Foothills Park & Recreation District

Creating Community, Enhancing Health, Inspiring Play since 1959

BOARD OF DIRECTORS MEETING

June 25, 2019 – 6pm

Peak Community & Wellness Center, 6612 S Ward St., Littleton, CO 80127

AGENDA

Pursuant to Colorado Revised Statutes 18-8-308(2), 24-18-109(3)(a), 24-18-110, 32-1-902(3), all known potential conflicts of interest of any board members have been filed with the Secretary of State.

I. CALL TO ORDER (Maple Room)

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

IV. APPROVAL OF AGENDA

V. APPROVAL OF MAY 21, 2019 MINUTES

VI. COMMUNITY COMMENTS

VII. OLD BUSINESS

A. Energy Performance Contract Phase II - Ronald Hopp

B. Meadows Golf Club Parking Lot Contract - Ronald Hopp

VIII. NEW BUSINESS

IX. EXECUTIVE DIRECTOR'S REPORT

X. DISCUSSION ITEMS

A. Finance Update - Dennis Weiner

XI. ADJOURNMENT

Individuals who require special accommodation to attend and/or participate in this meeting should call the Foothills District Office at 303.409.2108 to advise of their specific need(s) at least 24 hours prior to the meeting.

FOOTHILLS PARK & RECREATION DISTRICT
REGULAR BOARD OF DIRECTORS MEETING

April 23, 2019

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

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

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

III. ROLL CALL:

Director Farrar:	Present arrived 6:03pm
Director Butman:	Absent
Director James:	Present until 6:55pm
Director Meyer:	Present
Director Bosanko:	Present

ALSO IN ATTENDANCE: Paul Rufien, District Counsel; Ronald Hopp, Executive Director; Dennis Weiner, Director of Finance and Administrative Services; Barb Butler, Director of Recreation Programs; Derek Eberhardt, Director or Operations; Tom Woodard, Director of Golf; Colin Insley, Director of Parks, Planning and Construction; 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:

Ronald Hopp commented that, normally, discussion items are done after the business items, but they are moved up on this agenda to accommodate the auditor's presentation. He suggested to move the Executive Director's report after New Business.

MOTION: Director Meyer moved that the Foothills Board of Directors approve the April 23, 2019 agenda as amended. Director James seconded the motion. Poll of the Board: Director James, aye; Director Meyer, aye; Director Bosanko, aye. The motion was approved.

V. APPROVAL OF FEBRUARY 26, 2019 MINUTES:

MOTION: Director James moved that the Foothills Board of Directors approve the minutes of the February 26, 2019 board meeting as submitted. Director Meyer seconded the motion. Poll of the Board: Director James, aye; Director Meyer, aye; Director Bosanko, aye. The motion was approved.

VI. COMMUNITY COMMENTS:

Leo Zeggert, District Resident, told the Board he coaches for Bear Creek High School golf. He proposed getting a discount rate for the high school players on the course when space is available. They play at Fox Hollow and Foothills Golf Course.

A. Friends of Foothills Golf Course

Ronald Hopp said there are a group of individuals that Dennis Weiner and he met with, and a few of those individuals had met with Tom Woodard regarding the Foothills Golf Course clubhouse. He informed the Board that staff are in the process of studying the feasibility of a renovation of the existing golf course clubhouse, and also studying the feasibility of a new golf course clubhouse. They are part of the myriad of projects being looked at for potential future funding from a General Obligation Bond or other types of funding. Because of the advocacy of the individuals as well as staff's knowing the aging infrastructure of the clubhouse, staff are studying the feasibility of that. Mr. Hopp indicated staff will be presenting the findings of the feasibility of those two facilities, as well as others, to the Board.

Nancy Werkmeister, Foothills Ladies 18, referred to their Foothills Clubhouse Proposal provided in the packet, and talked about the proposal which touched on the outdated facilities, bathroom access, inability to support league functions, losing ability to provide businesses

within the District to host events, and provide space for office personnel to hold meetings. She suggested the building is not meeting the needs of all of its patrons, and proposed opportunities.

Mike Sexton, Foothills Men's Club, said Foothills and Meadows are like operating businesses and suggested as part of the feasibility study, not just to look at cost; but look at the benefits, increase of revenue.

Leo Zeggert, Foothills Men's Club, said he is currently employed at Foothills Pro Shop, so he is a customer and also serves customers coming in to the facility. When there is a function, there can be 144 people on the course at one time and done at the same time. The capacity of the clubhouse is no more than 70 people. In answer to Director Bosanko, Mr. Zeggert said they go to other areas for their banquet because they can't hold them at Foothills. He discussed having indoor golf simulators.

