

FOOTHILLS PARK AND RECREATION DISTRICT
REGULAR BOARD OF DIRECTORS MEETING

February 9, 2010

The regular meeting of the Foothills Park and Recreation District was held at The Peak Community and Wellness Center, 6612 South Ward Street, Littleton, Colorado 80127.

- I. CALL TO ORDER: Director Nunes called the regular meeting to order at 6:00pm.
- II. PLEDGE OF ALLEGIANCE: Director Nunes led those in attendance in the Pledge of Allegiance to the Flag of the United States of America.
- III. ROLL CALL:
- | | |
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| Director Maulik: | Present |
| Director Shangraw: | Present |
| Director Frankland: | Present |
| Director Sutton: | Present |
| Chairman Nunes: | Present |

ALSO IN ATTENDANCE: Ronald Hopp, Executive Director; Paul Rufien, District Counsel; Colin Insley, Director of Parks, Planning and Construction; Tom Woodard, Director of Golf; Patricia Parkin, Director of Administrative Services; Barb Butler, Manager of Recreation Programs; Derek Eberhardt, Operations Manager of Recreation Facilities; Richelle Riley, Recording Secretary; other Foothills staff and members of the public.

IV. APPROVAL OF AGENDA:

Director Nunes stated she would like to add General Obligation Bond Refinancing Update to the agenda; becoming Discussion Item "A".

MOTION: Director Maulik moved that the Foothills Board of Directors approve the February 9, 2010 agenda as amended. Director Shangraw seconded the motion. Poll of the Board: Director Maulik, aye; Director Shangraw, aye; Director Frankland, aye; Director Sutton, aye; Director Nunes, aye. The motion was approved.

V. APPROVAL OF JANUARY 26, 2010 MINUTES:

MOTION: Director Maulik moved that the Foothills Board of Directors approve the minutes of the January 26, 2010 Board meeting as submitted. Director Shangraw seconded the motion. Poll of the Board: Director Maulik, aye; Director Shangraw, aye; Director Frankland, aye; Director Sutton, aye; Director Nunes, aye. The motion was approved.

VI. COMMUNITY COMMENTS:

As a former member of the Foothills Park & Recreation District Board of Directors and as a tax paying resident of Foothills Park & Recreation District (FPRD), Lori Hoffner provided a statement to the Board. She said she has been following closely the actions, statements, and accusations from members of the Mesa View Estates residents, and in particular, the HOA of Mesa View Estates against Foothills Park & Recreation District. As a former board member, Ms. Hoffner said she heard from staff many times, issues that were raised by various neighborhoods and how the District was working with them toward resolution. Other times, members of an HOA or individuals from the neighborhoods would come to board meetings to share concerns, and ask for the District's help or some type of assistance from the Board. Residents came quite often to report their pleasure and satisfaction with what the District was doing.

Ms. Hoffner recalled that during her eight and a half years as a member of the Board, she remembers three occasions when members of the Sixth Avenue community made official comment and/or plea to the Board of Directors. Two of those occasions were related to possible mill levy vote in 2008 and conversations about possible closure of the pool. She said that as a Board member, it was extremely important to her that questions that were brought forward by the residents were answered; often the questions were directed to staff so they could provide the answer. Ms. Hoffner expressed surprise when a member of Mesa View Estates stated at a public meeting that when she asked a question about the Sixth Avenue Pool to the "woman in charge of the Board", according to her, was told by Ms. Hoffner "I don't know", and did nothing else to get her the information. Ms. Hoffner said that conversation did not take place in a Board meeting, rather, it was in the hallway following a board meeting; and Tina was talking to others as well.

Ms. Hoffner remembered it was in that conversation that Tina asked her about the expense of operating the pool in the Sixth Avenue West neighborhood. At that time, Ms. Hoffner didn't know; however, she was not willing to provide inaccurate information just to further her agenda. Ms. Hoffner told Tina that a staff member would contact her with that information, and gave her the name and number of the staff member to contact if she did not hear from them. Ms. Hoffner believes that possible closure of the Sixth Avenue Pool now has a higher likelihood because of the current actions that Tina and other Mesa View Estates residents are doing in support of exclusion from FPRD, as well as expensive litigation against the District, more than anything that FPRD is doing.

