

**FOOTHILLS PARK & RECREATION DISTRICT**  
**REGULAR BOARD OF DIRECTORS MEETING**

**December 14, 2010**

The regular meeting of the Foothills Park & 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 6pm.
- 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:
- |                   |         |
|-------------------|---------|
| Director Maulik:  | Present |
| Director Johnson: | Present |
| Director Bradley: | 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; Barb Butler, Manager of Recreation Programs; Patricia Parkin, Director of Administrative Services; Richelle Riley, Recording Secretary; other Foothills staff and members of the public.

Potential conflicts of interest were disclosed pursuant to Colorado Revised Statutes 18-8-308(2), 24-18-109(3)(a), 24-18-110, and 32-1-902(3).

IV. APPROVAL OF AGENDA:

**MOTION:** Director Bradley moved that the Foothills Board of Directors approve the December 14, 2010 agenda as submitted. Director Maulik seconded the motion. Poll of the Board: Director Maulik, aye; Director Johnson, aye; Director Bradley, aye; Director Sutton, aye; Director Nunes, aye. The motion was approved.

V. APPROVAL OF NOVEMBER 23, 2010 MINUTES:

**MOTION:** Director Bradley moved that the Foothills Board of Directors approve the minutes of the November 23, 2010 board meeting as submitted. Director Maulik seconded the motion. Poll of the Board: Director Maulik, aye; Director Johnson, aye; Director Bradley, aye; Director Sutton, aye; Director Nunes, aye. The motion was approved.

VI. COMMUNITY COMMENTS:

Lori Hoffner, district resident, addressed the Board. She said in 2009, she was appointed to the Midwest Council for NRPA as a citizen representative. Part of the requirements as the citizen representative is to maintain NRPA membership. She extended thanks to the Board and to Ronald Hopp and the District for providing that membership for her to participate. Ms. Hoffner explained the Midwest Council represents many of the states throughout the Midwest area. In October, Ms. Hoffner attended the NRPA National Congress and the constant theme was sustainability; environmental as well as agency sustainability. How do we take care of our parks by using less water, how do we heat our buildings using a little less heat, how do we maintain quality staff and programs doing more with less? Ms. Hoffner said she learned throughout all the educational workshops to not only to pay attention to sustainability, but to be creative. She suggested Foothills has always done a wonderful job being creative in terms of sustainability, environmentally and regarding its staff. Ms. Hoffner observed that contrary to recent articles in the Courier, supporting and paying for staff, especially those qualified staff, is an important part of sustainability. The professionals who work in parks and recreation are specialized individuals and professionals; they need to be recognized and paid for that. Ms. Hoffner extended thanks to Foothills for that recognition and being willing to take care of staff. At the National Forum Meeting this year, there was a constant theme about how we, as park and recreation agencies, do more with less. Ms. Hoffner discussed that a lot of park and recreation agencies are looking possibly outside and privatizing some of their facilities and programs. Those communities are learning that it creates an environment of those who have and those who have not. At the National Forum Meeting they talked about engaging citizens and empowering them to be the spokespersons on behalf of the agencies. She mentioned that in the past, Foothills has had the Friends of Foothills, and encouraged the Board to strengthen that group.

Ms. Hoffner suggested those who have participated and engaged in what this district has to offer can be the mouthpiece. What they have to say is better than any marketing campaign we can put together. Ms. Hoffner thanked the Board and the District for allowing her to serve in this capacity with parks and recreation. Director Nunes expressed appreciation for community members like Ms. Hoffner who care about parks and recreation, and for moving that forward.