Katherine Madden, FWGA Executive 9, said they have board meetings every month and have to go to Meadows because there is no meeting room at Foothills.

Linda Utard, FWGA, mentioned the thing that kept Applewood Golf Course going, even at times when it was struggling with bad conditions, was the banquet rooms.

Kathy Mansueto, Foothills 18 Ladies, talked about having to go into the clubhouse to use the restrooms; it slows down play.

Bonnie Allen, Senior League, said they play twice a week at Foothills. Besides the other things that were mentioned, the biggest thing for them is the bathrooms, Ms. Allen discussed.

VII. DISCUSSION ITEMS:

A. 2018 Audit Report

Dennis Weiner reported the financial statement audit has been completed; the audit findings were provided to the Board last week. Janeen Hathcock, Audit Manager with Eide Bailey, was in attendance to talk about the financial statements and the auditing process.

Referring to the packet of financial statements and two letters that were distributed to the Board, Ms. Hathcock discussed the audit opinion. She pointed out financial highlights and went through the financial statements as provided in the packet. Ms. Hathcock discussed the Management Letter concerning a fixed asset listing for Clement Park. In answer to Director Meyer, Dennis Weiner discussed staff's annual review of fixed assets. Ms. Hathcock went over the Letter to Governance.

B. Finance Update

Referring to the report included in the packet, Dennis Weiner summarized the District's year-to-date operating revenues were lower than planned. Factors were related to timing and some of the weather that has been experienced, Mr. Weiner explained. Operating expenditures were favorable to plan, Mr. Weiner outlined the significant factors. Net operating loss was unfavorable to plan year-to-date. Net non-operating revenue was favorable to plan, Mr. Weiner detailed. Looking at the bottom line, net revenue was unfavorable to plan.

VIII. OLD BUSINESS:

IX. NEW BUSINESS:

A. Lilley Gulch Tennis Court Contract

Referring to the memo provided, Colin Insley explained as part of the 2019 capital program, funds have been set aside for rebuilding Lilley Gulch tennis courts. Mr. Insley talked about the construction that would be done. There were two bids, staff's recommendation is to go with Renner Sports Surfaces. Mr. Insley pointed out the proposal and contract included in the packet.

MOTION: Director Meyer moved that the Foothills Board of Directors award the contract for the Lilley Gulch tennis courts to Renner Sports Surfaces in the amount of $204,381.41 and authorize the Executive Director to execute the contract documents. Director Farrar seconded

the motion. Poll of the Board: Director Farrar, aye; Director Meyer, aye; Director Bosanko, aye. The motion was approved.

B. SB-35 Application

Mr. Insley discussed as part of the 2019 capital program, there are park improvements being done at Dakota Station Park and Trappers Glen Park, as outlined in the memo provided. To help with funding, Mr. Insley said the District has an opportunity through SB-35 funds, development fees from Jefferson County. Staff have matched the development fees with parks project, since those fees are used for capital development. Staff are proposing using the escrow fund from Ken Caryl Senior living development to go to Dakota Station Park, and Willow Springs North Filing 9 and 11 to go to Trappers Glen Park.

MOTION: Director Farrar moved that the Foothills Board of Directors approve Resolution No. 19-001 authorizing application to Jefferson County for disbursement of Fees-in-Lieu of Park Land Dedication funds in the total amount of $40,965.60 plus interest for improvements to parks and facilities, and further authorize the Executive Director to prepare and submit the required application forms. Director Meyer seconded the motion. Poll of the Board: Director Farrar, aye; Director Meyer, aye; Director Bosanko, aye. The motion was approved.

C. Easement Request

Mr. Insley said staff have received an easement request from Daniel Pepping with regard to a need for him to put in sewer and water services to his building south of Foothills Ice Arena. He pointed to information and a map included in the packet. Staff and legal counsel have reviewed the easement document. Mr. Insley answered questions from the Board.

MOTION: Director Meyer moved that the Foothills Board of Directors approve the utility easement for Mr. Daniel Pepping as discussed, and authorize the Executive Director to sign the Easement Agreement. Director Farrar seconded the motion. Poll of the Board: Director Farrar, aye; Director Meyer, aye; Director Bosanko, aye. The motion was approved.

