

PARKS AND RECREATION COMMITTEE MEETING

APPROVED MINUTES

July 15, 2009

DIRECTORS PRESENT: Ron Treabess and Judy Friedman

STAFF PRESENT: Cindy Gustafson, Bob Bolton, Layne Van Noy, Roger Adamson, & Amy Norman

OTHERS PRESENT: John Minnis, Thomas Heron, Bill Ransom & David Brown with Tahoe Faith Fellowship, and Camille Taylor, Lynda Walsh & Vince Sosnkowski with Creekside.

The July 15, 2009 meeting was called to order at 2:34 p.m.

1. FAIRWAY COMMUNITY CENTER LEASE

Mr. Bolton began with some background. In March all programs being held at Fairway Community Center (FCC) were moved to Rideout Community Center (RCC). Tahoe Faith Fellowship Church, which has used FCC for 28 years, was given a temporary lease at FCC and remains there today. The lease expired on July 1 and it has been extended month to month until a long term lease can be decided upon. The church would like a long term lease.

Creekside Cooperative has expressed an interest in FCC for the new site for its school. Mr. Bolton has met with Camille Taylor from Creekside. They are eager to find a site in August and are willing to pay fair market value. TCPUD can't afford to pass up the opportunity to get fair market value for this building.

Mr. Bolton hired a local realtor, Andy Otto of Caldwell Banker, to prepare an analysis of fair market value for this building. He compiled his report comparing local restaurants and offices in Tahoe City and recommended a price of \$1.20 per square foot.

Mr. Bolton suggested that the best model for FCC would be for the church and the school to share the building. He asked for a proposal from each now that they know the fair market value. He would need these within one week because a decision has to be made quickly.

Mr. Treabess stated he was glad to see there was interest in the building. He pointed out that there should be no conflicts with any programs offered at RCC. There is also the question as to whether the building would be best utilized by multiplies or by just one group. He opened the floor to general discussion.

Mr. Ransom with the church stated he does not prefer to share. They want the entire building on their own because their goal is to expand the church and reach out to more people in the community. He asked what the accurate square footage of the building is. The total usable square footage of the building is 3,323 square feet along with 900 square feet of storage. It could be negotiable whether the storage would be charged for since the PUD could still use it.

Mr. Brown then asked if this is going to create a bidding war. Ms. Gustafson replied that it is not the intent of the PUD to start any bidding war. The proposal would be to show how each entity would ensure payment of their rent and how they would utilize the building. The proposal price should not exceed the fair market value of \$1.20.

Board Member Ms. Friedman pointed out that two compatible uses are possible. She would like to see the two work things out so both could use it. Included in each proposal she would like to see usage of the building including time frames and areas.

Mr. Brown pointed out three items that have to be considered:

1. Logistics – the church purchased about 50 chairs and desks that they wouldn't want the school using. The chairs can't be folded down. Who and where would these be moved to each week?
2. Liability involved.
3. The church has a design and purpose for the entire building and is not interested in sharing, especially with someone like a school with lots of infrastructure and needing lots of space.

Mr. Treabess added to what Ms. Freidman had said. Assuming the rate of \$1.20, the proposals should include what opportunities each would offer to the community.

Ms. Taylor asked for help understanding what was meant by property taxes, insurance and maintenance costs. Are these built into the \$1.20 square foot rate or would they be added on. Mr. Bolton replied that they are added on. She then asked if this means \$0.30 would be added to the square footage cost. Mr. Bolton told her he would need to get clarification on this.

Mr. Brown asked if there were water and sewer meters at the building. Yes, there are. What are the approximate utilities costs involved there? Mr. Adamson responded that these bills run about \$675 every six months.

Mr. Minnis wanted to know how much of the building Creekside wanted and when. Ms. Taylor answered that they would be actively using the entire building Monday through Thursday from 9:00 a.m. to 3:00 p.m. with students present. On Fridays they may or may not have an enrichment program. If they decide to they could hold this at RCC. The school would run from mid-August to mid-June. They are currently looking into space efficient furniture. They are also looking into putting in a collapsible wall downstairs in the Tessie Room. She wants a nice panel wall with a built in door. She will need structural information on the downstairs room because they are looking for one that mounts on the ceiling. During the summer the school would need very little use of the building other than some storage.

Creekside is very much in favor of a partnership with the church. They are aware of several other communities where there is a partnership between a school and a church with very positive results. It would also benefit both budgets to share the building and create more opportunity to offer programs to the community. Ms. Taylor went on to say that Creekside is currently serving 79 students. Their charter is written to allow up to 99 students. This year they anticipate between 70 and 75 students. Because of the size of the school they could offer some flexibility in the school schedule if the church needed it.

Mr. Treabess stated it might be worth the two entities chatting with each other this week. Mr. Sosnkowski asked how much of what Creekside needs for use sounds compatible with what the church needs. Mr. Ransom said he's more concerned with the roomful of chairs and desks. In the past they used the PUD chairs. When they entered into their short term lease with the PUD they took their chairs so the church invested in 50 of their own nicer chairs. They don't fold down and they take up lots of space. Mr. Sosnkowski asked what percentage of use did the church use the chairs. Mr. Brown replied mostly Sunday mornings. But the chairs don't collapse and they were purchased with the understanding that the church would be entering into a long term lease of the building. Ms. Taylor said she would love the opportunity to have a dialogue this week with the church. If all they were concerned about was the chairs, something surely could be worked out.

