractor is liable. Q&D is doing an excellent job. We had a superintendent change and the interim superintendent did a great job and the transition back to the original superintendent went smoothly. McCullough is very pleased with the progress of the project. Harris states that the level of communication between the Q&D workers and the swim center employees has been excellent. Attendance may drop a little, we will know more at the next board meeting, but everybody has adjusted well. The patrons love the outdoor showers and I have had 3 comment about how glad they are that we are staying open during the construction. Ellison states it has been successful so far. Would we associate that success to the CMAR process or the contractor? McCullough states that the contractor is great but we got them through the CMAR process and we would have had a different contractor if we had not gone through the CMAR process. The board did a walk thru of the construction area.

Questions after the walk thru: Robbins states are they on schedule? McCullough states yes. Next Milestone is pouring the men's locker room on Friday. Monday they will start framing walls in the men's locker room. Robbins states on the slab will they be doing a scratch surface?

McCullough states that they will be doing a light broom finish. Harris states that we are having a quartz cutter made so we can do the circles in all the areas where we need them done and then we will have the machine for the future. Women's locker room will be done the next week. Robbins states he swims almost every day and he hasn't heard one complaint.

Hardie states that he noticed in 2021 a \$2.4M surplus and then \$2.6M and \$3.2M surplus in the next years. Will that come down? Harris states yes it will. With the asset management plan in place and with us adding more information into the asset management plan over the last 6-10 months, the 5 year Capital Plan that the board approves each year with the budget is not going to have to be amended this year but we are looking at changing the numbers over the next 4-5 years. You will see the numbers on the flow chart dropping, showing not as much money in the bank based just on upgrading existing equipment. I want to bring forward in November what adjustments would look like and plug these numbers into a draft capital budget chart so the board would have a been idea of what it will look like. But it's important today to talk about how the flow of the capital budget, CIP, and the asset management plan and how that flows into the tax rate and the money we have available to us. One more thing I want to point out on sheet one under the capital budget, I just want to remind the board that you had originally approved the budget for the locker room remodel at \$800,000. The contract from Q&D came in at \$694,000 but the total cost and scope of the project is going to come in at \$800,000 due to contingencies and indirect costs. Ellison states that the amended '17/'18 Amended Capital Budget and the '17/'18 Capital Budget needs to be changed to '18/'19. Harris agrees and will correct. We do not need to amend the budget till the end of the year. Ellison states let's move the \$22,900 out of the contingency. Harris states she will subtract the \$22,900 from the \$30,000. Ellison asked if we have contracted on repainting the Natatorium and the sidewalk repair and replacement. Harris states no, McCullough is still getting bids. She will come back to the board once we have amounts for the board to approve. Ellison states that no amount should be listed under payable because we have no contracts. Harris states she will make those adjustments.

No Public Comment

3. Discussion Only. Discussion on District's Asset Management Plan.

Chairman Hardie introduced item. Harris states that she printed out the top 75 assets with a cost of \$5000 or above. One is sorted by future cost and one is sorted by replacement year. The other document was generated from our Reserve Analyst System. It breaks down by replacement year. We may need to make some adjustments in the 5 year Capital Plan now that we have all this information. I am working with Dan, the designer, to also give you a fiscal year view. This is a working document. We tell the program the useful life. Hardie states that if we are going to make any type of adjustment to the tax rate, we need the asset management expense amount in the Capital Budget. Ellison asks if this documents included the top 50 most expensive items. Harris states that she believes that 90% of the most expensive items are on this list. Ellison asks how Harris intends to use this information. Harris states this drives the information that I give to the board on the capital expenditures over \$5000 going forward. I can also look at expenditures under \$5000 and build that into the maintenance budget so I will have a clearer picture of expenditures from year to year. Rigdon states this is a tool. It gives us time to analyze to see if we can get more life out of an asset. Harris states it give her a map to work with maintenance or outside vendors on what the life of the asset really is. Ellison states I don't see a calculation of how much to set aside each year for further expansion. We need to set aside an equal amount each year. There's two purposes for that and it's: 1) we have the money for the expenditures; and 2) demonstrate, for people that want our money, that we have a purpose for the money. I don't see that yet, so we need two things. 1) How much savings do we have today? 2) How much do we need to put away each year. Harris states that is part of the program that she has yet to learn. Robbins states that it will be the board that ultimately comes up with the amount for each year. Harris states she will print out the reports and present them in November. Robbins states that the boilers are going to be the biggest expense. Is our maintenance team on top of the maintenance for these boilers? Harris states they are constantly looking at where the pressures are at. This gives the percentage of in flow and out flow. We also have a regular maintenance plan with an outside organization who comes in and does the regular maintenance as recommended for that equipment.