D. Memorial Bench Application

Referring to information in the packet, Mr. Insley discussed two memorial bench requests for Clement Park. He pointed out their locations on the map provided. In answer to Director Meyer, Mr. Insley said staff feel the maximum number of benches around Johnson Reservoir has been reached. Mr. Insley has advised staff to suggest other parks, and there was discussion. Mr. Hopp confirmed staff can find other locations for requests. It was clarified that the quote for one of the plaques was revised.

MOTION: Director Meyer moved that the Foothills Board of Directors approve both the memorial bench and plaque requests from Kathleen Reddig and Sharon Bowles to be installed at Robert F. Clement Park. Director Farrar seconded the motion. Poll of the Board: Director Farrar, aye; Director Meyer, aye; Director Bosanko, aye. The motion was approved.

Director Meyer recommended looking at the policy.

E. Ridge Pool Water Feature Contracts

Derek Eberhardt indicated as part of the promotion of potential mill levy projects that would be funded with mill levy proceeds, staff have identified the Ridge play structure at Ridge Recreation Center. He described a replacement feature that gives the user a different experience, and pointed out photos provided in the packet. Mr. Eberhardt discussed the contracts for the water feature and for the demolition and installation, and answered questions from the Board.

MOTION: Director Farrar moved that the Foothills Board of Directors award the contracts for the Ridge Activity Pool Feature to Water Play and Aquatic Chemical Solutions for a total amount of $157,103.50, and authorize the Executive Director to execute the contract documents including the Interlocal Contract for Cooperative Purchasing. Director Meyer seconded the motion. Poll of the Board: Director Farrar, aye; Director Meyer, aye; Director Bosanko, aye. The motion was approved.

F. Clement Park/Columbine High School Field-Use IGA

Referring to the memo provided, Mr. Hopp discussed a 1994 joint-use agreement that outlined some uses of Clement Park by the school district, and Foothills' use of a couple of the Columbine fields, and Columbine's use of some various Foothills' facilities. Eventually, that was updated with more refined details. Now that the Clement Park transfer has happened, staff would like to clean up the old documents with a new Intergovernmental Agreement between the District and R1 Schools. Mr. Hopp pointed out the draft agreement, outlining updates that were recommended by District Counsel. He indicated the draft agreement has been sent to R1 Schools and they have accepted the changes. Mr. Hopp recommended approval for the new Intergovernmental Agreement between the District and Jefferson County School District.

MOTION: Director Meyer moved that the Foothills Board of Directors approve the Intergovernmental Agreement with Jefferson County School District which outlines the manner and methods to maintain the Dave Sanders (field #6) and Jody Reeves (field #5) softball fields at Columbine High School in return for use and scheduling of both fields; and further authorize the Executive Director to execute the agreement subject to staff and legal counsel final approval. Director Farrar seconded the motion. Poll of the Board: Director Farrar, aye; Director Meyer, aye; Director Bosanko, aye. The motion was approved.

G. May 28, 2019 Board Meeting Date Change

Mr. Hopp indicated there has been discussion related to the May 28, 2019 board meeting, he will not be able to attend. There was talk about canceling that meeting which led to the agenda tonight with lots of items. Mr. Hopp mentioned one of the things staff talked about having on tonight's agenda was an overview of the findings related to feasibility studies of the various facilities. Having recognized the long agenda, Mr. Hopp suggested changing the May 28th meeting to Tuesday, May 21st to accommodate that item. Staff will try to devote attention on discussion related to the General Obligation Bond projects.

MOTION: Director Farrar moved to change the May 28, 2019 board meeting to May 21, 2019, 6pm in the Maple Room at Peak Community & Wellness Center. I further direct staff to execute the necessary paperwork and postings to accommodate this date adjustment. Director Meyer seconded the motion. Poll of the Board: Director Farrar, aye; Director Meyer, aye; Director Bosanko, aye. The motion was approved.

H. Board Election of Officers

In the spirit of trying to get business conducted before May, Mr. Hopp recognized that typically in May the officer election for board members is done, but it is on tonight's agenda. The presumption would that be if anything changes, the Board would take their new positions at the May meeting.

Director Bosanko asked for a motion for a slate of officers.

MOTION: Director Meyer moved that all officers remain in their current positions for the coming year: Timothy W. James, Treasurer; William Meyer, Secretary; Kyle Butman, Second Vice Chair; Peggy Louise Farrar, First Vice Chair; Lori J. Bosanko, Chair. Director Farrar seconded the motion. Poll of the Board: Director Farrar, aye; Director Meyer, aye; Director Bosanko, aye. The motion was approved.

