



**STANISLAUS COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION**
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BOARD OF RETIREMENT MINUTES

OCTOBER 9, 2002

Members Present: Nick Blom, Kent Crawford, Gary Dial, Maria DeAnda, Wes Hall, Al Sarina, Virgil Thompson and Tom Watson

Members Absent: John Hallford

Others Present: Robert Hamon, Victoria Halliday, Karen Gonzales, Terry Rein and Patty Hill-Thomas of the CEO's office, Michael Krausnick, County Counsel and Don Phemister, CEO-Capital Projects.

1. Meeting called to order at 2:08 p.m. by Chair Wes Hall

2. **ANNOUNCEMENTS**

Mary Weiss was approved a service retirement at the September 11, 2002 board meeting to be effective September 30, 2002. She has now requested to change her retirement date to be effective November 1, 2002.

Gilbert Vasquez requested a service retirement date of October 5, 2002 and has now rescinded his application and will apply for a service retirement at a later date.

3. **PUBLIC COMMENT**

None

4. **CONSENT ITEMS**

Motion was made by Virgil Thompson and seconded by Nick Blom to approve the following items as listed.

Motion carried.

a. Approval of the September 24, 2002 Regular and Closed Session Minutes.

b. Approval of Service Retirement(s) - Sections 31499.14, 31760.1 and 31810

1. Thomas Broderick, CSA, Effective 10-19-02
2. Joy Carpenter, Deferred, CSA, Effective 10-13-02
3. Barbara June Gutierrez, BHRS, Effective 10-01-02
4. Madeline Langford, Deferred, CSA, Effective 10-01-02
5. Diana DeLash, CSA, Effective 10-06-02
6. James Sellers, DER. Effective 10-04-02
7. Jan Terry, BHRS, Effective 10-19-02

4. **Consent Items**

- Continued -

c. Approval of Deferred Retirement(s) - Section 31700

1. Kathryn Destafney, Superior Courts, Effective 06-28-02
2. David Hawkes, Library, Effective 01-27-01
3. Daniel Klinker, Public Works, Effective 08-09-02
4. Sylvia Mireles, DER, Effective 09-24-02
5. Jimmy VanTassel, BHRS, Effective 08-28-02

d. Approval of Refund for Deferred Retirement Member(s) - Section 31701

1. Lucille A. Pierce

5. **Administrator**

- a. Discussion and Action on County 12th Street Project and Authorization for Administrator to Sign Contract.

Robert introduced the guests in attendance and stated they were present to answer any questions that may arise on the County "12th Street Project". Robert presented the board members with a copy of the PowerPoint presentation and the latest copy of the draft Master Agreement between the County, StanCERA and Westland Development. Robert informed the board that changes were still being made to the contract and all the attachments. Robert reviewed the project highlights with the board. The building will be six stories and approximately 88,880 gross square feet. The County will maintain three floors, StanCERA one floor and Westland Development the bottom two floors. There will be a seven-story parking garage attached with a total of 719 total spaces. StanCERA will license 56 spaces, Westland will license 103 spaces. The remaining spaces are for County employee parking for this building and surrounding facilities, and for public parking. There will be 44 spaces dedicated to the City of Modesto. The parking license is for the exclusive use Monday - Friday, 6AM to 6PM and non-exclusive the rest of the time. The County will own the parking structure and an Association of the Condo owners will own the building core & shell and the common areas. The interior space will be owner by each respective Condo owner.

Robert stated the County approved the project at the October 8, 2002 meeting and the City of Modesto approved the sale of land and related agreements at their October 8, 2002 meeting. The contract calls for all parties to approve the project by October 9, 2002 and all contracts must be executed by October 16, 2002.

5. **Administrator**

- Continued -

- a. Discussion and Action on County 12th Street Project and Authorization for Administrator to Sign Contract.

