FOOTHILLS PARK & RECREATION DISTRICT
REGULAR BOARD OF DIRECTORS MEETING

September 22, 2015

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

I. CALL TO ORDER: Director Bradley called the regular meeting to order at 6:00pm.

II. PLEDGE OF ALLEGIANCE: Director Bradley led those in attendance in the Pledge of Allegiance to the Flag of the United States of America.

III. ROLL CALL: Director Bielkiewicz: Present
Director Bosanko: Present
Director James: Present
Director Sutton: Absent
Director Bradley: Present

ALSO IN ATTENDANCE: Ronald Hopp, Executive Director; Paul Rufien, District Counsel; Patricia Parkin, Director of Administrative Services; Colin Insley, Director of Parks Planning and Construction; Derek Eberhardt, Manager of Recreation Facilities; Barb Butler, Manager of Recreation Programs; 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 Bosanko moved that the Foothills Board of Directors approve the September 22, 2015 agenda as submitted. Director Bielkiewicz seconded the motion. Poll of the Board: Director Bielkiewicz, aye; Director Bosanko, aye; Director James, aye; Director Bradley, aye. The motion was approved.

V. APPROVAL OF AUGUST 25, 2015 MINUTES:

MOTION: Director James moved that the Foothills Board of Directors approve the minutes of the August 25, 2015 board meeting as submitted. Director Bosanko seconded the motion. Poll of the Board: Director Bielkiewicz, abstain; Director Bosanko, aye; Director James, aye; Director Bradley, aye. The motion was approved.

VI. COMMUNITY COMMENTS:

VII. OLD BUSINESS:

A. 2006 COP Parameter Resolution

Ronald Hopp discussed the District has been very diligent over the last seven years finding opportunities to refund and refinance various pieces of debt. The District has refinanced everything it can; this is the last piece of the puzzle. This 2006 COP is scheduled to expire in 2026. Given the low interest rate potential and given the District’s extreme capital needs, scenarios were talked about for a simple refinancing, and also the opportunity to extract some additional principle to address much needed capital needs around the District, specifically, Clement Park and significant needs there in the hope that additional funds could be leveraged. Those specific projects haven’t been determined but the recognition that there are significant capital needs was reached through a discussion at the last board meeting with discussion to extract an additional $3 million for capital projects. Steve Jeffers, with Stifel, Nicolaus & Company, was asked to bring forward a parameter resolution for the Board’s consideration at the September board meeting.

Mr. Jeffers explained the parameter resolution allows that if the parameters are met, the financing can move forward. Indicating the attached resolution, Mr. Jeffers talked about the various parameters pointing out final maturity date for the 2015 certificates, highest extent of interest rate of the 2015 certificates, extent of the site lease term, and talked about collateral.
Mr. Jeffers suggested the transaction could possibly close by December 1, 2015; pricing the COPs will probably be 20 days prior to that. He indicated this could be put on hold for a year if something dramatic were to happen.

Tom Peltz, legal counsel on this matter, was in attendance. Mr. Peltz added that reserve fund monies would be freed up; Mr. Jeffers elaborated on bond insurance and debt service reserve fund surety. In answer to Director Bradley, Mr. Jeffers provided his opinion regarding interest rate, whether or not it might be approximately what it is now.

**MOTION:** Director James moved that the Foothills Board of Directors approve Resolution No. 15-005 to refund/refinance the 2006 Certificates of Participation to a lower interest rate, adding an additional $3 million for capital projects as discussed. Director Bosanko seconded the motion. Poll of the Board: Director Bielkiewicz, aye; Director Bosanko, aye; Director James, aye; Director Bradley, aye. The motion was approved.

B. **Vintage Reserve Metropolitan District IGA**

Mr. Hopp recalled a couple of years ago the District had entered into an Intergovernmental Agreement (IGA) with Ken-Caryl Ranch Metropolitan District (KCRMD) and it has been successful. The agreement is such that KCRMD is able to use Ridge Recreation Center at district rates, then gets billed for the differential between the district rate and the non-district rate on a monthly basis.

