

RECORD OF PROCEEDINGS

FOOTHILLS PARK & RECREATION DISTRICT REGULAR BOARD OF DIRECTORS MEETING

July 28, 2020

The meeting was held as a Zoom webinar. There were 18 registrants and 16 attendees.

You are invited to a Zoom webinar.

When: Jul 28, 2020 06:00 PM Mountain Time (US and Canada)

Topic: Board Meeting 7/28/2020

Register in advance for this webinar:

https://us02web.zoom.us/webinar/register/WN_Sbf_6jpuSf-3rPHiUhkcA

After registering, you will receive a confirmation email containing information about joining the webinar.

- I. CALL TO ORDER: Director James called the regular meeting to order at 6:03pm.
- II. PLEDGE OF ALLEGIANCE: Director James led those in attendance in the Pledge of Allegiance to the Flag of the United States of America.
- III. ROLL CALL:

Director Butman:	Present
Director Bielkiewicz:	Present
Director Meyer:	Present
Director Bosanko:	Present
Director James:	Present

ALSO IN ATTENDANCE: Paul Rufien, District Counsel; Ronald Hopp, Executive Director; Dennis Weiner, Director of Finance and Administrative Services; Derek Eberhardt, Director of Operations; Barb Butler, Director of Recreation Programs; Colin Insley, Director of Parks, Planning and Construction; Tom Woodard, Director of Golf; 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 Meyer moved that the Foothills Board of Directors approve the July 28, 2020 agenda as submitted. Director Bosanko seconded the motion. Poll of the Board: Director Butman, aye; Director Bielkiewicz, aye; Director Meyer, aye; Director Bosanko, aye; Director James, aye. The motion was approved.

- V. APPROVAL OF JUNE 23, 2020 MINUTES:

MOTION: Director Meyer moved that the Foothills Board of Directors approve the minutes of the June 23, 2020 board meeting as submitted. Director Bosanko seconded the motion. Poll of the Board: Director Butman, aye; Director Bielkiewicz, aye; Director Meyer, aye; Director Bosanko, aye; Director James, aye. The motion was approved.

- VI. COMMUNITY COMMENTS

It was confirmed there were no community comments sent in prior to the meeting.

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Director James invited community comments.

Dr. Smith expressed thanks to the Board.

A. Part-time Scholarship Award Recipients

Ronald Hopp recalled this was a board initiative from several years ago and many scholarships have been awarded over the last several years. He explained the applicants submit essays and the Scholarship Award Committee reviews the essays and selects the recipients for the \$500 scholarships. Mr. Hopp announced that the five award recipients for this round were Hannah Krats and Evan Lim, who were not present; Sarah Babish, Luke Vander Horst, and Audrey Moreau were present. All recipients were congratulated by the Board.

Director Meyer questioned whether it has been considered to go back to in-person meetings with socially distancing and masks. He observed the District has a lot of staff back at work, programming is going on in-person and questioned if there is a reason the Board can't be meeting together, limiting the number of constituents that are able to come to meetings and have chairs distanced appropriately. Director Bielkiewicz proposed he would like the option to do both Zoom and in-person. Director Bosanko expressed support looking into that. Mr. Hopp indicated that's something staff can evaluate, making sure board members and staff members remain safe, and had no objection to the concept.

VII. DECISION ITEMS:

A. November 3, 2020 Election Resolution

Referring to information in the packet, Mr. Hopp indicated for the Board's consideration is an election resolution that establishes some key matters. It establishes that the election will be conducted on November 3, 2020; it establishes Richelle Riley is appointed the Designated Election Official (DEO) with the assistance of Sue Blair with Community Resource Services. The DEO is authorized to execute and enter into an Intergovernmental Agreement with Jefferson County on behalf of the District. The election shall be conducted as a mail ballot election in coordination with the Jefferson County Clerk and Recorder, Mr. Hopp explained.

Using screen share, Mr. Hopp gave a presentation outlining background information about capital projects, financial information, forecasting, and discussed history of the 20-year General Obligation Bond that is expiring at the end of 2020. The debt was refinanced in 2010 and saved taxpayers \$1.33 million over ten years. With the expiration of the debt at the end of 2020, the District had originally decided to place a bond extension question on the May 5, 2020 ballot which was postponed to the November 3, 2020 due to COVID-19. If approved, the extension would not raise taxes, Mr. Hopp explained. The revenue generated would and could be used for capital needs throughout the District and/or operational expenses.

