

Marinwood Community Services District

Minutes of Board of Directors Meeting
Tuesday October 14, 2014

Time and Place: 7:30PM Marinwood Community Center classroom.

Present:

Board Members: President Bill Hansell, Deana Dearborn, Justin Kai, Tarey Read and Bill Shea.

Staff: District Manager Thomas Horne, Fire Chief Thomas Roach, Recreation Director Shane DeMarta, and Administrative Assistant Carolyn Sullivan.

Park and Recreation Commissioners: Izabela Perry and Linda Barnello.

Others Present: Stephen Nestel, Ray Day, Ward Bouman, Cyane Dandridge, Emily Irish, Rachel Roll, Sydney Dye, Casey Brady, Lucas Culbertson, John Toomey, Sami McLaughlin, Joan Swanson, Morgan James, Dylan Adler, Alyssa Cecanti-Harris, Ani Pirinjian, Cameron Taylor, Sammy Stilson, Juliana Swanson, Angelique Avanozian, Chiara Cameron, Natalia Fernandez, Cheyenne Biel, Michael Kessell, Jon Parkinson, Susan Parkinson, Taylor Saling, Mia Stein, Angelica Poliseri, Cameron Ceccanti, Hayes Norman, Kenny Mack, Damien Perry, Jonathon Whelan of Optony Inc., David Kunhardt CEO of SolEd Benefit Corp., David Potovsky of Sunetric and Pam Derby of CPS HR Consulting.

Call to Order and Pledge of Allegiance

Public Hearing Re: Seed Fund Solar Electric Proposal

a. *Project Description:* Kai stated he would like to approve the agenda first. He stated he is confused as to why the SEED Fund Solar Electric Proposal is on the agenda, as the Board had voted it down in September. Hansell noted his concern, but said that the Board should proceed upon County Counsel advice that the item can be reconsidered. Hansell added he had asked Whelan to attend; new information has arisen since last meeting: Pacific Gas and Electric has taken Marinwood CSD off their waitlist for California Solar Initiative rebase and the offer will expire in October, and the bundled discount threshold for contracting systems had been met. Additionally there was confusion and concern regarding approving the Resolution without Counsel review.

Whelan stated that 13 of the SEED member public agencies had contracted for solar power. The system proposed for Marinwood is an 81.3 kW system. Over the life of the system it will offset about 4.5 million pounds of CO₂. Hansell noted all the information Whelan has presented is on the Marinwood website.

b. *Letters, comments and questions from the public:* Hansell commented the Power Purchase Agreement presented will go to Counsel for review if the Resolution is approved. Ray Day commented he was in attendance at the September meeting when this Resolution did not pass, yet it is on the agenda again, and asked if this set a precedent for future agenda items. Hansell replied absolutely, information is always changing; there are no restrictions on having items placed on agendas if they have been spoken about previously.

Angelique Avanozian reported in 2012 she and other SEL students had inspected the community center and presented recommendations for energy efficiency to Tom Horne, including photovoltaic power, and asked why has it taken so long to approve the project? Hansell replied it takes years to achieve an RFP and it had been considered by different Boards.

Nestel asked where in the draft is the cost for roof repairs, engineers, etc. Hansell replied the cost of materials and structure is included in the proposal, which provides a breakdown of costs and is available on the website. Horne stated he had received a roof inspection for the main building as well as the pool building. The inspector stated the roof has about 25 years left. He did note there needs to be work done on the flashings and vent membranes. Kai asked who did the inspection. Horne replied State Roofing Systems.

Joe, a community member questioned what the disadvantages of the project are? Hansell acknowledged the question and stated the Board should answer the inquiry under item "c".

A community member stated he had placed solar on his home years ago and acknowledged that technology changes, but he does not regret his decision at all; this project is the right thing to do for the community.

Brad Sharp stated he lives on Cobblestone and works for Solar City. Sharp stated he thinks the prices presented in the project are too high and believes Marinwood does not need a consultant; Solar City could beat the prices presented.

David Kunhardt replied Solar City was a bidder and a finalist, but SolEd had beat their prices.

Bouwman urged the Board to vote yes on this Resolution; it will save the District money.

Karen, a community member asked the Board to consider the goodwill for the community that a solar project offers.

Bruce Anderson stated this project has been vetted and all the other agencies are moving forward, the process has been open and positive and it will save the District money. Anderson urged the Board to vote yes on the Resolution.

Cheyenne Biel stated she is summer camp counselor at Marinwood and from her perspective added shade for the tot pool is very beneficial.

