

1 VASHON PARK DISTRICT BOARD OF COMMISSIONERS

MEETING MINUTES

Ober Park, Evergreen Room, 7:00 pm

DATE: Tuesday, March 14, 2017

Commissioners attending: Lu-Ann Branch, Karen Gardner, Scott Harvey, Bob McMahon, Doug Ostrom.

Staff attending: Jason Acosta, Elaine Ott, Robin Thomas

ISSUE	DISCUSSION AND OUTCOME	FOLLOW UP
Call to order & agenda review	The meeting was called to order by Karen Gardner at 7:00 PM. Karen reviewed the agenda.	
Public Comment	Capt. Joe: I had a couple of interesting tour groups come to Pt. Robinson. One was from Japan. A Japanese exchange group from a high school will be coming. It is a pleasure to take people to the top of the tower.	
February Minutes, January 2017 Vouchers and Preliminary Vouchers 2.25.17 – 3.9.17	Lu-Ann: I was not here 2/14/17, nor was Scott. Scott: I MOVE to approve the minutes, vouchers and preliminary vouchers as presented and corrected. Lu-Ann: SECOND. VOTE: 5-0 IN FAVOR	MOTION, SECOND TO APPROVE THE MINUTES, VOUCHERS AND PRELIMINARY VOUCHERS AS PRESENTED AND CORRECTED. VOTE: 5-0 IN FAVOR OF MOTION
Pool Repairs	Elaine: The grant contract did not come through until last week. We will have to put it off until the Fall. Scott: I support the concept. I appears to be more financially feasible. I MOVE THAT ALL DISCUSSIONS ON THE POOL BE TABLED UNTIL AFTER THE COMMONS AGREEMENT IS WORKED OUT. Doug: SECOND.	MOTION, SECOND TO TABLE ALL DISCUSSIONS

	<p>Scott: We have nothing to talk about until we approve it. We don't know how much money we have until the Commons is decided. It needs to be part of a comprehensive plan. We have 1m in short term deferred maintenance. I don't want to get into a lot of great ideas.</p> <p>Doug: I want to talk about it if we need to. I have talked to people with various experiences. If people want to come talk we should encourage it.</p> <p>MOTION AMENDED: I MOVE THAT WE TAKE NO ACTION ON THE POOL COVER UNTIL AFTER THE COMMONS IS APPROVED.</p> <p>Doug: Will the Commons be cut in half?</p> <p>Scott: We will not make any decision until we know the numbers.</p> <p>Karen: I agree that we need to be careful about what happens to the Commons. I agree with your amended motion.</p> <p>Unidentified Woman: What is the timing of the Commons?</p> <p>Karen: The school board will come back with their proposal in a couple weeks.</p> <p>Elaine: They are working on their usage reports.</p> <p>Karen: Original intent was a relook at the Commons agreement. VSD is coming up with all the justifications for the charges. The original intent doesn't seem to be there. We are trying to give the school board an opportunity to respond to our statement that we wouldn't renew the Commons Agreement.</p> <p>Elaine: They are working on data usage and how that converts to maintenance. Then they will adjust the gain financially. They are trying to justify the 100k. We are more philosophical.</p> <p>Lu-Ann: They are not necessarily interested in the pool if we don't pay the 100k. It would be nice if they addressed swimming lessons, etc. They indicated that they might not.</p> <p>Bob: The Island gains if schools use the pool. We do not. We don't care if they support us.</p> <p>Karen: We will not be blackmailed.</p> <p>Scott: It is stupid to not take advantage of something already here.</p>	<p>ON THE POOL UNTIL AFTER COMMONS AGREEMENT IS WORKED OUT.</p> <p>AMENDED MOTION, NO SECOND, THAT WE TAKE NO ACTION ON THE POOL COVER UNTIL THE COMMONS AGREEMENT IS APPROVED.</p> <p>Agenda Item</p>
<p>January 2017 Financial Report</p>	<p>Elaine: Added column called "2016 Carry-Over" – items from 2016 budget we paid in 2017. Admin: 5200k was from 2016. 4k from the audit, \$1200 from Beckwith. Actual is 5600 ahead. We projected to be over 2k in computers because we switched to Comcast. On maintenance, ahead 2k. Commons 3500k over. Programs start in June. Pool operations is ahead by 1500k. Pt. Robinson is 1700k over. Fern cove over \$400.</p> <p>Karen: Occupancy rate?</p> <p>Elaine: 35-40% total. I would have to get you the actual. On other, it is over 9k. We received substantial donations: 1k from CC and \$8k from an estate. I added</p>	<p>Elaine</p>