As a result of that, staff were contacted by Vintage Reserve Metropolitan District for consideration of a similar agreement, which has been brought to the Board tonight. The difference is that instead of being for one specific facility, Vintage Reserve would like to have access to all facilities and all programs. Mr. Hopp reiterated the facilities will be utilized at district rates, with Vintage Reserve billed for the difference between district rate and non-district rate. If there is any cost incurred by Foothills, it is the administration of taking the reporting and invoicing Vintage Reserve. They have about 239 homes, Mr. Hopp said. The initial term of the IGA starts on October 1, 2015 and ends on December 31, 2016.

**MOTION:** Director Bielkiewicz moved that the Foothills Board of Directors authorize the Executive Director to execute an Intergovernmental Agreement with the Vintage Reserve Metropolitan District as discussed subject to final approval from district staff and legal counsel. Director Bosanko seconded the motion. Poll of the Board: Director Bielkiewicz, aye; Director Bosanko, aye; Director James, aye; Director Bradley, aye. The motion was approved.

VIII. **NEW BUSINESS:**

IX. **EXECUTIVE DIRECTOR’S REPORT:**

Mr. Hopp mentioned he had a conversation with a board member of the Bowles Metropolitan District, which is 80 to 90 percent of Grant Ranch. They are interested in the KCRMD agreement and what opportunities there may be, Mr. Hopp explained.

Highlighting the report provided, Mr. Hopp explained that he attended the Open Space Advisory Committee meeting in early September and talked about the possibility of leveraging funds. He said there is a gentleman that would like to see an all inclusive handicap accessible playground somewhere in the District and is very willing to help spearhead fundraising efforts. Attached to the report is a letter from U.S. Figure Skating recognizing the Edge Skating School for their membership growth.

Mr. Hopp mentioned there have been almost 600 responses to date for the Master Plan online survey providing some good feedback on utilization, general feelings about the District, suggestions of potential improvements, etc.

Mr. Hopp indicated staff have been approached by the Jefferson County Sheriff’s Office about some challenges they are having with individuals in Clement Park. Mr. Hopp explained, and they have asked if the District would be willing to give them the latitude to ban those individuals. There was board discussion, and Mr. Hopp talked about sending a letter to the County authorizing removal of the individuals. Mr. Insley discussed details as indicated in a note from the deputy’s office.
Paul Rufien offered the parameters of a letter would be up to the District, it has to mean what it says and it has to apply to everybody equally. Mr. Rufien suggested as far as public safety, there is nothing unique to Clement Park; the same would apply to the other parks. It should be a ban from Foothills’ facilities, not make it specific to any one site. Director Bradley expressed support in mitigation measures with the Sheriff’s department; the Board agreed.

Recognizing that Foothills is a park, recreation and wellness oriented agency, Director Bradley expressed support for a smoking ban for Foothills’ facilities. Being proponents of everything that stands against smoking in or near the facilities or parks, Director Bradley expressed he would like to be proactive; other agencies are doing something in this regard. Director Bielkiewicz agreed with having a smoking ban in the parks, especially for events such as Summerset. He cautioned with big crowds where people are smoking, it’s going to be an issue with possibly arguments breaking out. He pointed out it may not be something staff would probably spend a lot of time enforcing, but at major events it is something people could be aware of. Director Bosanko expressed interest in seeing what can be done as far as a ban or designated areas at the least. Director James expressed support on a certain level; however, what else is going to be banned and how is it enforced? Director James proposed if there is a Jeffco Open Space type of proclamation, Foothills could fall right in line. To be proactive on this issue, Director Bradley recommended a smoking ban, not being concerned about enforcement. He recognized the District does not have the people to enforce it, but the District has similar sorts of rules and regulations in facilities such as swimming pools and generally people follow along those lines. Director Bradley suggested staff look at what other agencies are doing nationwide for this. The Board continued to express their views, as well as staff. Director Bradley recognized that if it doesn’t work out, at least the District tried with the potential of making it significantly better in most situations.

Staff were informed a couple of weeks ago that the developer of the apartment complex at Alkire and Belleview was planning on using park credits to fulfill their park fee requirements. A fairly significant receipt of revenues was being calculated for park impacts from that developer, and potentially other developments that happen in the District. Through inquiries, Mr. Hopp had learned that a developer that had credits was simply selling their credits to this developer. A letter that talks about the issue is included in the folder, Mr. Hopp pointed out. Some of the park credits were initially given for a Ken-Caryl development which Mr. Hopp had objected to and it appears that the County has concurred with that. It is still being questioned whether, especially when an agency such as Foothills would be so severely impacted, one developer can simply sell credits to another developer, presumably at a discount – that is a disservice to the broader community. Staff will continue to monitor that, Mr. Hopp said. If it is allowed, that could have a significant detrimental impact on revenues coming in from developments happening over the next couple of years.