Nathan, a community member asked what the benefits are. Hansell replied aside from the environmental ones this District needs to save money operationally and for future retiree costs. The budgetary target is to take in \$300,000 more than expenses and every cost saving measure counts.

A community member asked if the District does not meet its expectations will taxes be raised. Hansell replied the District is getting better, but we have about 50% of budget that are fixed Fire Department costs and the Recreation Department is the only Department that generates revenue.

Tim, a community member asked how the District will secure the PG&E rebate. Hansell replied the District will pay a \$2,500 deposit which is refundable.

Barnello stated 80% of the materials used to construct the solar panels are made in China. The District can spend more to purchase panels that consist of 86% made in America. David Potovsky stated he is the contractor for this project and Suneva is the manufacturer of the solar panels, they are based in Georgia with a factory being built in Massachusetts. They do have to outsource some of their labor, but their intention is to have all materials made and assembled in America by the first quarter of 2015. Barnello stated the forty year roof is probably not going to last forty years; will the hardware related to the solar panels affect the roof? Horne replied the inspector stated he would not hesitate to go forward with installation of solar panels on the existing roof. Hansell commented the roof will need replacing no matter what; if anything the solar panels will be helpful by reducing the amount of roofing subject to the elements. Dearborn inquired if the proposal includes a Dura-Last Contractor to penetrate the roof for installation. Horne replied yes.

Kai stated Harrelson had made comments in the minutes of the Sep. P&R Commission regarding the beams at the pool facility and maintenance issues that need to be addressed. Hansell replied any maintenance issues should be addressed and the money we save on the solar project can help with those costs.

Steven Shoup a former Park and Recreation Commissioner thanked the public for their support and commented the District should be proud of taking initiative for green energy and cost saving measures; the Board should move forward with this project.

Potovsky stated Horne had taken the time to visit a completed structure in El Cerrito and commented he'd be happy to give a tour to anyone interested.

Hansell reported the Board had received thirteen emails of support, two of objections and one of hesitation.

Barnello commented to the students in the audience that the solar will not be heating the pool. Barnello stated a General Contractor will be installing not a solar contractor. Potovsky replied the General Contractor hired has been installing solar panels since the 1970's. Kunhardt added the Contractor is mandated to pay prevailing wages.

Nestel stated rust never sleeps, he supports solar and commented he was an environmental leader in the 1980's. Nestel has objections to this particular project. The prices for solar will drop in the near future, and the financial health of the District is a large concern as well as the dilapidated Maintenance building. Ward and Cyane are the ones who got this contract. Hansell asked Nestel to not to indulge in character assassination; please address the Board. Nestel continued and stated the SEI contract was done out of public view. Kunhardt responded to Nestel's comment about prices dropping in the future. The cost of solar panels is reducing and that is reflected in this proposal, but one must take into account labor and engineering and that curve continues to level out.

c. *Resolution No. 2014-10 Authorizing a Site Lease and Power Purchase Agreement with Sol Ed Benefit:* Hansell read: *Resolution No. 2014-10, Resolution of the Board of Directors of Marinwood Community Services District, Authorizing the District Manager to execute a site specific power purchase agreement for solar PV installation and operation at Marinwood Community Center and Marinwood Community Pool with SolEd Benefit Corporation and take all actions and execute all other necessary documents to implement the projects.*

Read stated this proposal has been reviewed for a long time. Yes technology changes over time, but this project will save money with no upfront costs and it is good for the environment.

Kai stated solar energy is a good direction, but there are too many unknowns with this project. Additionally the District is in transition with a new Manager being hired, and current one is not an expert on solar energy. Kai stated the current Manager shouldn't have the authority to go through with this Resolution and this Board shouldn't encumber future Boards with this Resolution. Solar equipment will improve over time and suggested the Board re-visit a solar project with the new District Manager. Kai wanted to know who asked Horne to spend staff time on this Resolution when the Board voted it down last month. Horne responded he took it upon himself to work on the Resolution given the new information presented by the PG&E rebate and stated it is his job to do what is in the best interest of the community and believes this project will save the District money. Hansell stated County Counsel was advised. Kai responded the Board voted the project down; the Board should inform the Manager what to do; because it was a gienized again the Manager violated the Brown Act. Hansell replied Kai is incorrect. Counsel was advised and concurred the Resolution may be placed on the agenda for approval. Hansell asked Kai to speak on the merits of the proposal. Kai stated he has concerns with the Manager retiring who will be in charge of the project. Horne replied the Board may hire a construction manager if they chose.