Public Comment: Lee states that he wants to compliment the board for looking at preventative maintenance life cycles. Allows you to have a plan and be able to justify expenditures. Great step forward.

4. Discussion Only. Discussion on District's Tax Revenue Rate

Chairman Hardie introduced item. Hardie states that the email from Kathy Lewis is attached for your information. Hardie states to keep in mind that we got an additional \$90,000 because they did away with the redevelopment district. Not to say that we would change the tax rate, I just wanted to share what Kathy had to say. That ofcourse has to be tempered with putting the asset management numbers into the CIP so we don't look like we have \$3.8M in 5 years. Ellison states that there isn't enough information yet to make a decision. There are still a lot of unknowns. Need to wait until the two new board member come on in January. This is as much political as it in economical.

No Public Comment

5. Discussion Only. Discussion on Hiring a Temporary Staffing Agency for the Senior Lifeguard positions.

Chairman Hardie introduced item. Harris states two of the three agencies we contacted weren't interested for a variety of reasons ranging from too much liability to their percentages were too high because they offer all of their employees' benefits. We are looking at three to five positions total at a cost of 26.9% of their hourly wage per pay period. In the winter time we have three senior guards and in the summer time we have five senior guards. Our need would be 3-6 months out of the year depending upon the availability and the needs of the organization. This would give us the flexibility to work them more than 20 hours per week during the fiscal year. These guards must be 18 and they are usually college students and therefore they need to make more money. We would like to be able to keep them year-round. Right now because of the restriction on the hours we can work them, we lose them to their second job when their hours run out with us. Using a temporary agency, we would be able to be their primary employer year-around with them working the first 1039 hours for us and the remaining hours with the temp agency. Ellison states that we need them the most in June, July, and half of August. Have you spoken to our attorney about this concept just to make sure that we aren't skirting the employment law? Harris states that Paul at Marathon Staffing does this all the time for the State of Nevada, Carson City, Las Vegas, etc. The 23.6% would include all taxes. Ellison state that really then our incremental costs would be around 10%. Hardie states that to put 3 people on the temp agency for 6 months would cost about \$1700 per month. That's really not bad. Harris states that's right and especially when you think about the value these guards bring to the organization the cost isn't bad. I'm really glad we looked into this and I think it's positive for us to go this route with this position only.

Public Comment: Lee states that he is actually looking at this alternative in my own agency right now. He states it is an appropriate business decision.

6. Discussion Only. Discussion on Current and Further Board Governance.

Chairman Hardie introduced item. Harris states that PoolPact does a Board Governance training and I have included their power point presentation in your board books. They would come here and do a presentation for all of you. Robbins states that we are a very strong board that doesn't need much guidance. Hardie states that maybe we should wait until January after the new board member are aboard. Rigdon states it would be good to have PoolPact come in and do a 20 minute presentation. Ellison state you need to weigh this with the Open Meeting Law Classes. Rigdon states she would rather have an Open Meeting Law presentation. Ellison states that in the last 4 years we have made a lot of changes. We have developed the organization, and developed the facility and now we need to prepare for the changes coming forward. School enrollment is down but population is up. Changes going forward aren't going to be as obvious as they were 4 years ago. Robbins states that this board is a very high functioning board and Harris is a very strong leader. Ellison states are there things we could be doing that would benefit the community.

Harris states we need to decide if we are using benchmarks or if we want to be the benchmark. We want to be the example for other facilities. We always need to bring it back to the relevance of this community.

Public Comment: Lee asked if we have a Strategic Plan or a Master Plan. Rigdon states that we have talked about having one in the past but it never seemed to be the right time.