Using Columbine West as an example, Ms. Hoffner described what she has seen a neighborhood do in cooperation with the District when they were concerned about the condition of a park and playground equipment. This is an example of a very positive option that Columbine West did in addressing the issue, choosing to work with the District while keeping in mind a much bigger vision, that of a stronger community. Ms. Hoffner mentioned this was done with matching funds that were available through the District at that time. She said based on information she has heard at board meetings and at the community meetings with residents of the Sixth Avenue area, FPRD has offered many different opportunities to help provide funding to improve their facilities. She observed one reoccurring statement from members of the Mesa View Estates says "we are working from a place of strength, not from a place of fear".

There have been statements made by board member, Keith Sutton, about his integrity and lack of intrigue. Ms. Hoffner said those are interesting and contradictory comments made by an individual that has continued to post a website entitled "Fix Foothills". The website is intentionally misleading and in some cases, completely inaccurate. Ms. Hoffner observed that Director Sutton has stated that he represents the entire district, and this website does nothing to address other specific issues in the entire district other than those that further the Mesa View Estates' cause. She quoted from the website "Advertise services, not tax hikes. Foothills should advertise their services rather than spend vast sums on glossy pitches to increase taxes". Ms. Hoffner noted that Director Frankland, who endorses the website and is a Mesa View Estates resident, has historically opposed funds being spent for advertisement or promotion of the District and programs available; an example of actions contradicting statements. She said Directors Frankland and Sutton voted to approve policies on accepted practices by board members including publicly supporting decisions voted by the Board, and their opposing views would be made only outside of their role as the Board of Directors. At the same January 12, 2010 board meeting, conversations took place about a Mesa View Estates HOA meeting that was scheduled later that week to discuss the litigation filed against FPRD by Mesa View HOA, and petitions from the Mesa View residents regarding exclusion. Director Sutton claimed that he and Director Frankland would only be attending this meeting as residents, not as a Board of Directors for FPRD capacity. However, at the January 26, 2010 board meeting when Directors Frankland and Sutton were asked for any update about the HOA meeting and if there were any questions raised by Mesa View Estate residents that needed a response from the District, Director Frankland reported he answered questions regarding the Foothills budget. Ms. Hoffner observed this is another example of their actions contradicting their statements.

Ms. Hoffner said at the community meeting hosted by FPRD to provide accurate information for the Mesa View Estates and Sixth Avenue West residents, the question was asked several times by Mesa View Estates residents, "why do you want us if we are such a problem?". She said to her knowledge, FPRD has never referred to any part of the District as "such a problem". Director Hoffner said as a resident of the District and someone who pays taxes to the District to not only benefit her personally, but to enhance her community, she strongly believes everyone can come to the conclusion that it is about community. It's about working together to overcome obstacles and challenges, and an opportunity to show all generations that one particular group is not better than another. No matter how poorly someone is acting, you don't throw stones and don't give up.

Ms. Hoffner indicated that at the recent West Chamber Chairman's Inaugural Luncheon, she spoke with several Jefferson County leaders; County Commissioners, Mayors, members of the District Attorney's Office, the Sheriff's Department, as well as many other leaders regarding this issue expressing her concern about the actions of the Mesa View HOA. In every conversation, each of those leaders expressed their concern, and without fail, they each said this issue should be worked out between the two entities and agreed that it flies in the face of the concept of community.

Ms. Hoffner told Director Sutton that contrary to his statements, his actions and the actions of Director Frankland in no way represent her as a tax paying resident of this District.

A. Eagle Scout Recognition

Sean Kitners said staff would like to recognize Kyle Sutton from Scout Troop 579 for work that he did with organizing the community to get a playground constructed at Easton Regional Park. Kyle Sutton was presented with a plaque, and thanked by the Board.