VII. OLD BUSINESS:

A. 2011 Budget

Mr. Hopp explained staff have provided the Board a final 2011 budget packet to put into their 2011 Budget Book, and highlighted changes that were made since the original presentation of the budget. The general overview of the 2011 proposed budget, prepared by staff, was presented to the Board on October 26<sup>th</sup>. At the November 9<sup>th</sup> and November 23<sup>rd</sup> board meetings, staff provided departmental presentations to the Board. The budget initially was based upon the preliminary valuations that we received from the County in August, and we knew that we would probably receive some sort of update and final valuations around the end of November or first part of December. Mr. Hopp recalled that last year, the revenue proceeds from the valuations went down about \$70,000; this year they went down \$7,214 from the original valuation revenue projections in August. We have made some adjustments to off-set this reduction in revenue in the Irrigation expenditure budget. The initial 2011 budget that we presented in November showed an increase in the Irrigation expenditure in anticipation of securing additional shares of the Bergen ditch system from Jefferson County, and that we would pay the annual assessment in 2011 for those additional shares. Based upon some information that we received, which we will be talking about in our Executive Session, we will not be having to pay for those assessments in 2011; therefore, we will be able to utilize those funds in a different way. Mr. Hopp explained we will have to accrue costs associated with transfer of use. The water attorney estimated that amount is a range from \$20,000 to \$90,000. Until we get more of a scope on what the water court costs might actually be, we have simply moved the assessment costs that we were anticipating to our Professional Services portion of our budget where we will be incurring costs associated with transferring the water shares from Jefferson County to the District. Since the original budget proposal was presented, Mr. Hopp said we found out that Clement Park will have a slight increase in their assessments for the J.W. Bowles system of \$3,094; we have made that adjustment as well. He concluded the major changes are a reduction of \$90,506 from the Irrigation budget and an increase of \$83,292 in Professional Services; the difference is \$7,214. That will produce a balanced budget of \$21,504,622 in revenues and \$21,504,622 in expenditures. Mr. Hopp indicated this budget is being submitted for the Board's final and formal approval. Once it is approved by this Board, we will be submitting it to Jefferson County and the State of Colorado. Mr. Hopp pointed out there are resolutions attached for the Board's consideration. Regarding the public hearing process, the public notice had been published in the Columbine Courier as per requirement; the proposed budget has been available for public inspection.

Director Johnson indicated since the Board is divided somewhat about the salary increases, she had a thought about having the upper management have a salary freeze and the rest of the employees would be subject to the raise. She explained that's sort of how it goes in the private sector, and it seems like that's a lot of the salary percentage. Director Nunes proposed that upper management works just as hard as everyone else; she couldn't fathom giving all the employees a raise and not give the upper management a raise. Director Johnson emphasized it's not merit; recognizing they work just as hard. Director Nunes pointed out the actual raises are going to be based on merit, not just across the board raises for everyone. She reiterated upper management are a vital part of this organization and they are the ones who really encourage and support their staff to do such a great job. Director Maulik acknowledged that three of the current board members promised staff that if they could find the efficiencies we would do this, and they have; she is going to make every effort to keep her word. Director Bradley expressed appreciation for where Director Johnson is coming from; the suggestion is a very good one. He indicated they had chatted about it earlier today in a very general sense. He said this area may be the single hardest thing to talk about in which to make a decision. In 30 plus years' association with this agency, the disparity between what Foothills' people are paid and what the rest of park and recreation professionals are paid hasn't changed. He talked about the disparity still being very apparent and on that basis, reaffirmed that he believes staff deserves this. He added that our reporter at the Courier was

correct when he talked about this budget situation several weeks ago; the article was extremely well written.

Director Sutton expressed his view is that the reason we are sitting here with the problem is because there is always an easy and a hard decision. There was an easy decision to be made earlier in this decade that got us into the fix that we are in now. The District developed some projects that we could not afford. They missed proforma, they were over budget, and they do not pay their way; that is really the reason that we are struggling with the financial position we are in today. The easy decision to make back then was to go along with the development thinking things would work out, prosperity would continue, it would be paid for down the road. Director Sutton proposed they did that at least three times; one time could be classified as a mistake, two times ought to give a clue, but the third time – absolutely not. Now we are facing the other end of that and we are looking at making an easy and a difficult decision. The easy decision is to go along and make everyone happy with an increase in wages. The hard decision is to look at the real fiscal position that we're in and to say no. Director Sutton agreed that, based on Director Bradley's statement that we have been behind all these years, it would be nice to catch up. He thinks to do so at this point in time sends the wrong message to our constituents. Director Sutton suggested we have a lot people who are lucky to have jobs; for us to vote an increase in salaries he thinks is an error, and he would not support it.

