

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

**BOARD OF DIRECTORS MEETING MINUTES**

**Thursday, April 8, 2021**

**Via Teleconference**

**Closed Session Meeting (6:30 p.m.)**

**Call to Order**

President Hacaj called to order the Closed Session Meeting of the Board of Directors at 6:35 p.m.

**Roll Call**

Directors Chris Deppe, Eileen Nottoli, Cyrus Modavi, and Rachelle Sherris-Watt were present at roll call.

Staff present included General Manager Marti Brown and General Counsel Ann Danforth.

**Public Comment on Closed Session Items Only**

None.

**Closed Session**

The Board of Directors met in Closed Session to consider two matters: (1) Conference with Legal Counsel--Existing Litigation, in the matter of the membership reclassification of Gregory E. Harman, Respondent, and Kensington Police Protection and Community Services District, Respondent pursuant to Government Code Section Paragraph (1) subdivision (d) of Section 54956.9; and (2) Conference with Labor Negotiators--Agency Designated Representative Marti Brown, General Manager and Employee Organization: Kensington Police Officers' Association pursuant to Government Code Section 54957.6.

**Regular Meeting (7:00 p.m.)**

**Call to Order** [[TS 0.03](#)]

President Hacaj called to order the Regular Meeting of the Board of Directors at 7:07 p.m.

**Roll Call** [[TS 0.23](#)]

Directors Chris Deppe, Eileen Nottoli, Cyrus Modavi, and Rachelle Sherris-Watt were present at roll call.

Staff present included General Manager Marti Brown, Interim Police Chief Walt Schuld, General Counsel Ann Danforth, Police Captain Mike Gancasz, Finance and Business Manager Katherine Korsak, and Clerk of the Board Lynelle M. Lewis.

**Changes to the Agenda**

Three signature boxes are located at the bottom right of the page. Each box contains a set of initials and the letters 'DS' above them. The first box contains the initials 'SH', the second contains 'MB', and the third contains 'LM'.

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None.

**Public & Consent Calendar Comments** [1:02]

The following persons addressed the Board: 1) Catherine de Neergaard thanked the Board for the joint meeting with the Kensington Fire Protection District (KFPD) Board, urged them to continue discussing how to solve the housing issue for staff, encouraged continued work on the paths, suggested no funding for additional personnel, return of the Finance Committee, and providing more detail in the Minutes; 2) Larry Nagel commented that attendees cannot see other attendees on the Zoom call; and 3) Lisa Coronna thanked the Board for recognizing the public's comments on the agenda.

**Closed Session Report** [TS 7:22]

President Hacaj reported the Board gave direction to legal counsel on one matter and direction to the labor negotiator on another matter.

**Consent Calendar** [TS 7:43]

**1. Regular Meeting Minutes of March 11, 2021.**

Director Sherris-Watt proposed two corrections: on Page 2 of 4, Item 3, correct the spelling of the first name of Ann Forrest to "Anne" and on Page 3, Item 8, correct the spelling of Cecilia to "Celia Concus." Director Modavi proposed adding language on the last page of the Minutes under discussion of the agenda format that "the Directors also discussed the proposed changes by the General Manager to the agenda format."

- President Hacaj made a motion to adopt the Minutes on the Consent Calendar with the changes proposed by Directors Sherri-Watt and Director Modavi (above). Director Sherris-Watt seconded the motion, and it carried unanimously (5-0) by the following roll call vote: (AYES) Directors Deppe, Nottoli, Modavi, Sherris-Watt and President Hacaj.

**Action:** Approved the Meeting Minutes as amended.

**Discussion & Action Calendar**

**2. Fiscal Year 2019-20 Financial Audit.** [TS 14:12]

Paul Kaymark, Auditor for Nigro & Nigro, presented an overview of the District's financial activities for the fiscal year ended June 30, 2020. He highlighted details from the Statement of Revenues, Expenditures, and Changes in Fund Balances. Financial highlights included: District's net position decreased \$101,521 or 7.31% as a result of this year's operations; total revenues from all sources decreased \$416,573 or 10.48% from the prior year, primarily due to a decrease of \$476,350 in one-time capital grants and contributions collected for the Community Center building improvements; total expenses for the District's operations increased by \$422,352 or 13.05% from

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the prior year, primarily due to the cost of the interim police chief contract of \$240,997 and cost of the issuance of the pension obligation bonds of \$119,592; and the District purchased new capital assets during the year in the amount of \$1,610,932. Depreciation expense was \$74,171. At the end of fiscal year 2020, the District showed a positive balance overall for its net position of \$1,288,152. Unrestricted net position decreased due to the utilization of \$1,610,932 in funds for the purchase of capital assets.

- The following persons provided public comment: 1) Catherine de Neergaard asked for clarification about two District obligations; 2) A. Stevens Delk asked for clarification of the restricted fund; and 3) Jim Watt commented that the Bayview funds should remain restricted versus being included in the unassigned fund balance.
- President Hacaj made a motion to approve the Fiscal Year 2019-20 Financial Audit as presented. The motion was seconded by Director Sherris-Watt, and it carried unanimously (5-0) by the following roll call vote: (AYES) Directors Deppe, Nottoli, Modavi, Sherris-Watt and President Hacaj.

