

**DON PEDRO RECREATION AGENCY  
BOARD OF CONTROL - DON PEDRO PROJECT  
BUDGET WORKSHOP SPECIAL MEETING MINUTES  
August 9, 2019**

CALL TO ORDER: 10:06a.m. CCSF, Hetch Hetchy Administrative Building, Moccasin

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

OTHERS PRESENT: Chad Tienken- Modesto Irrigation District (MID)  
Tou Her – Turlock Irrigation District (TID)  
Jim McCoy – DPRA, Interim Department Manager  
Brannon Gomes – DPRA, Division Manager  
Phil Govea – TID, Civil Engineering Department Manager  
Rebecca Dack – DPRA, Administrative Assistant  
Ross Swett – Private Houseboat Owner  
Bob Lynar – Private Houseboat Owner

**2020 RECREATION AGENCY DRAFT BUDGET**

Agency Interim Director, Jim McCoy, presented an overview of the draft 2020 O&M and Capital budgets to the Board. Mr. McCoy informed the Board he will present the Agency's annual information only presentation of the Draft 2020 Operations, Maintenance and Capital Budget and printed packets of the information have been provided to the Board. Mr. McCoy stated that a fee survey and analysis has been completed and the 2020 budget includes proposed fee adjustments of 5.25%. Mr. Gilman questioned which facilities were used for average comparison. Mr. McCoy noted that twenty facilities that have like-kind amenities throughout California were surveyed. Mr. Gilman inquired as to the availability of the information from the survey and Mr. McCoy stated DPRA has a spreadsheet that is not included in today's presentation, but is available if he would like to view it. Mr. McCoy noted that the adjustment in rates would increase revenue approximately \$102,118. The guideline is to prepare fee proposals which price the DPRA recreation activities at a level that is intended to recover costs, to the extent possible, while remaining competitive with similar services in the surrounding area. Mr. McCoy also informed the Board that in addition to the proposed fee changes, DPRA staff will recommend changing the "Second Vehicle Annual Use Permit" to a new designation of "Additional Vehicle Annual Use Permit". The rate shall remain at the current rate and policy that requires vehicles to be registered to the same person and address to qualify for the "Additional Vehicle" discount.

Mr. McCoy reviewed the projected expenses for 2020. He informed the Board of a recent change in TID Accounting practices regarding capital threshold and items previously included in the capital budget would now be considered as O & M. Mr. Gilman inquired as to what changed for TID accounting. Mr. Her stated that he couldn't speak in the same detail the CFO could, but he would be able to provide some insight. He noted that TID's previously maintained capital was \$500 and has recently increased that threshold from \$500 to \$5,000. He also mentioned that change impacts depreciation. Mr. Gilman asked what the union negotiation item was that attributed to the increased budget. Mr. McCoy informed him it was due to the boot allowance for employees. Mr. Her asked Mr. McCoy, regarding the wage increase in the budget, if he could speak to minimum wage increase, how the ACA affected the Agency. Mr. McCoy explained that DPRA has a lot of seasonal employees who are front-line customer service and office staff, and prior to ACA, DPRA employed long-term 8-11 month tours. Full-time lead workers would get paid \$4.75 above min wage, but with ACA, DPRA can only employ seasonal for six months and most at minimum wage. Consequently, DPRA no longer offers an appealing job. In 2018, minimum wage increased 9% and DPRA's budget decreased. Subsequently, DPRA is getting transient employees stop-gapping because we only offer minimum wage. With the rural area and high fuel costs, it is difficult to attract long-term qualified staff. Mr. Gilman inquired

as to how the ACA impacts the seasonals. Mr. McCoy noted that we would be required to provide benefits for anyone working more than six months. Mr. McCoy also added that the ACA went into effect at the same time as drought and DPRA's budget became too low to attract and retain qualified workers. Ms. Hannaford asked if the 7.7% increase will allow to bring people on longer than six months. Mr. McCoy stated no and that 7.7% increase accounts for the minimum wage increase from \$12 to \$13 in 2020. Mr. Gomes added that DPRA has already lost four employees for other minimum wage jobs closer to town because they can't afford the gas to get to Don Pedro.

Mr. McCoy continued with a detailed review of the 2020 capital expenses. There was some discussion regarding vehicle replacement and Mr. Macedo inquired if the TID vehicles go back to auction. Mr. McCoy stated yes. Ms. Hannaford confirmed vehicles are on capital instead of O & M. Mr. McCoy noted they are because they are over \$5,000. Ms. Hannaford asked if the Board will see a Capital plan for the next five to ten years. Mr. McCoy stated that he would not be presenting that today, but would be more than happy to meet to go over that and is hoping to present more in-depth as Capital in the future for 5-year plan.

There was some discussion about the lagoon and potentially charging people to use it in addition to the day use fee. Mr. McCoy noted that there was a pilot program in the 90's for charging for the lagoon and the concept was great, but became an enforcement issue. Mr. Lynar inquired to specific lagoon requirements for FERC. Mr. Her noted that it has always been tied to FERC. Mr. Gilman noted that right now with FERC relicensing, it may not be the best time to look at options. Mr. Macedo noted that he would like to find out if it has to be a separate body of water and Ms. Hannaford stated she would want to understand more about the history in relation to FERC. Mr. Gilman suggested surveying the public at the entrance and keep a tally to get a more accurate number of use.