Mr. Hopp weighed in assuming the upper management thought means him and the Management Team. He asked the Board to take him out of that equation; they will have their shot at him through his evaluation process. He spoke on behalf of the five very hard working individuals who have been part of the process and buying into a new culture of developing success with what we have. It's a culture of developing efficiencies to continue to try to provide services to this community as efficiently as possible, through the generation of as much revenue as possible, to make these wonderful parks, trails, and facilities that we have work. The Management Team have been very instrumental in motivating staff, developing efficiencies, and have done this with three less directors. Mr. Hopp thinks it would be a disservice to them, not motivating, and a disincentive. He suggested it would put him in a very difficult situation of overseeing these individuals having to endure that when they have been very responsive to a new culture. Director Nunes determined that Mr. Hopp is not out of the equation because he is the one that has started this trend. He arrived here in a very difficult situation and is just as much part of the start of this turn around as anybody else that works for this District. If we are going to do this, it is going to be across the board. Director Nunes told Mr. Hopp he has been a very good leader, and that would be a disservice to the Foothills' community as well.

Director Sutton noted that with the Federal Government, the president announced there would be no increase there as well.

#### 1. Public Hearing

Director Nunes opened the public hearing at 6:25pm to consider the Foothills Park & Recreation District's budget proposal for 2011.

Chris Ames, district resident, indicated she came in late and didn't hear the whole budget, but spoke as one who works for the public sector and acknowledged we are all struggling with budget issues. She understands the principles of giving staff increases because they work hard and do their job well; but has a difficult time when everybody else is struggling. As a constituent, she has a difficult time in this economic area giving increases, at whatever level. Per Director Nunes' request, Mr. Hopp provided a brief history about the budget and the proposed 2.2 percent salary increase. He indicated that special districts, especially park and recreation districts, are interesting because of how our revenues are. We are basically 30 percent tax dollars, 70 percent earned income. We generate 70 percent of our revenues that we operate with from revenue streams from golf courses and facilities, etc. Other governmental entities sometimes rely more heavily on tax dollars and sales tax. Cities and counties that have furlough days are a different scenario because they rely so heavily on sales tax. We don't have sales tax so we are in a different financial position. When we compare ourselves to other park and recreation agencies, most of the agencies like ours are giving increases. We recently learned that Evergreen Park and Recreation District is giving a six percent increase to their employees. In an effort to try to maintain some competitive level with our quality

employees and to try and keep them here, Mr. Hopp thinks it is important to continue to try to reward them. Especially when comparing six percent at Evergreen; Apex, three percent; Hyland Hills, three percent; South Suburban, 2.2 percent. Mr. Hopp indicated those are the agencies we like to compare ourselves to as opposed to municipalities and counties. He can't disagree with what Ms. Ames is saying, and we certainly understand the Federal level, but it's a completely different comparison to what we are doing. Director Maulik added that part of the last increase was truly to try to narrow the gap; we were losing critical players to higher paying salaries because we don't have our employees where they should be comparatively within the industry.

Director Nunes closed the public hearing at 6:33pm.

2. Resolutions

**MOTION:** Director Maulik moved that the Foothills Board of Directors approve Resolution No. 10-008 to Adopt the 2011 Budget for the Foothills Park & Recreation District, Resolution No. 10-009 to Appropriate the 2011 Budget for the Foothills Park & Recreation District, Resolution 10-010 to Levy 2011 Property Taxes for the Foothills Park & Recreation District. I further move that the Foothills Board of Directors approve the proposed expenditures for the Golf Development and Improvement Fund as presented in the 2011 budget. Director Bradley seconded the motion.

Director Sutton acknowledged there is one issue where the Board is apart on this budget; it might be well to vote on that, and then vote on the budget. It was discussed that the motion would not be altered; Mr. Rufien explained that state law requires the adoption of a budget. His preference is that we stick with a budget. A suggested compromise that he believes accommodates the full discussion of the Board would be to take a vote on the budget and if in voting yes or no, a board member would like to elaborate or expound upon their decision, they would be welcome to do so. If a board member would like to voice and have part of the record be their dissent to the salary increase and yet approve the overall budget, perhaps that type of a yes vote would satisfy all concerns.