VII. OLD BUSINESS:

VIII. NEW BUSINESS:

A. Xcel Easement Approval

Colin Insley explained that we were approached by the Xcel Energy Corporation concerning an easement request in the Kipling Villas subdivision. Xcel Energy was doing some work there and had discovered there were two areas that they were missing easements for power lines that were installed years ago near Lilley Gulch. One is a blue grass area and one is a native area. Included in the packet is an aerial map showing the locations of the easements and drawings of tract OO and tract NN. Mr. Insley indicated in consideration of the financial piece, staff felt that Xcel Energy has been very kind to us through their foundation program the past two years with their tree grants to us for \$7,500 last year and \$7,500 this year. Mr. Insley reiterated it is a housekeeping issue; the power lines have already been installed. They simply need the easements legally if they need access to repair the power lines. Director Frankland asked Mr. Rufien since the power lines are already established, would we have only charged them for the language for drawing up the easements? Mr. Rufien answered ordinarily not even that, but that would be the only charge back to them. Given the relationship in this case, it is appropriate not to have any charge go back to Xcel. Mr. Hopp said staff reviewed the easements with legal counsel per our policy.

MOTION: Director Maulik moved that the Foothills Board of Directors approve the easement agreement with Xcel Energy for the purpose of allowing a power line and access across tracts OO and NN, located in Filing No. 2 in the Kipling Villas subdivision at no cost. Director Shangraw seconded the motion. Poll of the Board: Director Maulik, aye; Director Shangraw, aye; Director Frankland, aye; Director Sutton, aye; Director Nunes, aye. The motion was approved.

B. Tract M Park Renaming Proposal

Mr. Insley indicated we have received a letter from the Sixth Avenue West Homeowner's Association. The association is proposing to rename Tract M Park, located in the Sixth Avenue West neighborhood, to Dewey Park. Dewey Haberman was instrumental in creating and developing the neighborhood.

Bob Haworth, President of the Sixth Avenue west HOA, thanked the Board for their consideration. He read a letter that he distributed to the Board, an addendum to the HOA's original request to name the park Dewey Park. After receiving input from the homeowner who originally suggested changing the name from Tract M Park to Dewey Park, as well as a suggestion from Mr. Haberman's widow, they amended their request to officially rename Tract M Park to Dewey Haberman Memorial Park. Mr. Haworth expressed, from the Sixth Avenue West HOA, appreciation to the District for including their (soon to be called) Dewey Haberman Memorial Park as a beneficiary of a portion of the grant money for playground equipment. Depending on how soon the project might be completed, Mr. Haworth said they might consider combining two dedication ceremonies into one: the park renaming and the inauguration of the new playground.

Director Shangraw recognized this is exactly the kind of circumstance the Board envisioned when that policy was put into place, and believes it is a very appropriate renaming. Director Nunes thanked Mr. Haworth for bringing the request to the Board's attention.

Mr. Insley acknowledged an email Mr. Hopp had received from Pat Scott, a Sixth Avenue West homeowner. In her writing, she expressed appreciation for the opportunity to rename the park and thanked Mr. Hopp and the Board for making this change, and for their support of

the neighborhood. Director Shangraw expressed thanks to the HOA for doing a survey and asking the community; she appreciates the fact they had input into the name selection.

Director Maulik asked if they got any negative feedback with their surveying. Mr. Haworth said one person asked why they need to rename the park. He said 30 names were submitted, then narrowed down to ten, and that was put on their website for people to vote. Dewey Haberman Memorial Park got 40% of the votes.

MOTION: Director Maulik moved that the Foothills Board of Directors approve the proposal from the Sixth Avenue West Homeowner's Association to officially rename Tract M Park, located in the Sixth Avenue West subdivision, to the new name of Dewey Haberman Memorial Park after Mr. Duane "Dewey" E. Haberman. Director Shangraw seconded the motion. Poll of the Board: Director Maulik, aye; Director Shangraw, aye; Director Frankland, aye; Director Sutton, aye; Director Nunes, aye. The motion was approved.

Mr. Insley added it is fairly easy and inexpensive to change the signage for the park.