**Action:** Approved the 2019-20 Financial Audit Report.

### 3. **Contract for Financial Consulting Services.** [[52:34](#)]

General Manager Marti Brown presented the recommended action to approve the budget authority of a not-to-exceed amount of \$15,000 to contract with Andy Heath, Finance Consultant, and authorize the General Manager, or her designee, to execute a contract with Mr. Heath for finance consulting services.

Board members asked questions about the recommended action including: the hourly rate, the request for proposal process, the specific deliverables/work products, and reasons for not using the previously built financial model.

- The following persons provided public comment: 1) Paul and Vida Dorroh asked if the spreadsheet had already been built, what are the deliverables, what is the consulting value, and what the District getting that was not provided by the Finance Committee; 2) Gail Feldman commented that the District has spent money on numerous financial consultants and asked what the District is getting in the proposed contract; 3) Rob Firmin, who built a previous financial model, offered his expertise to review the new model to give a fair assessment at no cost and commented that the financial forecasting could be handled by the Finance Committee; 4) Kevin Padian supported moving forward with to hire an outside expert; and 5) Julie Stein commented that the consultant should prepare a proposal that outlines the scope of work, deliverables, and methodology.

Director Nottoli suggested scheduling a special meeting to provide more input on this topic once Rob Firmin had reviewed the model. President Hacaj commented that this contract is within the purview of the General Manager and the complicated financial matters would benefit from outside expertise in public finance.

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**Action:** This item was continued until the next meeting. The Board gave General Manager Brown direction to bring back information on the hourly rate, a demonstration of the model, and a breakdown of the work products.

4. **Contract for Labor Negotiations Consulting Services** [[TS 1:34:44](#)]

General Manager Marti Brown presented the recommended action to approve budget authority of a not-to-exceed amount of \$10,000 to execute a contract with Patrick Clark Consulting, Labor Negotiator, and authorize the General Manager, or her designee, to execute a contract with Mr. Clark for labor negotiations with the Kensington Police Officers Association (KPOA). The hourly rate is \$225 per hour.

Director Modavi asked if this contract would eliminate the need for a lawyer. General Counsel Danforth responded that a lawyer will be involved to prepare the final contract. Director Sherris-Watt asked if Mr. Clark will speak with the previous labor negotiator. President Hacaj agreed that a consult would be helpful.

- President Hacaj made a motion to approve budget authority of a not-to-exceed amount of \$10,000 to execute a contract with Patrick Clark Consulting, Labor Negotiator, and authorize the General Manager to execute a contract with Mr. Clark for labor negotiations with the Kensington Police Officers Association. The motion was seconded by Director Deppe, and it carried unanimously (5-0) by the following roll call vote: (AYES) Directors Deppe, Nottoli, Modavi, Sherris-Watt and President Hacaj.

5. **Path System.** [[TS 1:43:58](#)]

Director Deppe reported that, since the last meeting, he is still waiting for complete documentation on the offers of dedication from Contra Costa County. He also reported the Kensington Improvement Club (KIC) had located some documents on offers of dedication, but he had not received the information. Director Sherris-Watt said the Ad Hoc Committee could present the KIC information in May.

Contra Costa County Supervisor John Gioia reported that all offers of dedication in possession of Public Works have been sent to the District. He pointed out that having all offers of dedication is not a prerequisite to transfer ownership of the paths to a public agency, and said that the paths need to be surveyed. Supervisor Gioia also reported that the County Counsel had identified a quiet title legal action as a way to vest ownership of the paths, and that the County has \$100,000 available to fund a quiet title action and to survey the paths. Supervisor Gioia suggested next steps should be to meet jointly and discuss the options focusing on only those paths that merit public ownership, paths that are most popular, and those where the adjoining property owners are supportive of public use. Then identify the capital and maintenance cost of improvements for the limited paths and identify the funding options. Supervisor Gioia said that it would take a vote of Kensington residents to approve any assessment for capital and maintenance for those paths. This would occur either by ballot measure (2/3 vote) or by ballot initiative (majority vote). In concluding, Mr. Gioia said there was not much more the County can do until the agencies meet to identify the issues, costs, and prepare a full report that allows KPPCSD to go forward.

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- The following persons addressed the Board: 1) Rodney Paul of Pathkeepers urged the Board to consider Supervisor Gioia's offer to meet; and 2) Lisa Coronna commented that a joint meeting is good idea to determine pros and cons for moving forward.

Board members provided feedback regarding moving forward on meeting with the County. Director Nottoli said promoting the paths for fire evacuation was a concern because of ADA compliance issues. Director Deppe expressed concern that the County had not provided sufficient information, questioned the expectations from the joint meeting, said more information is needed on costs to acquire paths, and suggested moving forward with current information. President Hacaj said the Board needed to address community's interest on the paths. Director Nottoli commented that the Board should set priorities in light of the needed staff relocation during the Public Safety Building (PSB) renovation.