The project scope is that the County will purchase land from the City of Modesto, and the County will erect the parking garage on County owned land with an expected occupancy by Fall 2004. The County will construct the office building on the former City parking lot with an expected occupancy in December 2004. The County will own the land the building sits on and lease it back to the Association. The project total is approximately \$21.5 million and StanCERA's portion will be approximately \$2.4 million. There were two outstanding legal issues that needed to be discussed by the board. One was regarding the indemnification of "gross" negligence vs. negligence and the other is waiving StanCERA's right to a jury trial. It was staff recommendation that the board accept the County position that StanCERA be liable without "gross" negligence and that StanCERA waive the right to a jury trial. Victoria Halliday explained each of the issues to the Board.

After discussion, motion was made by Al Sarina and seconded by Virgil Thompson to accept the staff recommendation on the two outstanding legal issues and authorize the Administrator to finalize and execute the Master Agreement between StanCERA, Stanislaus County and Westland Development and the Parking License Agreement between StanCERA and Stanislaus County, providing there are only technical or non-substantive changes.

Motion carried.

Gary Dial arrived at 3:02 p.m.

- b. StanCERA Policies - Discussion and Action to Refer Review of Policies to Bylaw's Committee.

Robert informed the board that he is close to finishing several "Policies" including the travel policy, signature policy, buy back policy and refund policy. He stated that since policies are an extension of the StanCERA bylaws, he requested that these policies first go to the bylaws committee for review and recommendations to the board.

Motion was made by Virgil Thompson and seconded by Tom Watson to authorize the bylaws committee to have final review and make recommendations to the board regarding the policies.

Motion carried.

6. **Correspondence**

None

7. **Committee Reports and Recommendations for Action**

STANDING COMMITTEES

a. Benefits Committee - Wesley Hall, Chair

Wes Hall informed the board that there were eight retiree's from RESCO that came into the office and helped with the folding, stuffing and labeling of envelopes for the mass mailing of the health insurance information.

Robert expressed his thanks to Wes, RESCO and all of those retirees who assisted. He stated that they were a tremendous help and saved many hours of staff time.

b. Bylaws Committee - Tom Watson, Chair

Tom Watson informed the board that Bylaw Articles X through XII are in the hands of County Counsel for review and possible amendments. County Counsel should have the Articles reviewed by the end of October for a Bylaws committee meeting in November.

c. Due Diligence Committee - Virgil Thompson, Chair

Virgil Thompson informed the board that Al Sarina, Maria DeAnda and Robert Harmon will be making a due diligence trip back East at the end of October.

d. Education Committee - Virgil Thompson, Chair
- Approval of Fall SACRS Costs

Motion was made by Virgil Thompson and seconded by Maria DeAnda to approve all costs related to the Fall SACRS Conference.

Motion carried.

7. **Committee Reports and Recommendations for Action**

- Continued -

AD-HOC COMMITTEES

e. Independence Committee - Al Sarina, Chair

No report.

f. Disability Retirement Accountability Committee - Maria DeAnda, Chair

No Report.

8. **MEMBERS FORUM (Information and Future Agenda Requests Only)**

Vicki Halliday requested that the Board of Retirement look into the possibility of discussing a change in her time allocation to StanCERA. Vicki stated that due to the present contract with the "12th Street Project" she had to clear her calendar for two full weeks and feels that maybe it is time for her to change allocate more time to StanCERA business and work two complete days per week on StanCERA's business only. This would be a change to a fixed amount of time that StanCERA would be purchasing compared to the "as needed" basis currently being used. This would allow the County Counsel's office to better allocate time and hire additional personnel as needed. Michael Krausnick stated that he is willing to work around Victoria's schedule as needed for the Board of Retirement.

Tom Watson stated that he plans to get together with the Bylaws committee in November.

Nick Blom inquired about John Hallford's decision on resigning from the Board of Retirement. Victoria Halliday stated that John wanted to appear in person but has not been able to get away and will possibly put his resignation in writing.

Wes Hall thanked Robert Harmon and Victoria Halliday for an outstanding job they have done working on the "12th Street Project".

9. **ADJOURNMENT**

Meeting adjourned at 3:46 p.m.

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Respectfully submitted,

Robert Harmon, Administrator

APPROVED AS TO FORM:
MICHAEL KRAUSNICK
County Counsel

Victoria Halliday, Deputy County Counsel