IX. EXECUTIVE DIRECTOR'S REPORT:

Adding to his report provided to the Board, Mr. Hopp told the Board we applied for a Pepsi Refresh grant. He explained we submitted an application in the \$5,000 category for our concert series at Clement Park, and we invite people to vote. If we end up being in the top ten after the end of the month, we will get that funding; we are currently rated 20th out of 789 nationwide grants in the \$5,000 category. Mr. Hopp noted staff have been inundated with emails to vote every day. That link is provided on the report and Mr. Hopp invited the Board to vote. He indicated there are different grant categories including \$5,000, \$25,000, \$100,000, \$250,000. We wanted to test the waters and see how much community support we might be able to generate to get the votes. We may apply for a \$50,000, \$100,000 or \$250,000 grant if we think we can generate enough community support for the voting process.

Mr. Hopp introduced and welcomed the new Columbine Courier reporter who was in attendance, Emile Hallez Williams, who has replaced AJ Vicens.

We have finalized the Clearwire agreement for the wireless communications antenna on top of the Edge Ice Arena which will bring in \$12,000 additional revenue annually to the District. Because we were able to get it finalized by the end of January, we got a \$2,000 signing bonus.

Mr. Hopp indicated he was contacted by a local car dealership that joins forces with celebrities in the Denver Metropolitan area to do fund raising to provide project money. They wondered if we had any projects of interest. Mr. Insley and Mr. Kitners put together some ideas that we have submitted to the dealership for their consideration.

Concerning the "Walk and Talk", Mr. Hopp explained it was an employee event. He wanted to highlight the efforts of Mr. Kitners and Mr. Wilks with the playground at Easton Regional Park. They talked about the community process as staff walked from the Peak to see the playground. We would like to do an employee "Walk and Talk" in the future at Lilley Gulch to see those improvements; then to Woodmar Square to look at the new playground that staff built internally to save costs and enable us to invest more money in the equipment.

X. DISCUSSION ITEMS:

A. General Obligation Bond Refinancing Update

Mr. Hopp complimented the Board on their foresight to support what he feels is a very worthwhile venture for the District and for the community at large; it ended up being very fruitful. He recalled that at the time the Board passed the parameters and the resolutions to proceed, the general savings estimates were around \$640,000. Since that time, significant events have happened; the international, national, and regional credit markets have somewhat declined which has had a positive effect on the bond market. Mr. Hopp reminded that we had to get a new credit rating. Thanks to the hard work and wonderful efforts by Patricia Parkin and Terry Green in putting that information together, we received a very favorable rating. It was cited in the rating document that our general fund reserves, in their opinion, are very strong in that we were able to add to our fund reserves the amount of \$1.1 million to our

general fund balance. In fiscal year 2009, they have attributed the increased fund balance to cuts made in fiscal year 2009, hiring freeze and strong financial practices have led to some favorable response. The fact that it does appear that we will have a balanced fiscal 2010 budget and that we are anticipating the debt service payment which will increase in 2011 were cited in the report which led us to an AA rating. Mr. Peltz had mentioned that the State of Colorado has a rating of AA-. We were anticipating we would have to pay about \$85,000 in bond insurance, depending on our credit rating, but with our excellent AA rating, bond insurance is not necessary. Mr. Hopp said overall, the true average cost we saved is about 2.5% over what we are currently paying. The bottom line is that what we will be saving the taxpayers in gross tax dollars is \$1,335,000; two weeks ago the estimate was about \$640,000. As a reminder, Mr. Hopp said taxpayers who participate in the mill that is related to the General Obligation Bond will be seeing, starting in 2011, a reduction in their mill rate. Over the next ten years, we will be saving the taxpayers of our District \$1,335,000, which is a present value savings of \$1,165,000, about \$500,000 better than it was two weeks ago. Mr. Hopp extended compliments to the Board for their foresight in supporting that and compliments to all staff and everyone who was involved with that. He suggested it is a good demonstration that we are good stewards of tax dollars.

