

**DON PEDRO RECREATION AGENCY  
BOARD OF CONTROL - DON PEDRO PROJECT  
APPROVED MINUTES  
September 20, 2024**

CALL TO ORDER: 10:00a.m.

VOTING MEMBERS PRESENT: Ron Macedo – Turlock Irrigation District (TID)  
Janice Keating – Modesto Irrigation District (MID)  
Margaret Hannaford – City & County of San Francisco (CCSF)

OTHERS PRESENT: Ryan Reis – DPRA, Department Manager  
Jim McCoy – DPRA, Recreation Division Manager  
Rebecca Dack – DPRA, Administrative Assistant  
Jesse Franco – MID, BOC Alternate  
Sara Lima – DPRA, General Counsel  
Vincenza Simo – Suntex, Regional Manager  
Brooke Rohrer – Suntex, General Manager

**CALL TO ORDER**

Director Macedo called the meeting to order at 10:00am.

**MOTION APPROVING CONSENT CALENDAR**

All matters listed hereunder will be acted upon by a single vote of the Board. There will be no individual discussion of these items unless a member of the Board or the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate agenda item

1. Approval of minutes of the regular meeting of July 19, 2024 and special meeting of September 12, 2024. Copies are on file at Don Pedro Headquarters.

Director Keating motioned to approve the consent calendar. Director Hannaford seconded the motion. Motion carries.

**DISCUSSION OF ANY ACTION ITEM REMOVED FROM THE CONSENT CALENDAR**

There were no items removed from the consent calendar. No discussion took place.

**SUNTEX UPDATE**

Suntex General Manager, Brooke Rohrer, provided an update regarding Suntex operations. She noted completed maintenance for Moccasin Point which includes new fuel pumps installed, fuel dock lights replaced, air hand dryer installed in floating restroom and AC repaired, new septic pump installed in floating restroom, flagpole installed with American flag, and barge engines repaired. Ms. Rohrer also provided an update regarding completed maintenance for Fleming Meadows which includes main pump out repaired, driveway asphalt complete, replaced light bulbs throughout marina, replaced all windows at the lagoon due, repaired ship store AC with larger duct work, Blue Oaks cable removal, and second pump out installed. She provided an update regarding current projects and maintenance in progress for Moccasin Point which include adding flotation to the head walk, cable removal as water levels fluctuate, ongoing vegetation control, adding flotation to the winch platform is scheduled for Sunday, September 22, re-spacing of the mooring balls in A and B Lines which will begin Saturday, September 21 noting completion will depend on weather and boat availability, and repainting the slip numbers. Ms. Rohrer provided an update regarding current projects and maintenance in progress for Fleming Meadows which includes cable removal as water levels fluctuate, ongoing vegetation control, and old head walk removal in Gillman. New maintenance manager started September 19. Ms. Rohrer provided an overview of potential maintenance and capex projects for Moccasin which include painting and numbering buoy balls. For Fleming Meadows, the potential maintenance and capex projects include painting and numbering buoy balls, upgrading Café and ship store, painting Ship Store exterior, additional restroom, and Motor Repair Shop replacement. She noted the materials for the repair shop project will be delivered by the end of October, construction crews are expected to arrive in November and the project is expected to be completed by April 15, 2025. Ms. Rohrer noted she will send out continual updates regarding the project.

Director Keating asked how the construction is going to affect access to C & D docks and Ms. Rohrer confirmed the docks will still be accessible as the building is held on by chains so they will unchain and will float it to shore.

Public member, Susan Pavlakis, noted that customers have been told that Suntex would be painting and numbering buoy balls for the last two to three years. Ms. Rohrer confirmed that Eric is going to be working on that, but it will not happen overnight.

Public member, Don Angelo, asked if the repair shop will be staffed with mechanics and stocked to level it was six years ago when it was taking boats in for the general public. Ms. Rohrer confirmed she will be looking to staff it with two mechanics right away and will

stock it again with basic items. She noted she will be sending out a survey as to what customers would like to see in the store. She also noted if the demand increases, Suntex will look to hire more staff. Ms. Rohrer also noted that from the head walk from D Dock over will all be brand new and they are hoping to add a second pump out.