Dearborn questioned the projected utility cost without solar. She believes that number is too high; even with the added cost for the new AC units. She calculated the numbers with a 4% escalator and it resulted in far less cost recovery than presented. Whelan responded per kilowatt usage PG&E rates have increased by 5.48%. Dearborn stated it would be unrealistic to assume the District would not reduce their energy costs in other ways such as upgraded pool equipment. The Board has a responsibility to look at the long run costs. Dearborn stated she is not sold on this project and she does not believe the numbers presented. It is not the right time for the District to move forward with a solar project and the District will incur too much risk. She added the PG&E rebate is not new information and disagrees with the idea

there will be no upfront costs. There are the costs related to the roof inspections. Dearborn continued by commented she would like to see Financial Statements form SolEd as well as review references from the Contractor. Shea stated he has concerns with the about of time of the project, twenty years. He was elected to save the District money, but hesitates to tie the hands of future Boards for twenty years. Whelan responded there are buyout options at years seven and fifteen.

Kai stated the proposal is a conceptual design, how much of that design will change. Potovsky replied the engineer has been on site three times, they are informed of the area. Whelan replied the contractor has been on site six times and is well aware of the facility; there will be very little change in the design. Potovsky added there is no charge to the District if the design changes. Kunhrdt added there are provisions in the contract for termination.

Hansell urged his fellow Board members to vote yes on this Resolution, it will save the District money and will cover 80% of our electricity costs. Hansell added he does believe the numbers presented because they are based upon our current PG&E bills. This project is the right thing to do for the community. Drilling down to examine each and every minute detail will result in paralyzing movement forward. We are a small District with a small staff and we should take advantage of the fact this project has been vetted by a larger city with competent legal staff. It would disadvantageous to throw a new solar project onto the new District Manager. Hansell commented the twenty year life of the project does not concern him; the Board just spent \$500,000 on a new fire engine that will not bring in any revenue for the District. The power purchase option is a good one, and believes the Board has support from the community for this project. He asked his fellow Board members to not waste opportunity by fear.

Horne commented he had been hired in the middle of the pool reconstruction and it was not an issue to pick up where Ms. Bolding left off. In response to Dearborn's inquiries the Contractor reference checks have been vetted and made public.

M/s Read/Shea to approve Resolution No. 2014-10 Authorizing a Site Lease and Power Purchase Agreement with SolEd Benefit.

Ayes: Read, Hansell and Shea.

Nays: Dearborn and Kai.

Agenda

No changes or additions.

Consent Calendar

1. *Minutes of Regular Meeting of September 9, 2014:*

2. *Bills Paid nos: 227-347:* Dearborn inquired if the \$128,000 for the engine purchase was CSA money. Roach replied yes.

M/s Read/Shea to approve Consent Calendar.

Motion carried unanimously.

Open Time for Items not on Agenda

Barnello inquired about the employee handbook. Horne replied it is on his desk; it needs a revised discipline policy before it goes back to the Union. Barnello questioned where the draft policy is regarding Board member communications. Hansell replied it was his document that he brought to Board and it is a policy that should be approved, but needs to be reviewed by Counsel. Barnello asked the status of the cell phone tower and the Unions response. Roach replied he is still gathering information on the possibility of the project. Barnello asked the status of the Insurance Inspection. Horne replied they have yet to send the final report.

District Manager Position

District Manager Hiring Process

a. Determine special meeting dates and confirm a selection processes to include identifying interview panels:

Pam Derby of CPS HR Consulting stated she had received thirteen applications, but hopes to receive more by October 17th. Applicants are asking the salary range and Derby stated she is referring them to the District's Budget. The Board decided upon two separate panels for the interview process. The panels will consist of Board members, staff, Commission Chairs, a subject matter expert, and a community member chosen by each Board member. The first round of interviews is set for November 10th from round 7:30-5:30 and the second round will be held November 17th from 12-4.

Correspondence

a. Thomas Kunkel, September 6, 2014 resigning from Park and Recreation Commission at end of term: Hansell stated he genuinely appreciated the service he has given to this community. Horne stated he will place openings on the website.

b. Stephen Nestel, October 5, 2014 regarding: Park maintenance building replacement: The Board acknowledged the letter.

c. Stephen Nestel, October 5, 2014, regarding: Dangerous condition of trees in park: The Board acknowledged the letter. Horne added the trees were noted in the latest inspection by the Commission.