B. Capital Repair and Capital Equipment Update

Mr. Hopp acknowledged that in the 2010 budget, we have \$100,000 budgeted for capital equipment and \$200,000 for capital repairs and projects. In addition, we moved \$85,000 that was part of general revenues into a facility surcharge which we are devoting specifically to items that need updates and changes in facilities throughout the District. Mr. Hopp recognized we have not made a decision on what we are going to spend the \$100,000 on for capital equipment, but wanted to bring the items recommended for the \$200,000 in capital repairs and projects, as well as the \$85,000 in facility surcharge, for the Board's review. Mr. Hopp indicated we wanted to use the same kind of criteria we used last year which is to address safety items, address items that we think could generate revenue, and respond to things that are costing us money in our operations.

At Clement Park, we are recommending a Tuff Shed for mower blade grinding. What we currently have has been identified by the Safety Committee as a safety issue. In Regional Parks, Mr. Hopp said we have identified, and need to address, some fairly significant erosion behind the Edge Ice Arena and the Ridge Recreation Center flowing into some of the detention areas. We are anticipating those repair costs around \$40,000. Crack sealing at the Peak, Ridge, and Edge lots; and the same at the Schaefer Athletic Complex. Aluminum goals at Schaefer Athletic Complex; they are currently heavy iron goals that are a safety item for staff. We have identified trying to use auto locks at Easton Regional Park and Schaefer Athletic Complex. They are locks on timers so doors will automatically lock at a specific time. We are experiencing a lot of vandalism after hours. In Urban Parks, we want to explore installing auto locks at Columbine Hills where we are also experiencing maintenance and vandalism problems. Of the \$200,000, we have earmarked \$30,000 to match the joint venture grant for the playground replacement at the six playgrounds. Mr. Hopp reminded that is a \$300,000 project; \$270,000 being provided by Jefferson County Joint Venture program and we have a 10% match of \$30,000 for those projects.

Mr. Hopp recognized we have \$11,700 remaining and recalled that last year we reinstated the matching program for HOAs or other neighborhood groups that have an interest in doing an improvement in their area. We used that in at least one case to repair potholes at Estates Park, sharing half with the Mesa View Estates HOA. We have \$11,700 if we have HOAs that have an interest in doing matching funds.

In Leisure Services, Mr. Hopp said staff did a good job prioritizing items that need to be addressed; \$58,000 was allocated to that department. The winter pool covers at Deer Creek and Weaver Hollow pools need to be replaced. We want to add mirrors to the Eagle Mountain Room at the Ridge; we can enhance our dancing program through Cultural Arts and recoup the cost. The laminate floors in all the Peak meeting rooms are a maintenance item and need to be replaced. We would also resurface the dance floor and the gym floor at the Ridge. Window tinting in the Little Bear Mountain Room at the Ridge is needed. Currently, there are paper blinds which are a fire code violation.

Mr. Hopp continued that in Information Technologies, we need standard upgrades to old servers, old computers, routers, UPS units, web filtering, and keeping up with the POS and registration systems, printers, etc. It was clarified the Children's Programs printers are at each location.

For the \$85,000 facility surcharge, we tried to focus on areas that look worn and tattered and are poor first impressions for staff or patrons that utilize those facilities. Items identified in Leisure Services are carpeting, kitchen floor, and table replacement at the Maintenance Service Center. Mr. Hopp mentioned that is where we do our new employee orientations, a first impression of our employees. The gymnastics viewing area at Lilley Gulch is heavily used; the carpet there is completely torn, tattered and stained. We are going to replace it with laminate or tile. The athletics office and reception area at Clement Park gets a lot of traffic with people registering teams and shelter rentals; facility upgrades will make a nicer impression.

We are going to redo the flooring and the counters at Foothills Golf Course. The weather shelters on the course are worn and we will do some moderate repairs there. We have asked the Golf department to continue to find some additional updates at the clubhouses; we will probably spend another \$13,500 on upgrades at the golf courses.

Mr. Hopp indicated we had \$28,642 in Senate Bill 35 funds that were not spent in 2009 and were carried over to 2010. We are going to do some concrete repairs to the path by the ball fields and concession area at Clement Park for \$2,300. We have a fairly major problem with parking at Easton Regional Park; people park on grassy areas. We have identified about \$30,000 to \$35,000 worth of fencing needs at Easton Regional Park and it will be done in phases. We plan to do some critical areas, \$5,000 worth of the fencing. We would like to do some fencing and gating at Fehringer Ranch as well.