Mr. Hopp made clear that the reason to ask for this is not because the District has financial performance issues and needs additional taxpayer dollars in order to bail out of a difficult situation. Over the past ten years., the District has experienced a positive net operational financial performance versus budget every year. As a result, in that same time frame, the District was able to add to the reserve fund, Mr. Hopp discussed. He reiterated it wasn't because the District was not able to manage the budget or that the District is in financial dire straits, it is that there are opportunities that can be presented from the additional revenue that would be generated from an extension.

Showing a forecast spreadsheet, Mr. Hopp discussed the District has been maintaining a financial forecast for years, assumptions and variables staff have developed, and goes out to 2035. Mr. Hopp outlined revenues and expenses that are tracked. With the passage of the 2017 mill levy increase, Mr. Hopp recognized the District

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has been able to do much more capital – many projects that were outlined as part of that campaign and additional capital projects as well. He discussed the fairly significant capital dollars through the nine-year duration of the mill levy which has a nine-year sunset ending in 2026. He said staff have been very clear that the District would intend to ask voters to extend that, but wanted to give them an opportunity to make sure the District is doing the things it said it was going to do and give an accountability measure. Looking at the spreadsheet, Mr. Hopp showed detail related to revenues every year through 2034, and operating expenditures. He pointed out what was originally budgeted for capital projects in 2020 through 2026. In 2027, if the 2.75 mills are not extended, there are no capital dollars being forecasted in 2027, and the bottom line in 2027 would be negative in operational costs. Mr. Hopp discussed the continuation concept of the mills associated with the General Obligation Bond would certainly help with this overall situation in the event the District is not successful with extending the 2.75 mills.

Mr. Hopp discussed the extension as opposed to a bond issue. An extension of the existing mills gives the District greater flexibility to do capital improvements to make the District even better with improvements to facilities, trails, golf courses, golf facilities, and parks. The conversion from a General Obligation Bond to a flexible mill does provide flexibility in the future which can assist with operational revenue in the event that the 2.75 sun-setting mill levy does not get extended prior to 2027. It also could assist with operational revenue in the event that Gallagher continues to force a reduction in the residential assessment rate and property values don't rise enough to offset the reduction, Mr. Hopp explained. He made clear the extension is important three fold: capital improvements, it helps in the event the sun-setting mill levy doesn't get extended, and it also helps in the event that Gallagher continues to ratchet down and cause some reduction in revenues.

Mr. Hopp reminded that staff have spent a good two years evaluating capital projects through master planning, presentations to the Board, doing preferential exercises, ratings, and coming up with the recommendation at the August 27, 2019 board meeting. Mr. Hopp discussed the things that were evaluated to existing facilities and new opportunities for the District to give an idea of the types of capital projects that could be funded or portions of these projects that could be funded if and when the bond extension is successful: the Ridge Recreation Center, Lilley Gulch, Peak Community & Wellness Center, Clement Park, Fehringer Ranch, Dutch Creek Trail extension, Columbine West Pool, Easton Regional Park, Meadows Golf Course expansion, Sixth Avenue West Pool, new or renovated Foothills Golf Course Clubhouse. Mr. Hopp discussed that in August, staff were thinking this would be a bond issue and tried to identify projects for that. After that time, the District did the public polling which tested two different questions. One was the General Obligation Bond and one was the continuation of the mill which would provide greater flexibility, Mr. Hopp discussed. He said in that case, a more conservative approach would be prudent until it is known that the 2.75 mills would get extended beyond 2026, and explained. He pointed out an election for the sunset mills could happen any time between now and 2026, and discussed.

Mr. Hopp explained the district survey helped dictate the continuation concept instead of the General Obligation Bond extension. The survey was conducted in November, 2019, and tested both the bond language and conversion language, Mr. Hopp detailed. He recognized it would give the District the greatest flexibility related to capital projects as well as operational opportunities, and went through the survey results. Mr. Hopp pointed out that Hyland Hills used almost the identical conversion language in the May election, about two months after COVID-19 happened, and passed it at 67 percent. He noted that they used the same firm to do their polling. Their data showed that they would likely have it approved in May at 68 percent.