X. EXECUTIVE DIRECTOR'S REPORT:

Highlighting the report provided, Mr. Hopp recalled he had mentioned that Vintage Reserve had indicated they were evaluating their agreement towards the end of last year. They would like to continue for 2019, but then would like to transfer responsibility for payments in 2020, and beyond, from the Vintage Reserve Metro District to the Vintage Reserve HOA. The Plains Metro District IGA was able to get started on April 15th.

Mr. Hopp updated the Board about Polly Deane Dam/Hine Lake. The Bergen Board is meeting to talk about short term fixes and long term fixes, etc.

The District entered into an Energy Performance Contract about ten years ago where a loan was taken out that funded multiple projects around the District, Mr. Hopp elaborated. Over time, the savings that were realized from the improvements that were made helped to pay the debt associated with the Energy Performance Contract. The District is nearing the end of that loan, Mr. Hopp

explained and staff would like to do a Phase II approach. An audit would be done and recommendations made on potential projects, and whether it is feasible or not that the savings would pay for debt taken out to do the projects. Mr. Hopp discussed that staff would like to move forward with the audit, and answered questions from the Board.

Mr. Hopp pointed out the SPARC Award and an award from the Colorado Lottery that the District received.

Mr. Hopp updated the Board on the paperwork process for the beer and wine liquor license application for Foothills Fieldhouse.

Adding to the report, Mr. Hopp indicated that he, Dennis Weiner, and Frannie Masters attended a Succession Planning workshop at Employers Council.

The Splash Park soft opening is planned for middle of May. Mr. Hopp recognized Tim Sanchez, he was very involved with all the Columbine events. He mentioned Laura Knowlton, who works with the District on Red, White & You; she and Tim both sit on the Columbine Memorial Foundation. They were both integral to making sure the events happened on Friday and Saturday. Paul Rufien was involved with things as well, from a legal perspective.

Referring to the job fair, Director Meyer asked if any of the applications converted into employees. Derek Eberhardt provided an update on lifeguards. Mr. Weiner said it does convert, and will check into it.

Mr. Hopp mentioned that Janice Holmes, part-time marketing specialist, departed from the District. That position was evaluated and upgraded to a full-time position.

XI. ADJOURNMENT:

The regular meeting was adjourned at 7:37pm. The next regular board meeting will be held at 6pm on Tuesday, May 21, 2019, at Peak Community & Wellness Center, 6612 South Ward Street, Littleton.

Submitted by:

Richelle Riley, Recording Secretary

Foothills Park & Recreation District

Creating Community, Enhancing Health, and Inspiring Play since 1959

DATE: **June 25, 2019**

TO: **Foothills Board of Directors**

THROUGH: **Ronald Hopp, Executive Director**

FROM: **Terry Green, Special Projects Coordinator**

SUBJECT: **Energy Performance Contract - Phase II**

BACKGROUND:
In 2008, the District executed a Memorandum of Understanding with the Governor's Energy Office to perform an energy audit on our various facilities. This process determined that it would be financially beneficial for the District to conduct a performance contract, which is where the savings generated from energy efficiency improvements would be sufficient to pay for the improvements implemented. The District solicited proposals from the 13 Governor's Energy Office pre-approved contracts, and eventually selected McKinstry Essention, LLC after a thorough interview and vetting process.

After more intensive energy audits and the development of specific project recommendations by McKinstry, the District entered into two Energy Performance Phase I Contracts with McKinstry Essention, LLC totaling approximately $3.1M dollars in 2010. The District financed these improvements and the utility and operational savings were sufficient to cover the annual debt expenses. This debt will retire in 2022. These 2010 contracts involved a number of energy saving initiatives, including:

Water conservation measures
HVAC upgrades, controls optimization and scheduling
Lighting and lighting controls upgrades-ball field lighting replacement
Energy miser technology
Electric rate changes
Re-commissioning of pool heat recovery units
Building envelope improvements (some windows and doors)
Pool pumping controls
Resource conservation management
100kW solar PV system at Edge Ice Arena
Waste heat recovery from the ice arena to heat pool water at Ridge Recreation Center

CURRENT:
After several discussions with representatives from McKinstry and the Governor's Energy Office, McKinstry has provided the District with a proposal to conduct an Investment Grade Audit (IGA) to determine if there are now additional energy saving projects that would make sense for the District to potentially implement as part of a new Energy Performance Contract (EPC).