**Action:** The Ad Hoc Committee will bring back information at next regular meeting.

6. **Proposed Uses of Future KPPCSD Renovated Office Space.** [\[TS 2:21:03\]](#)

Police Chief Schuld presented information on the proposed Plan G for the PSB renovation that included: existing building footprint, proposed renovated building footprint, possible future challenges, and contracting for services (i.e. detective services, evidence room, technician, traffic safety, and police services). General Manager Brown reported that based on past precedent, the lease rate for the newly renovated 1,020 square feet (Plan G) would be \$8,750 per month. Police Chief Schuld presented "thinking outside the box" ideas such as contracting with an outside storage facility, digitizing files, locating a second office in the Kensington Community Center to house staff, close the lobby, and conduct business by phone and email. General Manager Brown presented options to move forward including: discuss and negotiate terms for permanent space in the PSB based on 1,020 square feet; explore options to lease permanent or temporary relocation space, including long-term financial impact analysis and financing options; explore options to purchase land and construct a new building for KPPCSD; or work with KFPD to explore options for a joint PSB; and explore options for cutting services (facilitating KPD's ability to better fit in the newly renovated PSB). Ms. Brown urged the Board to move negotiating options into closed session. General Counsel Danforth said that it would be appropriate to nominate a real estate negotiator at the next meeting in order to discuss possible rental or purchase option terms in closed session.

Board members asked how the Plan G conceptual drawing was developed, whether this was the Fire District's final proposal, and about negotiation of the lease agreement.

- At 9:46 p.m. President Hacaj made a motion to extend the meeting until 11:00 p.m. The motion was seconded by Director Sherris-Watt, and it carried unanimously (5-0) by the following roll call vote: (AYES) Deppe, Modavi, Nottoli, Sherris-Watt and President Hacaj.

Following Director comments, the Board urged the KPPCSD and KFPD General Managers and Chiefs to explore options to fit both agencies in the renovated PSB.

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- The following persons addressed the Board: 1) Julie Stein, KFPD Board, commented that the facts presented did not represent the KFPD Board's desire, nor did the presentation accurately reflect the future lease rate, renovation costs, nor recovery of renovation costs; 2) Gail Feldman questioned the need for the reception hallway and public entrance and the elevator cost; 3) Larry Nagel, KFPD Board President, commented that the existing PSB space cannot be expanded, the agencies need to work together to try and resolve the problem, and said there is no space for future growth; 4) Bill Hansel, KFPD General Manager clarified that the development of Option D which was last discussed in November did not meet KFPD needs and said they hoped to find a solution that would work for both departments; and 5) Danielle Madugo expressed concern about contracting out police services and urged both boards to look at a new site since the current building is on a fault.

**Action:** General Managers will have conversations and report back to the Board and the Board will schedule a closed session meeting to appoint a real estate negotiator.

**7. January and February 2021 Financial Reports. [TS 3:06:30].**

Finance and Business Manager Katherine Korsak presented the January and February 2021 Financial Reports which included: Summary Balance Sheet, Budget to Actual Snapshot July 2020 through January and February 2021; Income & Expense Report – Detailed July 2020 through January and February 2021; and Statement of Net Position of February 2021.

Director Sherris-Watt suggested providing the Board with a quarterly or semi-annual budget to show actual breakdowns. Director Modavi suggested providing actual liquid cash reserves and Ms. Korsak pointed out this information now is shown on the summary balance sheet.

- President Hacaj made a motion to accept the January and February 2021 financial reports. Director Sherris-Watt seconded the motion, and it carried unanimously (5-0) by the following roll call vote: (AYES) Directors Deppe, Modavi, Nottoli, Sherris-Watt, and President Hacaj.

**Action:** Accepted the January and February 2021 Financial Reports.

**8. Presentation of the KPD Annual Report. [TS 3:16:05].**

Police Captain Mike Gancasz highlighted the 2020 Annual Report which summarized the accomplishments, crime analysis and crime view, common calls for service, arrests, traffic enforcement, new hires, recognition and awards, Kensington evacuation, and 2021 goals and objectives. Board members thanked Captain Gancasz and Chief Schuld for the presentation.

- The following person addressed the Board: 1) David Bergen asked if the statistics for citations were for warnings or moving citations and pointed out that the evacuation signs at the top of the cemetery should point in a different direction.

**Director Comments & Reports**

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**9. Director Comments**

None.

**10. General Manager's Report**

None.

**11. Chief of Police Report**

None.

**Adjournment** [3:24:12]

President Hacaj adjourned the meeting at 10:32 p.m.

The next regular meeting will be held on May 13, 2021.

SUBMITTED BY:

DocuSigned by:

*Lynelle M Lewis*

Lynelle M. Lewis, District Clerk of the Board

APPROVED: May 13, 2021

DocuSigned by:

*Marti Brown*

Marti Brown, General Manager

DocuSigned by:

*Sylvia Hacaj*

Sylvia Hacaj, President of the Board

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