7. Discussion Only. Report from the Swim Center Director:

▪ **User Attendance**

Harris states she wants to thank Rigdon for the presentation on water safety and the environment that she and her co-worker gave at our staff meetings. It was very valuable for our staff. Also, I want to thank the board for supporting me to attend the National Parks and Recreation Conference. There were about 8,000 people at the conference. I attended about 15 sessions in 3 days. Hardie also attended. I earn CEUs for each session and I have to have a certain number of CEUs every two years in order to keep up my Certified Parks and Recreation Professional Certificate. On to User Attendance, attendance was down a little. Lessons and memberships are up, passes and drop-ins are about the same. Income is up a little but that's because we received a check from an August swim meet in September this year and we didn't receive that check till October last year. There was another swim meet in September and hopefully we'll see that check hit in October as well. Ellison states that swim lessons are up quite a bit from last year. Harris states that Sarah is doing a great job with the program. She is a great instructor and she is effective at recruiting good instructors. She has also created mini lessons which are held during short weeks like weeks with a holiday. They are held Monday-Thursday and they are half the price of the regular lessons. Parents love them.

▪ **Staffing and Programming**

We are a little low on staff, lots of our kids are in sports. There are some holes in our schedule but it is not causing us to close any pools. We recently held a lifeguard certification class. We had 13 enrolled and 13 passed. We have received 9 employment applications from those attendees. I interviewed 3 last week and will interview 3 this week and probably save the other applications to interview in November once we see what the numbers look like to get us through the holidays. The Aquatics class is going well also. They are also looking forward to applying for jobs with us once they graduate at the end of the year. Harris states that she wants to discuss the 2 week winter break that the board ask her to look into for alternatives because the lap swimmers complain that there's not enough room. The options I looked at will affect the water exercise classes which I don't think is good. I worked with the coach of the swim teams and we did come up with some options however they all had drawbacks. Rigdon states why are we changing our schedule for a 2 week period to accommodate 4-5 lap swimmers. Hardie states he agrees. He states that Robbins and Harris should reach out to these lap swimmers and meet with them and let them know that we are adjusting the schedule for the swim team for 2 weeks only and they may need to adjust their routines also. This meeting should be held by 12/15. Robbins and Harris agree to hold the meeting. Ellison asked if the swim team feels that they

are well served. Harris states yes, we have a very professional relationship.

- **Marketing and Public Relations Information**

The Best of Carson Valley magazine goes out to members of our community. We won best place to take your kids. We always put an ad in the Parks and Recreation quarterly brochure. Also the movie theater has reached out to me to advertise with them and I am looking at that.

- **Employee Recognition**

Ian Isherwood is our employee of the month. He has taken on inventory and ordering, he is one of our cashier and he also teaches water exercise. I also want to recognize the staff as a whole. They have been exceptional during the construction. They have been positive and are addressing issues head on. I am getting great compliments from the patrons.

- **Maintenance Updates**

The Health Department did their annual visit. They check flow rates, chemical sheets, etc. and all pool got excellent rating. I have the report in my office if anyone is interested. Robbins stated that a key issue is that our outdoor pools are not used in the winter. I am getting information on an alternative to put over the pools so they can be used in the winter. I will be ready to present these options at the December Board Meeting. We would eventually need to go make some visits to facilities that have outdoor enclosures on their pools.

Public Comment: Lee asked if we would check on wind shear and snow load

- **Monthly Financial Update**

Harris states to please turn to tab 1B. I am looking at the month to month comparison. First you will notice a negative balance in Food and Merchandise. We had no purchases for the month and then items were moved out of expense to other accounts such as marketing. Robbins asks is the \$11,806,638 under building and improvements an actual number. Ellison states that is an historical cost and doesn't reflect market value. Then with depreciation deducted, it's about \$5,000,000. Harris states there is a 2% increase in payroll and that's just due to raises. Under YTD Budget VS Actual Comparison, income is down but so are expenses. Utilities are up but that's just timing as to when we pay the bill. The electric bill has gone down. We have the system well managed. It is running itself and the bills are landing at about what we budgeted. We projected the bill to come in at \$10,000 per month and it is running between \$9,000-\$11,000. Ellison states that fees relative to budget are down 8-9%. Do we have a plan to make that up? Harris states that it could be because of the construction and I am hoping to make it up in expenditures. We are looking at some new programming also.

No Public Comment

8. For Possible Action. Discussion on proposed agenda items for the October 17th, 2018 meeting.

Outdoor Pool Cover (either in November or December)

Discussion on cost recovery

Asset Management Plan and 5 year Capital Plan

Upon motion made by Robbins and second by Rigdon, meeting was adjourned by unanimously approval.

Meeting was adjourned at 10:40 AM