McKinstry staff is estimating that an IGA will cost $43,008.96. The scope of the audit includes auditing all facilities, buildings, outdoor fields, and irrigation systems at park locations throughout the District. In order to proceed, the District must enter into agreements with both the Colorado Energy Office and McKinstry. This will ensure that the audit is in compliance with all Colorado State Statutes governing all local governments entering into an energy performance contract with an energy service company that is on the State's pre-qualified list of contractors, including McKinstry. District staff is very optimistic that the IGA will give us the opportunity to see if there are additional ways to save energy and save money in the District. If the District enters into an EPC contract, the audit costs will be included in the EPC contract costs. If McKinstry does not find enough projects and savings sufficient for an energy performance contract, the District will not be required to pay for the audit cost.

Copies of all of the Memorandum of Understanding and IGA related documents are attached for your reference.

Staff recommends the District contract with McKinstry and the Colorado Energy Office for an Investment Grade Audit (IGA). The results of the IGA audit, if authorized by the Board, will be presented to the Board of Directors at a meeting early next year.

MOTION: I move that the Foothills Board of Directors authorize the Executive Director to execute all required documents to facilitate the Investment Grade Audit (IGA), including the Memorandum of Understanding with the State of Colorado and IGA with McKinstry Essention, LLC subject to review and approval by both staff and Legal Counsel.

COLORADO
Energy Office
Energy Performance Contracting

MEMORANDUM OF UNDERSTANDING

between the CEO and FOOTHILLS PARK AND RECREATION DISTRICT

Overview

One hallmark of success in the Colorado Energy Office's (CEO's) Energy Performance Contracting Program (EPC) is the support provided by one of CEO's EPC project consultants to each and every EPC project. A CEO EPC project consultant provides coaching and technical assistance to the Facility Owner every step of the way to ensure that the Colorado Energy Performance Contracting Program is a successful experience for all.

The EPC Program brochure describes Colorado's Standards for Success for the relationship between CEO and its clients and their energy service company. It also outlines the coaching and technical assistance provided Program participants **at no charge** throughout the life cycle of an EPC project. CEO does this to ensure a successful experience through what can be an involved technical, legal and financial process.

In addition, CEO offers standardized program contracts and processes and a pool of pre-qualified Energy Service Companies to make EPC projects even more approachable.

To benefit from this package of coaching and technical assistance, please:

1. Have the authorized signer from your state agency or local jurisdiction sign the following non-binding Memorandum of Understanding;
2. Complete the attached Facility Owner Information sheet; and
3. Return the paperwork to Mirka della Cava, Energy Performance Contracting Program Manager at mirka.dellacava@state.co.us or the address below. Should you have any questions or concerns, her direct phone number is 303.866.3464.

Best wishes for your venture into energy and cost savings!

1580 Logan Street, Suite 100, Denver CO 80203 P 303.866.2100 F 303.866.2930 www.colorado.gov/energy

MEMORANDUM OF UNDERSTANDING
between the COLORADO ENERGY OFFICE
and FOOTHILLS PARK AND RECREATION DISTRICT

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is entered into by and between the STATE OF COLORADO (the "State"), acting by and through the Colorado Energy Office (the "CEO"), and FOOTHILLS PARK AND RECREATION DISTRICT the "Facility Owner"). "Party" means the State, CEO or Facility Owner and "Parties" means both the State/CEO and the Facility Owner.

RECITALS

WHEREAS, in compliance with the State Procurement Code as set forth in section 24-101-101, *et seq.*, C.R.S. and any applicable public bidding requirements, the CEO issued a Request for Proposals ("RFP") to energy service companies ("ESCOs") to provide as needed energy performance contract services for its Energy Performance Contracting Program; and

WHEREAS, as a result of the RFP process, CEO maintains a list of pre-qualified ESCOs that are eligible for final selection by State agencies and local governments and/or municipalities to provide energy performance contracting services; and

WHEREAS, the purpose of this MOU is to provide the Facility Owner with access to the services and support of the CEO's Energy Performance Contracting ("EPC") Program; and

WHEREAS, in furtherance of the purpose of this MOU, the CEO is available to assist the Facility Owner with the development and implementation of EPC projects, as well as to encourage the Facility Owner to adhere to the guidelines of the EPC Program.

NOW, THEREFORE, for and in consideration of the mutual covenants and the representations and covenants contained herein, the parties hereto agree as follows:

1. **Effective Date of MOU.** This MOU shall become effective upon the later date on which the Director or authorized designee of CEO, or the representative for the Facility Owner has signed it.

2. **Term of MOU.** The Parties' respective performances under this MOU shall commence on the Effective Date and shall expire one year from date of signature or at the end of the term of services contracted from a pre-qualified ESCO.