Public member, Don Angelo asked where customers will get fuel during construction and Ms. Rohrer confirmed that fuel and pump out is available at the extension dock.

Public members, Susan Pavlakis, commented that none of the Suntex projects seem to have an end date. She noted that she would love to see the guys get paid more and 3% increase is nothing, but they never see completion on the projects so she does not think Suntex should get the 3% increase until everything is done.

Director Macedo noted that the customers are saying Suntex is working hard, but do not want to pay them more. He noted that if the customers confirm Suntex is working hard, they must be getting something done.

Director Keating congratulated Brooke for receiving the award for most improved general manager at Suntex.

#### **SUNTEX MOCCASIN POINT CONCESSION LEASE AGREEMENT *Action Item***

Vincenza Simo, Suntex Regional Manager, presented the Suntex request to consolidate ownership of the Leasehold Interest from two Suntex entities to one Suntex entity. Ms. Simo noted that from accounting perspective this request would be to consolidate expense lines. Director Reis confirmed the request is for Moccasin Point only. He also noted the action item is for Board consideration to recommend to the TID and MID Boards for approval. Director Hannaford motioned to approve and Director Keating seconded, motion carries.

#### **SUNTEX CONCESSION LEASE AGREEMENT WAIVER: SNACK SHACK *Action Item***

Ms. Rohrer provided an overview of Suntex's request for a CLA waiver for 2025 to not run the Lagoon Snack Shack as CLA amendment negotiations are in progress.

Ms. Rohrer noted Suntex had three employees scheduled to work Memorial Day weekend and all three quit the Saturday before Memorial Day. He noted that Ms. Rohrer has been running it herself. The waiver would allow DPRA to take over some of the operations and Director Reis noted that staff will work on planning and already has some ideas for the operation. It won't remain vacant.

Public member, Ross Swett, asked who was in charge of hiring staff for the snack shack that quit before Memorial Day. Ms. Rohrer confirmed she hired the staff.

Director Keating motioned to approve and Director Hannaford seconded, motion carries.

#### **SUNTEX RATE PROPOSAL *Information Only***

Vincenza Simo, provided an overview of the Suntex Rate Proposal. She noted Suntex had a town hall yesterday for all tenants and provided all the same information that is being shown to the Board today. Ms. Simo noted the proposal is for 2025 rates for MPM and LDPM. Ms. Simo provided all the comparisons that were used for rate analysis, noting a proposed 6% increase for LDMP and 3% increase for MPM, noting MPM has not had an increase since 2019.

Ms. Simo provided some statistics for LDPM to show the overhead costs that continue to grow. She provided an overview of all the increases for insurances, property tax increases of 33%, payroll taxes increases of 10% due to CA sick pay policy change in January 2024 to require 40 hours for sick pay for all employees and has hit hard across all of Suntex's CA properties. She also noted while closed at MPM from 2021-2023, Suntex continue to pay all operations expenses, provided all merit increases for employees and did not lay off any employees during that time. Ms. Simo also provided comparative analysis noting they looked at comparative properties within a 2-hour drive to Modesto which included LDPM, MPM, McClure, New Melones and Camanche. She provided monthly rate comparison to each of those properties and she noted the proposed costs will not be by linear feet, as discussed during previous years. Ms. Simo provided an overview of the Service Yard proposed increases noting \$2-\$25 depending on the line item. She discussed labor rates, noting they are the largest proposed increase and Suntex continues to lose top talent to other boat yards. She noted Suntex is requesting to be at the lowest end of the labor rate comparison. She discussed the struggle to get specialists in because of the remoteness, noting potential staff want \$2-3 more per hour because of the gas prices to get up here. Ms. Simo noted Suntex is not making a profit and will not unless they increase rates. Ms. Simo also reviewed the request for rental boat rates proposal for 2025, noting some have been refurbished and noted they are well below the rates.