Ms. Gustafson took the floor and moved discussion back to the proposals. She suggested the PUD management put together a proposal outline which would include suggested uses for the building. The proposals should include explicit uses for the building along with how they would fund their rent. She also pointed out that as a public agency we should give preference to another public entity but we don't have to per the direction of our Board. As for the church's investment in their chairs, they could possibly be reimbursed for them if this becomes a true issue. As far as the possibility of the church purchasing FCC, she can't imagine a time when the PUD would sell this building. We could never replace it for what we would sell it for. If the church is eventually looking for a permanent site to purchase, they may want to look elsewhere.

Ms. Freidman agreed that there needs to be a proposal from both sides that includes usage and funding for rent. She would really like to see the two sides meet. Mr. Brown asked what duration the proposal should be for. Ms. Gustafson replied for two years with a possible renewal option. There is another situation that has to be considered at RCC where we have a six months out option in our lease. This should be included in the lease for FCC just in case something was to happen at RCC and we needed the building. Management will prepare a template for each group for a proposal. Ms. Gustafson would prefer to see a primary tenant and a sub-tenant to promote resolving any situations that arise amongst themselves.

It was decided that another special Committee meeting would be necessary to occur before the Board meeting next week. This meeting will be scheduled for next Friday, July 24, at 8:00 a.m. with the proposals being due back the Thursday prior. Notice will be given and this will be the only item on the agenda.

2. RIDEOUT LEASE WITH TAHOE TRUCKEE UNIFIED SCHOOL DISTRICT

Mr. Bolton discussed the final issues to be resolved between TCPUD and TTUDSD on leasing RCC. At this time, TTUSD is reviewing the last few comments that have been suggested by our legal counsel. Mr. Bolton went over the major points of the contract that are listed on his July 9 memo. In regards to each party paying 50% of the costs to maintain and upkeep the parking lot, it will have to be decided between the two parties how much needs to be done.

The fiscal impact to the PUD will be an increase of \$60K to \$80K for utilities, a possible \$10K for major repairs per year, some increase in staff time, and approximately \$10K for our share of the parking lot. Ms. Friedman asked if this was budgeted for. Mr. Bolton answered that it was in the past but they took it out of the budget this year. We will have to ask the Board for an amendment to the budget. Mr. Treabess pointed out that we currently pay \$12K/year for rent and we are now looking at approximately \$100K/year.

Ms. Freidman wanted to know where this additional money would come from. Mr. Bolton responded that a long term lease for FCC could offset about \$40K/year. We could also use facility rental income which, for the first five to six months of this year, is already at roughly \$36K.

Mr. Bolton then handed out another memo which contained comments our legal counsel presented to TTUSD that they have not yet responded to.

- Joint Maintenance Account – establish an account which shall be maintained as a separate TTUSD account which will hold funds received from rental to third parties to be used on building maintenance and major repairs. These would not be regular room rentals but rentals where a third party would sub-lease part of the building. An example of this might be a ski area leasing some of the parking lot for parking.
- Is TCPUD willing to give 6 months notice of termination? Is it possible for us to move out in that short of time?
- Along with reconciling the funds in the Joint Maintenance Account, what would happen to any costs we put into improving the building and playground if the lease ended. Would we get any cost recovery from the school district?
- Hazardous Materials - any improvements would need to be pre-approved by the school district in case any issues arose concerning hazardous materials.
- Britto is discussing with his Board the possibility of allowing alcohol to be served at events held at Rideout.

Ms. Freidman said this needs to be presented to the Board along with the fiscal impact. They will need to know where these new funds will come from. Ms. Gustafson asked the Committee to recommend to the Board to sign the lease, not scrutinize it because the Committee has already done so. Mr. Bolton added that if we agree to lease FCC for two years then the lease for RCC has to be for two years also.

3. REVIEW PARKS AND RECREATION BOARD REPORTS / STAFF UPDATES

Mr. Bolton reported that he is still waiting for approval from the WCB for changing the parking fee at the Lake Forest Boat Ramp to a launching fee. He is calling them constantly and expects approval at any time.

Mr. Adamson reported on Parks. The boat launch is very busy as was expected. They are collecting more fees for the TRPA than for TCPUD. With the new hours of operation and the gates being locked at night there have only been three after hours pull outs so far this summer.

Mr. Bolton added that they are still working on funding for the dog park. They are presenting it to the School Board at their August 5 meeting for approval because it will be on school property. Ms. Freidman stated that she will be against the park until a maintenance plan has been presented showing the anticipated costs. Mr. Adamson responded that he will prepare one with all costs associated with it.

Mr. Van Noy reported on Recreation. He, along with Mr. Bolton and Mr. Adamson, met with Kendall Wilson to go over what is needed for the playgrounds at Rideout, Kilner Park, and Marie Sluchak Park. They are waiting to hear back with his proposals. They are ready for the grant as soon as the quotes come in.

Mr. Treabess mentioned he was glad to see that the Women's Softball League came about this summer. Mr. Van Noy replied that he coordinated it with the Truckee league so there were enough teams. Truckee

will run it this year and then it will rotate back to us next year. Mr. Treabess also commented on the Summer Basketball League. He said it is the best quality league we have had in quite a few years and there is great collaboration with Truckee's two teams.

Mr. Bolton remarked on the Community Garden that has been started at Rideout. It has had great support and people around town are talking about it which gives Rideout more exposure. He congratulated Rhonda Kreidler on her efforts to make this garden a reality and a success.

4. PUBLIC FORUM

No one was present for this item.

8. ADJOURNMENT

The meeting adjourned at 4:17 p.m.

Amy Norman, Administrative Assistant

Prepared by Amy Norman