3. **Responsibilities of the CEO and the EPC Program to Facility Owner.** The responsibilities of the CEO and the EPC Program include, but are not limited to:

   a. Upon execution of this MOU, CEO will assign an EPC project consultant to provide advice and technical assistance throughout the lifecycle of Facility Owner's project.

   b. CEO will provide the Facility Owner with information on the CEO website regarding the pre-approved, pre-qualified list of ESCOs, which includes links to the ESCOs' website for further information;

   c. CEO will assist Facility Owner to procure the services of an ESCO from the pre-qualified list of approved ESCOs;

d. CEO will assist the Facility Owner with technical guidance in order to develop and execute a Technical Energy Audit and Project Proposal Contract with a pre-qualified ESCO and also support the Facility Owner with any amendments thereof;

e. CEO will provide technical guidance to the Facility Owner and attend on-site meetings between the Facility Owner and ESCO, as needed and subject to availability;

f. CEO will assist the Facility Owner to develop and initiate an energy performance contract project;

g. CEO will monitor project implementation for audits and for energy performance contract projects;

h. CEO will facilitate the energy performance contract process to ensure commitments are met by both the ESCO and the Facility Owner;

i. CEO will review Facility Owner's audits, proposals, calculations, contracts and measurement and verification reports;

j. As required for school districts and requested by other public agencies, the CEO will complete a construction walk-through of project facilities prior to the "Notice of Substantial Completion" documents being finalized;

k. If applicable, CEO will identify possible solutions to mediate any conflicts between the Facility Owner and the ESCO.

4. Responsibilities of the Facility Owner. The responsibilities of the Facility Owner include:

a. By executing this MOU, Facility Owner agrees to program participation in CEO's EPC Program and engage the CEO for assistance in all stages of the EPC Program, including project development;

b. Using a secondary selection process, Facility Owner agrees to select an ESCO from CEO's current pre-qualified list of ESCOs and which meets the requirements of Facility Owner's procurement rules, regulations and statutes (if applicable);

c. Facility Owner will provide information as needed for the feasibility study/technical energy audit and any other project development activities;

d. Facility Owner will review/approve the ESCO's proposals, designs and reports in a timely manner;

e. Facility Owner agrees to execute CEO approved contracts with the ESCO;

f. Facility Owner agrees to arrange for project financing, and with the assistance and advice of legal counsel, execute appropriate financing documents and EPC contract;

g. Facility Owner agrees to provide project management;

h. Facility Owner will endeavor to work with the pre-qualified ESCO to develop and refine project parameters and any other project development activities;

i. Facility Owner will assign its staff, employees, representatives to the facility project team including operations, maintenance, financial and upper management personnel;

j. Depending on the subject matter to be discussed, Facility Owner will ensure appropriate personnel attend project development meetings;

k. Facility Owner will provide access to and escort ESCO, its subcontractors and CEO to buildings during mutually agreed-upon hours;

l. If Facility Owner is a school district, Facility Owner agrees to allow CEO to complete a construction walk-through of project facilities prior to the "Notice of Substantial Completion" documents being finalized;

l. During project reviews and any other reviews, Facility Owner will endeavor to address CEO's recommendations;

m. As requested by CEO and as needed, Facility Owner agrees to provide CEO with information regarding measurement and verification activities.

5. THIS MOU IS NOT INTENDED TO CREATE, NOR WILL THIS MOU BE CONSTRUED OR INTERPRETED AS CREATING A LEGALLY BINDING AND ENFORCEABLE CONTRACT BETWEEN THE PARTIES. IN THE EVENT EITHER PARTY FAILS TO FULLY COMPLY WITH THE PROVISIONS OF THIS MOU, THERE WILL BE NO LEGAL OR EQUITABLE REMEDIES AVAILABLE TO EITHER PARTY. THE SOLE REMEDY AVAILABLE TO THE PARTIES FOR FAILURE TO FULLY COMPLY WITH THE PROVISIONS OF THIS MOU IS TO TERMINATE THIS MOU. THE FACILITY OWNER ACKNOWLEDGES AND AGREES THAT CEO'S SERVICES MAY INCLUDE ADVICE AND RECOMMENDATIONS, BUT ALL DECISIONS IN CONNECTION WITH THE FACILITY OWNER'S EPC PROJECT SHALL BE THE SOLE RESPONSIBILITY OF THE FACILITY OWNER, ITS AGENTS AND CONTRACTORS.