Mr. Hopp reiterated the reasons why the District is considering pursuing that; it's capital oriented, it's related to making sure the District has some revenue streams in the event that the sunset doesn't continue, and for Gallagher.

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Mr. Hopp indicated the resolution for the Board's consideration to pursue the election in November, and the ballot language will come to the Board next month. In answer to Director Meyer, Mr. Hopp assured he can reach out to the polling firm regarding polling information getting stale. In answer to Director James, Mr. Hopp confirmed that on this vote, the conversion does not have a sunset, it could be considered as part of the ballot language. He thought staff would prefer not to, and if so, consider 20 years. Mr. Rufien added the 2000 bond issue is going to be retired, however it is phrased – conversion is fine – the mill levy would be extended without the associated debt obligation, sunset is available if the District wanted to. Mr. Hopp said if the Board gives that direction, it can be incorporated into the language that is presented at the August meeting. Director Bielkiewicz discussed the value of parks and trails and believes the District is in a decent position to go for this and expressed he does not know that the expiration is necessary. Director James agreed and proposed this is something that should be put to the voters. Director Butman expressed the changes in life, post-polling, will not negatively affect the District's plans.

MOTION: Director Bosanko moved that the Foothills Board of Directors approve Election Resolution No 20-010 appointing a Designated Election Official and authorizing the DEO to enter into an Intergovernmental Agreement with Jefferson County on behalf of the District for the November 3, 2020 coordinated election. Director Bielkiewicz seconded the motion. Poll of the Board: Director Butman, aye; Director Bielkiewicz, aye; Director Meyer, aye; Director Bosanko, aye; Director James, aye. The motion was approved.

B. Contract Policy Update

Mr. Hopp recalled that at the April 28th board meeting, there was an agenda item added by the Board and a discussion related to the District's contract policy. Direction was given to staff and Legal Counsel to come up with a recommendation about the possibility of adding something to the policy for review and approval of contracts and agreements that might address major revenue or timelines, or those sort of things. Mr. Hopp discussed, referring to information provided in the packet.

Working with Paul Rufien, staff have developed a recommended change to the contract policy to include a provision requiring board approval for revenue contracts that exceed \$150,000 annually and/or are more than five years in length. Mr. Hopp explained staff took the original, approved Policy for Review and Approval of Contracts and Agreements and amended it. As a starting point for the Board's consideration, Mr. Hopp said staff are suggesting contracts with revenues over \$150,000 and/or five years in length require review and approval by the Department Director, Director of Finance, Executive Director, review by Legal Counsel. Contracts not a part of the approved budget require review and approval by the Board of Directors.

Discussion ensued. Director Meyer expressed wanting to make sure the District is complying with a policy if the District enacts a policy; ensure the District is complying consistently. Referring to the Littleton Hockey contract, Director Meyer questioned if overall revenue to the District would include items that aren't directly in the contract amount like generating more food and beverage, more rental, more skate sharpening - would that be considered in contracted revenues over a certain amount, or not considered. Mr. Hopp said the only guaranteed revenue from that contract is the ice utilization as outlined in the contract; the other ancillary revenue streams are not guaranteed and not part of that contract so they wouldn't be considered as part of the approval process.

Director James proposed to go with \$150,000 and/or four years in length rather than five; board terms are four years, keeping it within that similar vein.

MOTION: Director Bielkiewicz moved that the Foothills Board of Directors approve the revised Contract Policy as discussed. Director Meyer seconded the motion. Poll of the Board: Director Butman, aye; Director Bielkiewicz, aye; Director Meyer, aye; Director Bosanko, aye; Director James, aye. The motion was approved.

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VIII. EXECUTIVE DIRECTOR'S REPORT:

Highlighting the report provided, Mr. Hopp said there is a new newspaper that is going to be serving this area called the Jeffco Transcript.

Regarding the CARES funding that earmarked \$27 million for special districts that the District applied for, Mr. Hopp indicated the total amount requested by special districts was only \$25 million. Theoretically, the District may get the full \$500,000 to assist with expenses related to COVID-19.

Mr. Hopp discussed that the Jefferson County Open Space Advisory Committee toured Clement Park on July 9th.