Fire Department Matters

1. *Draft Report of Fire Commission meeting of October 7, 2014:* No additions.
2. *Fire Chiefs Operations Report:* Kai questioned the status of MERA's Measure A. Roach responded Jody Morales of Citizens for Sustainable Pension Plans is targeting the measure as well as all Fire Measures in the County; it's very unfortunate.
3. *Implementation of paramedic program:* Roach reported he will be meeting with Chief Grey on Thursday. Roach added the Board and Union needs to meet to discuss salaries for Firefighter paramedics.
4. *Agreement for Fire Protection and Emergency Services to CSA 13:* Hansell commented this is an annual standard agreement. Shea asked if the payments have increased. Horne replied yes, typically the payment rise, it is based upon the budget, aside from the out of state costs. Hansell commented for future agreements he would like the wording "non-fire services" to be added to the last sentence in regards to "...litigation costs and damages incurred by the District".

M/s Read/Dearborn to approve agreement for Fire Protection and Emergency Services to CSA 13 as amended to correct the date.

Motion carried unanimously.

5. *Agreement for Fire Protection and Emergency Services to Juvenile Hall site:*

M/s Read/Dearborn to approve Agreement for Fire Protection and Emergency Services to Juvenile Hall Site.

Motion carried unanimously.

Park and Recreation Matters

1. *Draft Report of P&R Commission meeting of September 23, 2014:* Perry commented it is her opinion that it is critical to have an outside agency look at the pool and pump room. The District is losing the personnel resources that keep the pool operating. Horne replied he has two scheduled appointments with pool contractors to gather bids for the operation of the facility. Nestel commented most public pools are operated by the pool managers. Roach stated the comment in the minutes regarding his lack of response to Barnello's emails is incorrect. Roach did respond to Barnello and in a timely manner.

Dearborn stated she would like a few corrections made to the minutes before they are approved by the Commission. Hansell commented the minutes are not a transcript of the meeting, they give a general overview of discussion; if people would like to hear every word spoken they are encouraged to attend the meetings.

2. *Recreation and Maintenance activities reports:* DeMarta commented October has been a busy month. Oktoberfest was held on the 4th, and was very well attended. October 11th the department hosted the second annual Art Show and Wine Tasting; over thirty artists showed their works it was a lovely evening. The Halloween Harvest Festival will be held on the 17th with carnival games and pumpkin carvings. On November 7th the department will be hosting the first Wine and Canvas Night; tickets are still available.

DeMarta reported he and Recreation Supervisor Robyn Bruton had attended the HEAL (Healthy Eating and Living) Workshop. Interestingly the data showed Marinwood as one of the unhealthiest places in the County. DeMarta stated he is a bit weary of the data though and will ask for data references.

DeMarta reported the summer programs report was attached and stated the net gain was \$72,000. He is very happy with the numbers and the quality of the staff and the programs. Hansell thanked DeMarta for his very effective leadership. Dearborn commented \$301,000 of the budget went to part-time summer staff wages; which is going back to the kids in our community; it is great news.

Hansell thanked all the volunteers who donated their time to help with Oktoberfest; it is a good community event.

New and Other Business

1. *Resolution No 2014-11 Requesting Dry Period Loan:* Hansell noted this item was not agendaized, it will be placed on the October 30th Special Meeting agenda.
2. *New and Other Business:* Dearborn asked if Harrelson turned in any paperwork regarding maintenance duties. Perry replied Harrelson will be leaving detailed information for the remaining staff. Perry reported she, Barnello, Horne and Harrelson had met regarding gathering this information and hopes to have a prepared file of the parks and facilities soon.

Recognitions and Board Member Items of Interest

Dearborn would like to recognize Roach for his communication skills with MERA, Strike Teams and fires; it is appreciated.

Perry stated she would like to acknowledge Barnello for her dedication passing out MERA information leaflets.

Perry also thanked the Recreation staff for the Art Show. Perry commented it brought a whole different demographic down to our community center; it was great to see such diversity.

Barnello commented she had donated forty pints of ice cream to the firefighters to congratulate Cespedes on his paramedic certification.

Marinwood Professional Firefighters MOU discussions

The Board met in Closed Session to confer with its designated representatives to represented employees regarding wages, benefits and working condition matters, pursuant to Government Code section 54957.6: The Board entered into closed session at 10:39. The Board exited closed session at 10:47; the Board had taken no reportable action.

The date of the next Regular Board meeting is November 18, 2014 at 7:30PM.

The meeting was adjourned at 11:48PM.

Respectfully submitted,
Carolyn Sullivan