6. Signatures. IN WITNESS WHEREOF, the Parties have executed this MOU as of the Effective Date.

STATE OF COLORADO, acting by and through the **COLORADO ENERGY OFFICE**		**FACILITY OWNER:**	
Will Toor, CEO Director	Date	Name: Ronald Hopp Title: Executive Director ___ Yes! I have reviewed this MOU and accept CEO's free technical support for an EPC project. ___ No thank you. I have reviewed this MOU and decline CEO's free technical support for an EPC project.	Date
Mirka della Cava EPC Program Manager	Date		

COLORADO
Energy Office
Energy Performance Contracting

FACILITY OWNER INFORMATION

for CEO use only

Owner's representative	
Name	
Title	
Mailing address	
Email address	
Direct office phone	
Cell phone	

Project information					
Types of facilities to be assessed for energy savings:	1. 2. 3. 4. 5. 6. 7. 8.				
Have you selected an ESCO?		Yes. Name:			No
If yes, has procurement department validated selection?		Yes.			Not yet.

Please list any immediate needs you have related to your performance contract.

STATE OF COLORADO
COLORADO ENERGY OFFICE – ENERGY PERFORMANCE CONTRACTING PROGRAM

COLORADO
Energy Office
Energy Performance Contracting

INVESTMENT GRADE AUDIT REPORT AND ENERGY PERFORMANCE CONTRACTING PROJECT PROPOSAL CONTRACT

FOR COLORADO POLITICAL SUBDIVISIONS (municipality, county, special district, or school district **(§29-12.5-101 (5) C.R.S.**)

POLITICAL SUBDIVISION:	Foothills Park and Recreation District
ENERGY SERVICE COMPANY (STATE REGISTERED NAME):	McKinstry Essention, LLC
PROJECT NAME:	Investment Grade Audit and Energy Performance Contract

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PARTIES

This Investment Grade Audit Report and Energy Performance Contracting Project Proposal Contract (this "Contract" or this "IGA," as defined below in Article I)is entered into by and between McKinstry Essention, LLC, having its offices at 16025 Table Mountain Parkway, Suite 100, Golden, CO 80403 (the "Contractor" or the "ESCO," as defined below in the Definitions), and the Foothills Park and Recreation District (the "Political Subdivision"), being a Political Subdivision as defined below in Article 1.

RECITALS

WHEREAS, authority for the Political Subdivision to enter into this Contract exists in the law, including **§29-12.5-101, C.R.S**. and other applicable state statutes and charter and code provisions, and funds have been budgeted, appropriated and otherwise made available, and a sufficient unencumbered balance thereof remains available for payment of the amounts due hereunder, all within applicable constitutional, statutory, charter, code or other limitations applicable to the Political Subdivision; and

WHEREAS, required authorizations, approvals, clearance and coordination have been accomplished by the Political Subdivision; and

WHEREAS, the Political Subdivision is entering into this Contract in order to (a) engage the Contractor to identify utility cost-savings measures and facility improvement measures, including operation and maintenance cost savings and vehicle fleet operational or fuel cost savings in facilities owned or leased by the Political Subdivision, as set forth in **§29-12.5-101(3), C.R.S.**, and (b) if the savings exceed "annual contract payments" as set forth in **§29-12.5-101(3)(b**), **C.R.S.** and the Governing Body (as defined below) of the Political Subdivision determines to do so, to negotiate an Energy Performance Contract; and

WHEREAS, this Contract was adapted by the Colorado Energy Office (CEO) for use by Colorado "Political Subdivisions," as defined in **§29-12.5-101, C.R.S.** , based on a contract created jointly by CEO and the Office of the State Architect (OSA), in order to obtain an Investment Grade Audit report and a proposal for an Energy Performance Contracting project for a Facility (as defined below) from a CEO pre-approved energy service company (ESCO), the purpose of the IGA being to perform the Work set forth in **Article 3** below; and

WHEREAS, the Contractor was selected and determined to be the most qualified, and fees were negotiated in accordance with the procurement rules of the Political Subdivision; and

NOW THEREFORE, in consideration of the premises and mutual agreements and covenants hereinafter set forth, and intending to be legally bound, the Political Subdivision and the Contractor hereby agree to the terms and conditions in this Contract.

EFFECTIVE DATE AND NOTICE OF NON-LIABILITY

This Contract shall not be valid or enforceable until it is authorized and approved by the Governing Body (defined below in Article 1) of the Political Subdivision, by applicable resolution, ordinance or other authorizing action of the Governing Body, and executed by a duly authorized representative of the Political Subdivision, as set forth in such resolution, ordinance or other authorizing action (defined below as the "Principal Representative"),on the date set forth in **Section 19** hereof in the signature block of the Political Subdivision (the "Effective Date"). The Political Subdivision shall not be bound by any provision of this Contract before the Effective Date, and shall have no obligation to pay the Contractor for any Work performed or expense incurred before the Effective Date or after the expiration or sooner termination of this Contract.