Dr. Smith has applied for a building permit with Jefferson County based upon discussions at previous board meetings related to a picnic shelter, Mr. Hopp explained. She had previously presented to the Board a vault restroom and through the permitting process, found that it was going to be a difficult process as well as an expensive process. Mr. Hopp expressed it doesn't drastically deviate from any previous discussions other than instead of a vault toilet, it is san-o-lets and san-o-let enclosure in the same area. Mr. Hopp pointed out the new site plan is attached and it will be attached to the agreement. He added there was a parking lot on the north side that was anticipated and that has been removed because on-street parking has been sufficient for volunteers that come to the site.

Mr. Hopp reported he and Mr. Rufien virtually attended a Jefferson County Planning Commission meeting last Wednesday. There are a couple of developments, non-contiguous parcels adjacent to Deer Creek Golf Course. There is a metro district service plan that was being considered by the Planning Commission, because of its proximity to the District, staff had requested inclusion of these developments. One of the complicating factors related to the County being able to grant inclusion was the fact that a service plan granted a previous development had park and recreation powers and that service plan was approved by the City of Morrison, and then when it was de-annexed, the County had to live with that service plan. As a result, this was the service plan consideration for the metro district that will serve these developments which the District has requested inclusion of. Therefore, the District requested that the service plan disallow park and recreation powers, Mr. Hopp discussed. Mr. Hopp indicated he and Mr. Rufien spoke at the meeting, approval was recommended despite their comments. The Planning Commission basically said they will let the Board of County Commissioners or the court system determine this. Mr. Hopp indicated he and Mr. Rufien plan to argue the same position in front of the Board of County Commissioners.

Mr. Hopp announced that Governor Polis signed two proclamations stating that July 28th is to celebrate all Parks and Recreation professionals in Colorado and signed a proclamation that July 28th is Parks and Recreation Professionals Day, and July is Parks and Recreation Month. Mr. Hopp expressed appreciation and thanks for all the hard work of all of the staff.

IX. DISCUSSION ITEMS:

A. Mile High BMX Agreement

Referring to information in the packet, Colin Insley presented history of the Mile High BMX agreement and indicated it was up for renewal at the end of 2019. Mile High BMX notified the District in writing on March 14, 2020 that they want to renew this agreement, Mr. Insley discussed. He indicated the track remains closed for now. Staff feels the amenity is an asset to the District and the community, and has a good working relationship with Mile High BMX. He said staff is seeking guidance and feedback from the Board related to the renewal of the agreement and the proposed five-year term. Mr. Insley indicated staff did invite one of the

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neighbors, Brooke Martin, who could not make the meeting tonight. Brooke has been a liaison to the neighbors on this project. Kevin Neilson and Jason Miller from Mile High BMX were in attendance.

In answer to Director Meyer, Mr. Insley said staff haven't heard much at all from the neighbors. Mr. Hopp recalled the last incident when a neighbor came to a board meeting and expressed a concern. Staff met with the BMX group on site, it was mitigated immediately.

Jason Miller, Mile High BMX, discussed since the track has been constructed and the fence has been up, they haven't seen or heard anything from the neighbors. In answer to Director Bosanko, Mr. Miller talked about track utilization, numbers and events. He discussed donations the track has received and thousands of hours of labor donated and time put into the track by local racers within the BMX community and board members. Mr. Miller talked about fencing that has been completed. He indicated a storage container was added for their security in providing the fleet of bicycles that are available for rental.

There was discussion about the grass and upkeep. Director Bosanko expressed thanks to BMX for listening to the neighbors and continuing to be a good neighbor to them. Mr. Insley discussed sharing irrigation and supplying water to the track.

Mr. Hopp clarified the agreement will be brought to the Board for consideration of a five-year agreement, the terms would be very similar. Mr. Miller asked the Board if Mile High BMX can begin running practices and race events without the agreement in place. The Board agreed. Mr. Rufien encouraged staff to get a written acknowledgement that the indemnification and insurance provisions that are in there are carrying over.

B. Finance Update

Dennis Weiner reported the financial update through June 30th as included in the board packet. He said the District continues to experience significant financial challenges related to COVID-19 and expects to experience those challenges throughout the remainder of the year, and potentially beyond.

Highlighting the report, Mr. Weiner discussed the total District year-to-date operating revenues were lower than the budget. That was mainly driven by admission fee revenues, Mr. Weiner detailed. The total year-to-date operating expenditures were favorable to plan year-to-date, Mr. Weiner explained according to the report.