Public member, Susan Pavlakis, asked how MPM property taxes went up 33% when she has lived in Tuolumne County for a long time and her taxes haven't increase at all. Ms. Simo state she is going to go back to the tax department and see what can be shared as that information came from Suntex tax department.

Public member, Don Angelo, asked if all of the information for rates is going to be online and Director Reis noted DPRA will post the files that Suntex provided, as well as today's presentation on the DPRA website.

Public member, Don Angelo, stated he is concerned with the rate increases, citing the Dornbush study, stating that it seems like a trend lately that Suntex keeps modifying the CLA to get away from requirements. Mr. Angelo referenced the Trading Post, the Snack Shack and the rentals at MPM. Mr. Angelo also clarified that he is not against any increases, since MPM hasn't had increases since 2019, but now Suntex is getting rid of MPM which follows the trend.

Ms. Simo noted from a MPM perspective that Suntex is a Real Estate Investment Trust (REIT) so they cannot physically move the marina. She noted at the end of last year, Suntex completed an entire study with their tax department, construction department, and engineers, that if there is another drought and we cannot move the marina because it would break our REIT, it would be \$350k for every 50 boats Suntex has to put out in the water and it would take five years for Suntex to recoup anything back just to move the boats. Ms. Simo confirmed that when they are looking at sellers, they are looking at company who is not a REIT and can put capital back into the marina. Ms. Simo stated for future properties, Suntex is focusing on coastal properties, not lake properties because of the water levels. Ms. Simo stated Suntex is working on getting pricing from a local construction to redo the café and ship store, which is something Suntex will put in front of the BoC when the plans are ready. They plan to include remodeled restrooms with showers which will be key coded just for tenants LDPM.

Public member, Don Angela inquired about the proposed yard rates regarding the vendor fees of \$38 per day per person. He voiced concerns of shell shock, stating any kind of remodel is going to take months of work. Ms. Simo noted this rate is an incentive to have people show up and do the work in a timely manner so the boat can get back out in the water. She stated that because the current fees are so low, there is no urgency to get the work done. She also noted there is an issue with customers getting a schematic and materials list from the Service Yard, and taking all the work done by Suntex employees and contracting the work out to other vendors for a lower price. Director Macedo stated there is some good discussion about how to make incentive pricing work and would like Suntex to continue the discussion with customers. Director Reis confirmed the rate increase is to speed up the process. He suggested potential discounting or waiving of the fee, with the expectation of being out of the yard within a certain timeframe.

Director Hannaford asked if the proposed rate would be the max rate and Ms. Simo noted they can look into a tiered rate.

Public member Jeff Ashton, noted it has been 5-6 years since Suntex asked for increase in labor over there and thinks the rates are more than reasonable, even the proposed rate for reasonable quality work. He voiced concerns with the work the Yard has done, with a roof that is 4-years old that has failed, and hydraulic system that has leaked since installed and still has not been repaired.

Director Macedo, noted Suntex is addressing the concerns. He also asked if Suntex is in the process of selling MPM, why is Suntex asking for a rate increase. Ms. Simo stated that they don't know how long it will take for MPM to sell, some acquisitions have taken 18-19 months. She noted Suntex will run MPM as normal citing some security concerns which will require new cameras, lights, and will continue to pay all the normal operating costs. She stated Suntex does not know what the timeline will be for the sale so they are requesting the 3% to alleviate some of the overhead.

Director Macedo asked if there is going to be another town hall before Suntex comes back to the BoC to address some of the concerns that have come up. Ms. Simo noted that once Suntex knows what day the meeting will be held with the BoC, Suntex can schedule another town hall to take place prior to the meeting.

Public member, Susie Lynar, brought up issues at MPM regarding the mooring lines. Ms. Simo confirmed the lines are fixed. Suntex hired an engineer company which dove and it took pictures to confirm the lines were complete and correct. Ms. Simo noted that customer, Bob Lynar, expressed that there was too much give in the lines so Suntex straightened the lines even more, which caused mismatched flotation sizes. She noted Eric is going through with his team to replace all the flotation on Sunday, September 22. She noted Suntex has to have to have permission from all the boat owners and will start with A and B lines to get correct spacing.