Phil Govea, TID Civil Engineering Department Manager, presented information regarding the 2020 Lagoon Filter Replacement capital project. He noted that everything is on-site manual process and can't be checked from a computer remotely. Mr. Macedo asked if the piping be replaced as well and Mr. Govea stated that we need further investigation to be determined. Mr. Gilman asked what the new efficiencies will be and where is the ROI. Mr. Govea noted that the employees' time spent going back and forth for the manual process will be freed up to be tasked with other projects. Mr. McCoy noted there will be significant savings in chlorine, currently spend over \$400 some days which becomes quite expensive because the filter is not efficient and have to offset with chlorine. Mr. Gilman requested that DPRA and Mr. Govea research the estimated savings. Ms. Hannaford also requested information for the operating costs for the lagoon compared with the use of the lagoon. Mr. Her noted that when we present budget in September, we will bring that to the Board. Mr. Gilman stated that during his tour, he noticed an incredible amount of corrosion on the equipment in the building. He asked if there has been any consideration for ventilation so as not to have the rust and deterioration and protect the safety of employees in the future. Mr. Govea noted that the presence of gaseous chlorine may have affected the equipment in the past and now use chlorine tablets that are a lot safer, but will definitely look at ventilation. Mr. Govea also noted that he expects this project CEQA exempt because it's a full replacement. Ms. Hannaford inquired if the soft costs are low and if the cost listed is the total project cost. Mr. Govea stated that the costs are about 12-13% and he doesn't see much construction oversite happening. Mr. Her added that Mr. Govea does not charge his time which keep those costs down. Mr. Govea explained that Phase 1 includes investigation to see if skimmers need to be replaced. Ms. Hannaford inquired about the lifetime expectancy and Mr. Govea responded with fifty years, plus. Mr. Gilman asked what is different about it to get that life expectancy. Mr. Govea explained that stainless steel will hold up better to chlorine and PH. The current carbon steel is still viable option. Mr. Macedo asked if this was the vertical filter and Mr. Govea stated it is for a vertical stainless steel, but the same manufacturer who provided the current filter has made various improvements to coating which make a horizontal also a viable option. Mr. Gilman asked if it made sense to power via solar. Mr. Govea stated that he can definitely look at that. Ms. Hannaford asked how will that effect operating cost because then have to maintain it.

Mr. Govea also provided a brief update regarding the 2019 Moccasin Warehouse project. He explained that it is not just a roof, it is a structural element that is having some serious problems. There was discussion regarding the roof panels and bringing building up to code. Mr. Govea stated that he recommends reskinning the top of the roof as well as reinforce existing roof trusses. Ms. Hannaford asked if the electrical in building to code and Mr. Govea stated that can be assessed. He also stated that he expects the project to be CEQA exempt based on how the county has reacted to the visitor center rebuild.

Mr. McCoy noted that the funds approved and allocated for the 2019 Swimming Lagoon repairs will be reallocated to repair the Moccasin Warehouse. Mr. McCoy stated that since this is a previously approved project and DPRA will not exceed the overall capital budget by 5% per the Operating Agreement, the Agency will not take this in front of the District Boards for approval. Due to the timeframe and unless the board sees any reason not to do so, DPRA plans to move forward with the project as presented. Mr. Her explained that we have \$200k set aside for the lagoon and \$30k for warehouse. We are going to stay under budget by shifting funds from lagoon to warehouse. Mr. Gilman noted it was a safety issue and asked when the project was expected to begin. Mr. McCoy stated the package will be put together for bid before next meeting in September. Mr. Gilman asked if there is anyone in house to assess electrical. Mr. Her noted that someone would be hired to look at it as when electrical assessments have been done in the past, outside consultants have complete the assessment.

The Board was asked to review the detailed material with action to be requested at the September Board of Control meeting.

### **PUBLIC PARTICIPATION CONCERNING AGENDA ITEMS**

Mr. Swett asked if something like draining or recycling lake water back and forth would work and if it is a FERC requirement that the lagoon has to be chlorinated. Mr. McCoy noted that it is for public safety because with the chlorination, we know there are no residuals that would make people sick. There has been some investigation in the past, to recycle water back and forth, we would have to find a location in the reservoir below 600ft mark and install brand new pump. The cost would come in the neighborhood of the current proposal for the lagoon filter replacement. Additionally, using lake water runs the risk of animals from the lake getting into the lagoon. Mr. Swett asked if it have to meet certain water quality standards and Mr. McCoy informed him that it does. There was some discussion regarding the marina summer hours and the Trading Post being closed on a Sunday afternoon. Mr. Lynar mentioned the parking at Moccasin Marina and that Moccasin is supposed to have fifty paved parking spots. He also mentioned their temporary spot because of low water, but it is no longer low water. Suntex should be answering questions, they've done a lot of work to LDPM but nothing at Moccasin. Mr. Gilman asked Mr. Lynar to send an email to the Board so it can be formally addressed with Suntex. Mr. Macedo noted there has been open line of communication with Suntex and staff will address the issues with Suntex. Mr. Her also requested that if the public has issues to send emails to staff and not escalate to the Board until addressed with staff. Mr. Macedo asked Mr. McCoy to make sure to pass concerns along to Suntex.

### **ADJOURNMENT**

Due to no further business, the Board adjourned at 11:29 a.m.

Respectfully Submitted,

Jim McCoy  
Interim Secretary to Board of Control

Copies to: Messrs. Hannaford, Mazurkiewicz, Williams, Edwards  
Messrs. Fernandes, Hashimoto, Macedo, Her  
Messrs. Gilman, Tienken, Wenger