In summary, Mr. Hopp said \$285,000 in capital repairs is a drop in the bucket in relation to our needs, but we are able to whittle away at some needs. In answer to Director Maulik, he clarified that, yearly, we could be spending \$2 million to \$3 million easily. We have about \$30 million identified in capital needs. For the forecast model we projected out into the future to give us a true picture of all of our financial needs, we are plugging in \$2 million for capital repairs and \$1 million for capital equipment; we are doing ten percent of that. Director Maulik observed the whole district is not getting the repairs and improvements that they need to be getting at this time because of the state of the economy and the state of our current finances. Director Shangraw extended her thanks for stretching those dollars. The use of grant monies for many of these projects more than doubles what we can accomplish.

Director Shangraw asked if the erosion is cutting into the tow of the slopes behind the Ridge. Mr. Insley said it's cutting in behind the Ridge when the pools backwash, it comes over the top and the structure that's supposed to slow down that velocity has collapsed.

Director Shangraw indicated she would like to have a discussion regarding holding some of our matching funds. She believes we are in a very uncertain place with regard to Estates Park and wants to hold those matching funds until we have a better idea of where things are going. Director Maulik agreed that would be good business practice. She added if things work out in a positive way and everybody stays together as a community, we can reevaluate the spending of those dollars; we don't have a deadline to spend those dollars. Mr. Hopp pointed out for the Joint Venture Grant we have two years. Director Maulik asked if we would hold whatever dollars we decide to allocate for that park; Mr. Hopp replied if that is the Board's recommendation. He explained we have six playgrounds to replace and the overall project cost is \$300,000. That includes a \$30,000 match which is a \$5,000 per playground match for the District. When asked about a vote, Paul Rufien advised in the current status of things, he doesn't think a vote would be required at this point in time. General direction from the Board to Mr. Hopp and his staff as to how to proceed and prioritize would be fine. Mr. Rufien added that to approve the funds it has to come back before the Board, but it would be fair for the Board to give staff advance notice. He suggested it could be revisited quarterly or twice a year so staff has adequate time to plan as necessary. Mr. Hopp clarified that in theory, we could build most, if not all, of these playgrounds in 2010. What he is hearing from the majority of the Board is that we should proceed on five of those and hold off on one until a later date.

Director Sutton voiced that may send the wrong message and advised to stay on track. Director Shangraw emphasized we have an unknown amount of money that we are going to have to find to be able to defend ourselves against litigation and believes this is an appropriate first step in finding some of those funds. Director Sutton maintained these funds have already been awarded to the District. Director Nunes clarified it wasn't said that we are not going to use the funds on that playground; we are going to hold on to it for a little bit to see what happens. Director Frankland proposed the \$11,500 for other matching funds is money that could be used for other purposes. Director Shangraw indicated she does not intend to take those funds from other HOAs to defend against a law suit.

Director Maulik acknowledged we do need to find dollars to pay for this litigation and asked Mr. Hopp if he has recommendations for where it is going to come from. Mr. Hopp said we are constantly trying to identify other savings within the District and through our operations. He said at this point, no specific recommendations, it could possibly capital dollars. Director Maulik reiterated it would be good business to hold off on making any decision with regard to Estates Park at this time because it's a volatile state of affairs. Director Nunes emphasized we are not saying it's not going to be built; we want to see what happens down the road so we can reexamine it. Mr. Hopp acknowledged the direction from the Board.

Concerning Fehringer Ranch, Mr. Insley said we have funds in the 2010 budget to address the thistles. He added that Denver Water is going to help us with that process because they have property abutting the open space Fehringer Ranch piece. Jefferson County has already set some barriers out to help keep people from driving in.