Poll of the Board: Director Maulik, aye; Director Johnson, aye; noting dissent to the salary increases as presented; Director Bradley, aye; Director Sutton, nay; Director Nunes, aye. The motion passed that the 2011 budget will be adopted as presented, confirmed Director Nunes.

VIII. NEW BUSINESS:

IX. EXECUTIVE DIRECTOR'S REPORT:

Referring to the second page of the report, Mr. Hopp said the performance contract is progressing very well. Today, 11 different activities were happening and seven different trades were happening in multiple facilities. The Edge Ice Arena roof is complete. The materials have been loaded on the roof for the solar array project that will be installed; we are hoping to see construction of that project starting early next week. Director Bradley talked about the impeccable work that has been done with the wash basins and shower heads at the Lilley Gulch facility; the end result is that we save tax payers money.

Mr. Hopp said there is a letter that came to each of the board members through the board email as well as the Lakehurst West HOA. It described a frustration that this individual has with dog feces around the Harriman Lake trail. Mr. Insley has responded asking what we can do to help.

Mr. Hopp met with Ralph Schell, Jefferson County Administrator, and Tom Hoby, Jefferson County Open Space Director, on several issues. He brought up, as the Board discussed at the last board meeting, the question about the feasibility and possibility of some additional funding for infrastructure needs at Clement Park. Mr. Hopp said most of the discussion revolved around what does the agreement say; it's pretty clear in the agreement that they don't have any real financial responsibility moving forward. Mr. Hoby and he agreed to continue to talk about it.

Referring to the third paragraph on page two, Mr. Hopp said we are seeking guidance on the possible hosting of a firearm safety course. We had a district resident/patron approach us asking whether it is something we could host here. Ms. Butler explained it is an instructor from the NRA Firearms Safety Program that wants to do classes for youth on how to deal with firearms if

they come in contact with them, and how to handle them appropriately, etc. After some board discussion, Mr. Hopp suggested two different approaches. We could create a partnership with the entity and offer it as a program or we could let them rent space from us. Director Sutton expressed this is an area that is needed, it's a safety issue. Director Maulik expressed concern about the liability; Director Bradley expressed this isn't something this agency should be involved in. Director Nunes said she does not feel comfortable with it, a hunter education safety class would be different; Director Johnson agreed.

Director Nunes questioned how much expanding the catalog from 40 to 48 pages will cost the District. Mr. Hopp answered it's approximately \$2,800 and it is in the budget. He explained we have had program expansion and it will give us a little flexibility. Director Johnson expressed frustration that the catalog does not have schedules and the statistics showed that most of our patrons get their information from the catalog. Mr. Hopp explained the schedules are available on-line and they are available in the facility lobbies. He said when we first implemented the changes, there were frustrations. That was a cost saving measure we implemented in 2009; we saved almost \$40,000 by going from the catalog with all the schedules to the catalog that basically shows our program offerings. Mr. Hopp confirmed we have found that it gives us greater flexibility in adding classes and making changes in classes; it doesn't become obsolete before the catalog cycle has ended. He indicated overall, patrons have gotten used to it; the schedules are available in other ways and it saves a significant amount of dollars. Director Nunes agreed it is difficult for staff to do advance scheduling for two catalogs per year and discussed how it is done in Highlands Ranch, although it is different than Foothills. Ms. Butler indicated she was skeptical when we pulled the schedules out of the catalog; we didn't see any reduction in enrollment or revenue as a result. She reiterated we now have more flexibility to add things at the last minute, to make changes, to update the website; if someone calls we can mail, email, or fax the schedule to them. We are driving people to the website. Ms. Butler suggested we are taking the lead. The other agencies will be following us because we have been talking about it in management team meetings all across the recreation community. She said we probably increased our revenue as a result of our flexibility. Director Bradley proposed it would be interesting to ask our staff to ask some of our users what they think. Ms. Butler offered we got that information from patrons when we first made the change. Director Bradley suggested with one or two of our programs, we ask the users what they think about the present catalog, do they use it; not only about the catalog but about some other things. Just because they say that at one time, doesn't necessarily mean that followed through. He reiterated the short, pithy, survey types of things that we have a potential to do can be extremely valuable, as we do with the big survey in our Before and After School programs. Director Nunes asked the rest of the Board if we want staff to do an evaluation or are we good with how things are going. Director Sutton observed we can't argue with the results and we have already gotten the results; perhaps the catalog is difficult to read. Director Johnson observed that enrollment is going up; Director Maulik mentioned this is a decision the last Board made after a lot of research and money issues. Mr. Hopp reminded Director Bradley that for the month of October we did do the survey asking patrons how they get their information, and had about 700 respondents. The catalog was raised to a high level and that encouraged us to make sure we continue to have a catalog; it enforced that people are getting information from the catalog. If they are seeking additional information they are finding it by getting on the website, by getting schedules from the front desk, by asking questions, by talking to programmers. Mr. Hopp is finding that we don't need to go back to schedules in the catalog at this particular time because it's not hurting our bottom line. Director Bradley indicated other organizations that offer products continuously look for additional ways in which they can evaluate what they are doing, how they are doing it, can they increase even more. Businesses are always looking at other ways in which they can generate a better product possibly for less money. Just because we have increased and people are happy, doesn't necessarily mean they continue to be that way. Director Nunes reminded that we continue to do evaluations; programmers are asking those pertinent questions. Director Bradley pointed out he has never been asked for any kind of evaluation in this agency, at Lilley Gulch or at the Ridge, in the 30 years that he has been swimming.