Mr. Hopp mentioned he was asked to teach again at Metro State University, Advanced Park and Recreation Administration, next spring. He had taught the class three years ago and the District was able to obtain some interns and glean things out of that experience.

Director James and Mr. Hopp updated the Board on their experience attending the NRPA Annual Conference.

X. DISCUSSION ITEMS:

A. Finance Update

Using the report provided, Patricia Parkin outlined the District’s year-to-date revenues and expenditures through August 31st. Ms. Parkin said Operating Revenues are better than planned. She highlighted Admissions Fees, which are a big piece of that, and talked about Rentals.

Highlighting Salaries and Wages, Supplies, and Utilities, Ms. Parkin explained that year-to-date Operating Expenditures are less than planned. Ms. Parkin noted that Denver Water re-billed the District for the Harriman Lake Dam Rebuild project. Providing details regarding that, Ms. Parkin said the bill being paid to Denver Water is more that what had been budgeted, but the District will still finish the year in a very good position.

B. 2016 Proposed Budget Estimates

In accordance with Colorado Revised Statutes 29-1-105 and 106, Mr. Hopp said the District is required to submit the 2016 budget estimates to its governing body, the Board, by
October 15, 2015. To satisfy these legal requirements, Mr. Hopp said tonight staff are presenting estimated revenues and expenditures for the 2016 budget. The document provided in the board packet does reflect those estimated expenditures equal to estimated revenue so it is a submittal of a balanced budget. The budget is available for public inspection beginning tomorrow. The hearing for final adoption of the 2016 budget will be December 8, 2015 and it has been published in the Columbine Courier.

Mr. Hopp mentioned there will be an overview of the budget with a slide presentation at the October board meeting. Also at the October meeting, more detail associated with Parks Planning and Construction as well as Leisure Services will be presented. In November, Golf and Administrative Services will be presented, and in December, the budget will be brought to the Board for final consideration along with resolutions for adoption of the budget, appropriation of funds, and certification of mill levies for the budget year 2016. Mr. Hopp reiterated the only action required tonight is that the minutes reflect that the Board has received the summary document containing budget estimates for 2016 on this date, September 22, 2015, in compliance with C.R.S. 29-1-105 and 106.

Mr. Hopp went through the 2016 proposed budget estimates as provided in the packet, showing total revenues of $24,835,940 and total expenditures of $24,835,940 for a balanced budget. Referring to the report provided, Mr. Hopp talked about some of the major variances between the 2015 budget and 2016 proposed budget and what might change between now and December. Mr. Hopp explained the District will receive the final valuations at the end of November; they could go up or down a little bit. There are things that are estimated for Other Expenses, for example insurance premiums, that have not been finalized, that could change before the end of December. Other contractual things that could get finalized, for example the RMRHL issue is showing no revenue, if that gets finalized it may be put back into the budget. Capital is something that will be discussed between now and then, and once the numbers get finalized for the COP refinancing, there is an annual savings in the first 10 years which could be reflected in the budget between now and December. Anything the Board proposes to be changed through budget presentations between now and December can change as well.

Mr. Hopp talked about what typically has been done over the last several years with overage, for example in 2014 when at the end of the year the District ended with about $700,000. The Board was asked at that time to put some of that into the general fund and some into capital. Mr. Hopp indicated the District is tracking towards potentially $500,000 - $600,000 overage this year, possibly adding some additional capital dollars can be discussed as well as fund balance, reserves, etc.

In answer to Director Bradley, Barb Butler and Derek Eberhardt explained the process of fee increases.

XI. ADJOURNMENT:

The regular meeting was adjourned at 7:33pm. The next regular board meeting will be held at 6pm on Tuesday, October 27, 2015, at Peak Community and Wellness Center, 6612 South Ward Street, Littleton.

Submitted by:

Richelle Riley, Recording Secretary