C. Foothills Foundation Projects

Mr. Hopp reported that Director Shangraw and he attended the Foothills Foundation Board meeting yesterday morning. Included in the packet are a memo and copy of the letter that was provided to the foundation giving them some ideas as to what they could possibly devote their fund raising efforts toward in 2010. We received a letter stating the items they have selected to fund. Their number one priority selected from the list is to enhance the lighting at the Edge for public skating, rentals, birthday parties, etc. Vickie Rodriguez explained how the lighting would enhance our general public skate as well as be able to host more special events that we have not been able to host. The number two priority is dumbbells, free weights, replacements of leg extensions on the Life Fitness machine, bar bells, kettle balls, etc. That project is flexible as to what they are able to fund.

D. Departmental Quarterly Reports

1. Golf

Tom Woodard said despite the abysmal weather year we had in 2009, it turned out to be a decent year. Rounds of golf were down 11% which is consistent with other golf courses in the Denver Metro area, except high end golf courses. Referring to the golf financial summary, Mr. Woodard pointed out we were down in operating revenues from the original budget a total of \$374,641. Staff stepped up to the plate and total operating expenditures were down \$282,764. As a result, the net revenue decreased by only \$92,000.

Concerning the Golf Development and Improvement Fund, Mr. Woodard thanked the Board for approving the projects and equipment that were presented to them. He pointed out total gross revenue for Premier Restaurant was down 15%. Mr. Woodard believes they are seeing an impact from the economy and not just the weather.

Mr. Woodard said an accomplishment staff had that he is most proud of is finalizing the 2010 Stimulus Package. We are going to participate in three passport programs and we rolled out our Golf Players Card for 2010. He explained the process of identifying the down time and how things were packaged. He said we eliminated the Golf Expo Card and expanded the discounting that is available with the Golf Players Card. As far as the passports are concerned, about 90% of the golfers that are using the passports are external customers (outside the District).

2. Leisure Services

Derek Eberhardt reported that Leisure Services had a very successful 2009. While revenues were down \$227,000 compared to the original budget, expenses were down \$507,000. Overall, performance is \$280,000 better than the original budget. Aquatic admissions were down slightly. Pass sales were down throughout all buildings; the three month pass was brought back and has been very successful. Rentals were down at the Edge which has been talked about in the past. Personal training was down in Fitness. Mr. Eberhardt said we were able to offset these shortfalls with additional savings in salaries, purchased services, and utilities.

Highlights for the fourth quarter include continued focus on training in Aquatics with additional lifeguard instructors, and they implemented a monthly staff newsletter to enhance communication. In Athletics, we have seen strong growth in youth sports and the Indoor Sports Arena. Children's Programs restructured to focus on business applications and procedures. Cultural Arts secured over \$10,000 in grant money from SCFD. The Peak exceeded \$100,000 in rental revenue and we renovated some spaces for additional revenue opportunities at the Peak and the Ridge. The Edge Ice Arena became fully staffed and put a new structure in place to focus on operations, programming, and management. In Fitness, Silver Sneakers and senior programs continue to perform very strong. We had a very successful "Hold for the Holidays" with 20 teams. The climbing wall netted \$4,000 for the year.

In answer to Director Nunes, Ms. Rodriguez explained that the youth associations implemented a new program starting in August where they deemphasize games. Now they have 60 teams on the ice during the week which takes away the number of games they have on Saturday and Sunday; taking away from pro shop sales, concessions, etc. Director Nunes asked if we have an opportunity to utilize that time somewhere else. Ms. Rodriguez said yes, along with the lights we are hoping to get, we have been approached by Denver Synchronicity. They have four skate teams that they want to put exclusively at the Edge, and we have been working diligently on what hours we can give them.

3. Parks, Planning and Construction

Colin Insley thanked his staff for their help with the quarterly report. For the year 2009, revenues were down about 4%, primarily due to Specific Ownership Tax and didn't make as much from field painting as we had originally anticipated. Concerning expenditures, we got a lot of rain last year which helped with utilities and we were enabled to garner savings of \$150,000. Net revenue, or savings, was under budget \$210,000. That also had to do with savings in fuels.