Continuing Community Comments, Chris Ames, district resident, expressed her appreciation to the Board. She had emailed the Board about the dog feces, and would like to present possible ideas for the Board's consideration. The week before she wrote the email to the Board, Ms. Ames discovered 22 piles of dog feces within a very short area around Harriman Lake. She mentioned she was at Mount Falcon and the same thing had happened there.

Ms. Ames suggested we possibly need to do more community outreach, more education, and she would be happy to be part of that. She thinks it is a question of raising awareness within the community that this is becoming a problem, people are becoming lax in taking care of what is everybody's area. Ms. Ames indicated she would like the Board's assistance, raise their awareness, and see what we could perhaps do as a community to help. Director Nunes expressed appreciation for Ms. Ames bringing this to the Board. She agrees we can do more to make the community aware. Mr. Hopp concurred, along with staff, it's frustrating when trying to maintain the parks and trails systems and have to encounter that. He indicated tennis courts and sports fields are being utilized for dogs where people don't take personal responsibility for those types of things, and it is very frustrating. Mr. Hopp indicated that he and Colin Insley, our Director of Parks, can meet with Ms. Ames and someone else from the HOA. There could be an opportunity in the catalog to promote awareness. Mr. Hopp suggested Ms. Ames could help compile information about the health problems and how it can be detrimental; why people should care.

X. DISCUSSION ITEMS:

XI. EXECUTIVE SESSION:

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

B. Bergen Water per 24-6-402(4)(b), C.R.S.

C. Mesa View per 24-6-402(4)(b), C.R.S.

**MOTION:** Director Maulik moved that the Foothills Board of Directors move into Executive Session to discuss Property Inventory pursuant to Colorado Revised Statute 24-6-402(4)(b), Bergen Water pursuant to Colorado Revised Statute 24-6-402(4)(b), and Mesa View pursuant to Colorado Revised Statute 24-6-402(4)(b). Director Bradley seconded the motion. Poll of the Board: Director Maulik, aye; Director Johnson, aye; Director Bradley, aye; Director Sutton, aye; Director Nunes, aye. The motion was approved.

The regular meeting adjourned at 7:16pm. Executive Session started at 7:25pm and ended at 8:41pm; the regular meeting reconvened.

XII. ADJOURNMENT:

The regular meeting was adjourned at 8:42pm. The next board meeting will be held at 6pm on Tuesday, January 11, 2011, at The Peak Community and Wellness Center, 6612 South Ward Street, Littleton.

Submitted by:

Richelle Riley, Recording Secretary