	the break-down of reserves to the cash flow report.	
Board Vote	<p><i>Tramp Harbor Dock Lease</i></p> <p>Elaine: I sent it to our attorney, but I have not heard back.</p> <p>Lu-Ann: I MOVE THAT WE APPROVE SUBJECT TO THE APPROVAL OF OUR ATTORNEY.</p> <p>Elaine: The DNR wanted us to come to them with engineering plans. I said we are not spending money without knowing the conditions of the lease. I have a draft lease and closeout procedures.</p> <p>Bob: SECOND, SUBJECT TO ATTORNEY APPROVAL.</p> <p>VOTE: 5-0 IN FAVOR.</p>	<p>MOTION, SECOND TO APPROVE TRAMP HARBOR LEASE SUBJECT TO ATTORNEY APPROVAL.</p> <p>VOTE: 5-0 IN FAVOR.</p>
Funding Sources:	<p><i>1) Bonds</i></p> <p>Elaine: As we consider things like the pool bubble, I am presenting funding options to you as a basis for discussions. I have updated the list of deferred maintenance. I have estimated a total cost of over 5m. We don't know if we will get grants. The 3rd column is immediate needs relative to safety and asset protection. It is important to keep this in front of you. This is why I wanted to address funding sources. Charlie from the Vashon Fire Department (VFD) and I invited Piper Jaffrey to present bond issue information to us. The bottom line is that there are two kinds of bonds: voter approved or not. If less than 1.5m, we should do a bank loan. The term is set to the life of the project. Getting this done in one fell swoop is something I think we need to think about. Rates are still low. This is our sheet on debt capacity. We can go to 9.5m on non-voter approved. Voted and non-voted capacity is \$31 million. We did 2 non-voter-approved bonds in the past.</p> <p>Doug: We could be voted out of business with the next levy.</p> <p>Capt. Joe: Non-voter-approved bonds make me tense.</p> <p>Elaine: If we go out of business, we would file bankruptcy.</p> <p>Doug: It looked like bonds came out of levy dollars.</p> <p>Elaine: Non-voter-approved is paid out of levy dollars over a long period of time. Voter-approved is a bucket of additional money from taxes. For example, we could float a bond for \$5m, and it is paid through additional taxes from the public. See slide for junior taxing district. It is incorrect. Actually, there is 39 cents left over.</p> <p>Lu-Ann: What about the Cemetery District?</p>	

Elaine: They are above us in the taxing district. The next page is the participants page. The next page is the process. Amounts are based on the assessed value of the Island. Projected impact analysis, see page 13. On a 5m bond, a 400k house value would cost \$64 per year. It is over 20 years. They link it to the life of your project. What is the useful life? We have to address this sooner or later. I talked to Charlie about their effect on VPD if they do a levy lid lift, and they are being sensitive. They are also looking at bonds.

Candy: We at the VFD are investigating all our options. We are underwater this year. We have to find revenue streams. We want the community to support us to stay afloat.

Karen: If we are all going for bonds...

Candy: We can't continue as we are.

Karen: How do you make this work? We all need money.

Candy: That is why we are looking at all our options. You have to have gas and tires. We are kind of behind the 8-ball. We don't have any bookkeepers on our board. We weren't getting the full story. We don't want to hurt anyone else in the community. Our contingency is gone.

Scott: One of the few pearls of wisdom from the former Board is that VPD has never had a levy fail. I can't speak for other districts, but I think that I would advise us from doing anything until 2019. It will be the first year without a TAN. Next year, we need to look at deferred maintenance. Given spending situations, it would have to be a voted bond.

Lu-Ann: Is there potential appetite to vote for a bond?

Scott: I heard many people talk about the failed school bond. This version is much more responsible. We need to work with the public.

Candy: There is a lot to be said for the good will of the public. VPD still has mud on its boots.

Scott: Elaine, this is great information.

2) *Foundation*

Elaine: I have a friend who recently moved to the Island. She is a park professional. She has done some volunteer projects for me. She is itching to do more. She came to me about starting a foundation. She has joined the National Association for Foundations and she has gone to their conferences. This will be a 501(c)3. She made a presentation to Karen and me. The green handout is your reference. It says what she is proposing. There is a mission statement. She is just going to do this. She is forming a 501(c)(3), and she will plan and host a board retreat. She provided a proposal. She will do by-laws. The examples are from the City of Lynnwood. She was a

park director in Austin. She knows a lot. It is all about fundraising. There will be a lot of collaboration. I will be on their board.

Karen: We look for grants and she would look for grants. We need to share.

Lu-Ann: How would it interface with us?

Elaine: It depends on what they decide to do. They would fundraise and give it to us. VISD has a foundation. They might want to build a permanent cover for the pool, etc. I don't think they will bite off that big a project at first.

Capt. Joe: I am on the board of the Community Care Foundation. It needs to be very clear what they will fund. The memo of understanding between the foundation and VPD should be bullet proof that covers any misunderstanding.

Lu-Ann: My question is how we would work with them.

Elaine: This is why I would probably be on the board. I have looked at foundations in the area.

Capt. Joe: There is no interlocking until money has been transferred over, like a treasurer serving on both boards, etc. It would be independent. There are also auditing considerations.

3) *New King County Grants*

Last week Santa Claus came to visit from King County (KC). He stopped in because he is making rounds to agencies. KC has just formulated four new grant programs. Currently, they have one. There are no match requirements. The thing is that they all must go towards youth or sports activities. The best facilities of ours that these would apply to: the pool, Agren and VES. Capital needs could be addressed. I will come up with ideas for our next meeting. There will be applications in the Fall. I am hoping for pool services.

Jason: Maybe an ADA park or disabilities programs.

Scott: Having a paid track around Agren that would be ADA accessible, or, rather, Fisher Pond.

Elaine: It must be sports-related. It can be for older people. The Skate Park could be harder to justify. The swim team at the pool could be a youth facility sports program.

Lu-Ann: All are youth or amateur?

Elaine: It needs to be organized. I specifically asked about Agren and the pool.

Elaine

Adjourn	Scott: I MOVE THAT WE ADJOURN. Bob: SECOND. VOTE: 5-0 IN FAVOR. <i>(Adjourned at 8:00 P.M.)</i>	MOTION, SECOND TO ADJOURN. VOTE: 5-0 IN FAVOR.	
Next Meeting	March 28, 2017, 7:00 PM		

Respectfully submitted by:
Mary Reeves