The net operating loss was unfavorable to budget. Net non-operating revenue was favorable to the budget, Mr. Weiner explained.

Through June 30th, Mr. Weiner reported net revenue was lower than the plan. He pointed out that through the first six months of the year, the District does typically collect 98 percent of the property tax revenues. As a result of that, the bottom line does look relatively strong.

C. 2021 Budget Guidelines

Mr. Hopp indicated the budget guidelines are what staff are directed to do moving forward with the 2021 budget. The budget process will involve presentations before the Board at the October and November meetings, with the final consideration and approval at the December meeting.

Mr. Hopp outlined the 2021 guideline summary provided in the packet. He reiterated it is anticipated that at the October board meeting, Leisure Services and Golf will present their budgets and in November, Parks and Administrative Services will present their budgets. At the December 8th board meeting, there will be a public hearing, adoption of the budget, appropriation of funds, and certification of the mill levy.

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Mr. Hopp indicated as was done in 2017 into 2018 when the mill levy was successful, staff would initially do two things with the budget: provide a budget that does not anticipate increased revenues as a result of the mill levy continuation, but will be working behind the scenes to provide what those increases would be, the goal would be to add to capital. Secondly, direction will be given to staff to prepare the budget as if 2021 will be a normal year, as if the District had not experienced COVID-19. As time goes on, more will be known as to whether COVID-19 will continue to affect the budget into 2021 or not. Adjustments will be made prior to the initial presentation to the Board in October. Discussion ensued. Mr. Hopp indicated staff could make a recommendation that if more direction from the Board is needed outside the normal meeting schedule, a special meeting can be requested specifically on this topic.

In answer to Director James, Mr. Hopp discussed the Gallagher Amendment is going to be a ballot initiative this November.

D. COVID-19 Update

Mr. Hopp discussed the State of Colorado mandated masks and Jefferson County has now aligned with the mask mandate, He discussed the mask guidelines and clarification, and recognized it probably will hamper some of the utilization of some of the District's facilities and programs.

Screen sharing the presentation, Mr. Hopp provided updates and steps taken. He indicated full-time staff are now back to their primary roles in the organization. In most of the program areas, most furloughed staff members have been recalled, Mr. Hopp discussed, and talked about which areas staff have not yet been recalled.

Mr. Hopp said all of the presentation slides were updated with the variances from June 7, and have not changed. He noted the Foothills Foundation has canceled Summerset Festival in addition to the items the District has canceled. Mr. Hopp indicated unless the variance gets rescinded, the items remain intact. He talked about items that reopened after the last board meeting, including the Clement Park Splash Park. He noted the programming restrictions are the same as they were the last board meeting, and listed the items that are being provided to the community.

Referring to the scenario spreadsheet, Mr. Hopp said staff are working form Scenario A, Scenario B, and worst case scenario. He explained staff are working off of Scenario A; however, there is a Scenario A, version two. He expressed anticipation that the District won't have to dip into reserves at the end of the year, and discussed. Mr. Hopp discussed scenario A, version two, and the difference between Scenario A and Scenario A2. He added that even in this new Scenario A2, none of these numbers have plugged in the potential \$500,000 reimbursement grant from the CARES Act.

Mr. Hopp pointed out one of the big factors is Before and After School programs. The District has 13 sites and will probably give up one of them because the numbers weren't there, in spite of COVID-19. If school doesn't end up going back into session, it is not known if the District will be able to provide that service. Staff are investigating providing some continuing service at Ridge and Lilley Gulch, and maybe Foothills Fieldhouse. Mr. Hopp recognized revenues could be fairly dramatically impacted if school doesn't go back into session and the District has limited space to provide services moving forward into the fall semester.

Director James thanked staff for the second quarter reports provided in the packet. He observed there are still quite a bit of things going on in the District and happy to see there are plenty of things to do to keep parks and trails looking nice.

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X. ADJOURNMENT:

MOTION: Director James moved to adjourn the July 28, 2020 board meeting. Director Bosanko seconded the motion. Poll of the Board: Director Butman, aye; Director Bielkiewicz, aye; Director Meyer, aye; Director Bosanko, aye; Director James, aye. The motion was approved.

The regular meeting was adjourned at 8:26pm. The next regular board meeting will be held at 6pm on Tuesday, August 25, 2020.

Submitted by:

Richelle Riley, Recording Secretary