In Urban Parks, Mr. Insley described a matching project that was done in Blue Heron Park where the aeration pump had gone out, and that minor repair was split with the HOA. Water usage is being tracked in the Urban Parks account rather than Parks Administration. In 2008, we used over 67 million gallons of water, and in 2009, we used 41 million gallons of water.

The Fleet Services department saved money by going to a Valero card for fuel. This year we will be instilling a fuel card that allows tracking of fuel use for each vehicle and overall expense because we can apply to the State and get credit on tax that is paid at the pump. Mr. Insley talked about grant opportunities with the Clean Cities Coalition.

In Regional Parks, we saved about \$16,000 when we incorporated mowing around the Edge, Ridge, and Peak into our regular mowing practices. Water use was 70 acre feet in 2009 compared to 89 acre feet in 2008 at Easton Regional Park. At Schaefer Athletic Complex, we used 87 acre feet in 2009 compared to 112 acre feet in 2008.

Clement Park achieved savings with fuel. The J. W. Bowles Reservoir did an additional assessment that ran the account over about \$10,000. We were able to absorb that through savings in utilities and various other items. A challenge we are facing at Clement Park is the security light repairs. Water usage was 95 acre feet in 2009 compared to 145 acre feet in 2008.

4. Administrative Services

Patricia Parkin said in Administrative Services for the last quarter, the net revenue exceeded the budget favorably by \$805,000. \$500,000 of that amount was planned to be used for future debt reserves or other needs in the future. We had \$216,000 roughly less in purchased services. That was mostly due to \$100,000 not spent for a mill levy election, less money spent on water engineers and legal expense, less on public relations and promotions, and less spending overall. Other expenditures were down about \$157,000. Most of that was related to efficiencies savings that we had in the budget that we've used for benchmark increases throughout the District.

Accomplishments for the quarter were that Human Resources staff were able to finish the benchmark analysis and the new compensation plan. They revised the Employee Handbook and updated the 401k salary deferral plan. Ms. Parkin detailed multiple training sessions that were held throughout the quarter. Insurance claims were down; we received \$415,000 for the hail damage that happened in July. Information Technologies worked on updating our 2010 pricing and setting up winter camps, and worked with Bill Johnsmiller to update Fleet Maintenance software. They did basic upgrades. Ms. Parkin reported the Finance department continued to work hard.

5. Marketing and Community Outreach

Mr. Hopp did not add to his attached report.

Mr. Hopp updated the Board on the ESCO and Governor's Energy program. McKinstry is providing their preliminary reports to staff tomorrow; it will be coming before the Board in the near future. We were successful with the QECB loan through the reinvestment Federal money that goes to the State, it is very low interest. We applied for \$1 million in a potential low interest loan through the State Governor's Office and were notified last week that we have received that; although we are not obligated to use it. Mr. Hopp will provide a full update to the Board. He said we are holding off on the Schaefer Athletic Complex ball field lights because it could be part of the overall package of the personalized contract.

Director Maulik shared that she hit a bucket of balls Saturday and said she is very proud of the Meadows and the staff, and expressed this is an amazing place to live.

XI. EXECUTIVE SESSION:

A. Property Inventory Update per 24-6-402(4)(a), C.R.S.

B. Personnel Matters per 24-6-402(4)(f), C.R.S.

MOTION: Director Maulik moved that the Foothills Board of Directors move into Executive Session pursuant to Colorado Revised Statute 24-6-402(4)(a) to discuss Property Inventory Update and pursuant to Colorado Revised Statute 24-6-402(4)(f) regarding Personnel Matters. Director Shangraw seconded the motion. Poll of the Board: Director Maulik, aye; Director Shangraw, aye; Director Frankland, aye; Director Sutton, aye; Director Nunes, aye. The motion was approved.

The regular meeting adjourned at 7:30pm. Executive Session started at 7:39pm and ended at 9:08pm; the regular meeting reconvened.

XII. ADJOURNMENT:

The regular meeting was adjourned at 9:09pm. The next Board meeting will be held at 6pm on Tuesday, February 23, 2010, at The Peak Community and Wellness Center, 6612 South Ward Street, Littleton.

Submitted by:

Richelle Riley, Recording Secretary