Director Macedo requested Suntex to address concerns with the customers before coming back to the BoC for approval.

### **2025 RECREATION AGENCY FEES PROPOSAL *Action Item***

Director Reis noted there were no questions at the last board meeting regarding the fee proposal. Staff provided a recommendation in the Board packet regarding the proposed fees. Director Hannaford stated that CCSF is excited about the steps being taken to increase revenue with the proposed Wi-Fi project.

Director Keating stated she agrees with Director Hannaford.

Director Keating motioned to approve the proposed fees for presentation and approval by MID and TID and Director Hannaford seconded, motion carries.

**2025 RECREATION AGENCY BUDGET & SPONSORSHIP CONTRIBUTIONS PROPOSAL *Action Item***

Director Reis provided an overview of the proposed 2025 budget. He noted the Capital Improvement Plan (CIP) projects are in year two and his recommendation is to not fund the CIP in 2025 and only look at funding recurring capital and O&M, while using the \$4.5M in the CIP reserves.

Director Hannaford motioned to approve the proposed 2025 budget as written and Director Keating seconded, motion carries

**FISCAL REPORT**

Brannon Gomes, Recreation Division Manager, provided actuals for June 2024 with a comparison of June 2023. 2024 actual revenue for June is \$676,799, compared to June 2023 at \$632,494. Actual operations expenses for June 2024 is \$517,209, and June 2023 is \$477,671. Capital expenses January 2024 to June 2024 are \$440,930. Capital expenses for January 2023 to June 2023 were \$231,310. Mr. Gomes also provided projected revenue for August 2024 at \$425,000, projected expenses at \$425,222 and YTD capital expenses through August 2024 at \$516,446.

**DIRECTOR'S REPORT**

Director Reis provided an update regarding reservations, occupancy and cancellation comparison from August 2023 to August 2024. He noted August 2023 the reservoir was reopened at Moccasin due to debris removal. He also provided an update regarding operations and administration noting current vacancies and the start of seasonal layoffs due to the end of the 2024 summer season. He informed the BoC that one of the Park Aides was promoted to Ranger I, which opened another Park Aide position. Director Reis provided an overview of the Bass Angler Magazine (BAM) Pro Tour, scheduled for March 28-30, 2025. He gave background information on BAM noting significant media exposure for DPRA based on BAM's social media reach, as well as YouTube and print publications. DPRA staff is working to obtain local sponsorships to fund the event, with some soft commitments already made from local businesses.

Director Hannaford noted CCSF appreciates the effort DPRA is making for the event sponsorships.

Public member, Don Angelo, asked why it costs \$20,000 for the event. Director Reis noted the BAM Tour employs staff, sets up stages, and will write an article for their magazine, among other costs to run the tournament. He stated the event will also help increase off-season revenue.

Director Reis provided a current Don Pedro Storage update and expectations for lake elevation.

He noted the next regular meeting is scheduled for October 18<sup>th</sup>; however, due to the 30 day posting requirement for the proposed Suntex rates, Suntex rates will not be on that agenda and there will likely be a special meeting after the meeting on the 18<sup>th</sup>.

**MATTERS TO THE GOOD OF THE AGENCY**

Public member, Ross Swett, asked who Suntex had evaluate the property value for MPM and LDPM during the purchase. General Counsel, Sara Lima, noted there was a due diligence process and Suntex came on site to look at it.

**ADJOURNMENT**

Director Hannaford motioned to adjourn, Director Keating seconded and due to no further business, the Board adjourned at 11:15a.m.

Respectfully Submitted,  
Ryan Reis  
Secretary to Board of Control

Copies to: Messrs. Hannaford, Mazurkiewicz, Williams, Edwards  
Messrs. Fernandes, Macedo, Koehn  
Messrs. Keating, Franco, Wenger