All references in this Contract to "Article," "Section," "Subsections," "Exhibits" or other "attachments," whether spelled out or using the **§** symbol, are references to Articles, Sections, Subsections, Exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

ARTICLE 1 DEFINITIONS

A. Business Day

"Business Day" means any day in which the Political Subdivision is open and conducting business, but shall not include Saturday, Sunday or any holidays observed by the Political Subdivision.

B. Contract

"Contract" means this Contract, its terms and conditions, attached exhibits, documents incorporated by reference under the terms of this Contract, and any future modifying agreements, exhibits, attachments or references incorporated herein pursuant to applicable laws, charter and code provisions and policies and procedures of the Political Subdivision.

C. Contract Funds

"Contract Funds" means the funds that have been appropriated, designated, encumbered, or otherwise made available for payment by the Political Subdivision to the Contractor for the performance of the Work under this Contract.

D. Contractor's Intellectual Property

"Contractor's Intellectual Property" means the items purchased, licensed or developed by the Contractor prior to or outside of the Contract or purchased, licensed or developed by the Contractor or its Subcontractors as a tool for their use in performing the Services, plus any modifications or enhancements thereto and derivative works based thereon.

E. Colorado Open Records Act (CORA)

"CORA" means the Colorado Open Records Act, **§§24-72-200.1 *et seq.*, C.R.S.**

F. C.R.S.

"C.R.S." means the Colorado Revised Statutes, as amended.

G. Exhibits and other Attachments

The following "Exhibits and other Attachments" are attached hereto and incorporated by reference herein: IGA **Exhibit A** - Scope of Work, IGA **Exhibit B** - Location of Energy Audit, and IGA **Exhibit C** -Cost and Pricing Elements.

H. Facility

"Facility" or "Facilities" means any building or utility owned or operated by the Political Subdivision, as set forth on **Exhibit B** - Location of Energy Audit.

I. Fiscal Year

"Fiscal Year" means a 12-month period beginning on January 1 of each calendar year and ending on December 31.

J. Goods:

"Goods" means the tangible material acquired, produced, or delivered by the Contractor either separately or in conjunction with the Work performed by the Contractor, and the Services the Contractor renders hereunder.

K. Governing Body

"Governing Body" means the governing body of the Political Subdivision, a governing body (city or town council, board of trustees, etc.) of any municipality or home rule county, a board of county commissioners of any county, a board of directors of any special district, or a board of education of any school district as defined in **§29-12.5-101(1), C.R.S.**

L. Incident

"Incident" means any accidental or deliberate event that results in or constitutes an imminent threat of the unauthorized access, loss, disclosure, modification, disruption, or destruction of any communications or information resources of the State, pursuant to **§§24-37.5-401 et. seq. C.R.S.** Incidents include, without limitation (i) successful attempts to gain unauthorized access to a State system or State Records regardless of where such information is located; (ii) unwanted disruption or denial of service; (iii) the unauthorized use of a State system for the processing or storage of data; or (iv) changes to State system hardware, firmware, or software characteristics without the State's knowledge, instruction, or consent.

M. Investment Grade Audit Contract

"Investment Grade Audit Contract" (IGA) means that certain contract between the Contractor and the Political Subdivision and entered into pursuant to **§29-12.5-102, C.R.S.**, and pursuant to which the Contractor conducted the IGA. The IGA Contract shall determine the feasibility of whether to enter into an Energy Performance Contract to provide for the implementation of Utility Cost Savings Measures, Facility Improvement Measures, and Operation and Maintenance Cost Savings Measures in Facilities owned or leased by the Political Subdivision and vehicle fleet operational and fuel cost saving measures at the Premises of the Political Subdivision.

N. Investment Grade Audit Report

"Investment Grade Audit" or "IGA" means a detailed audit of Political Subdivision Premises, conducted by Contractor] pursuant to the IGA Contract, pursuant to **§29-12.5-102, C.R.S.**, which may serve as the basis for an Energy Performance Contract.

O. Party or Parties

"Party" means the Political Subdivision or the Contractor and "Parties" means both the Political Subdivision and the Contractor.

P. Political Subdivision

"Political Subdivision" means the Political Subdivision set forth above as a Party to this Contract, being a municipality, county, special district or school district as defined in **§29-12.5-101(5), C.R.S.**

Q. Political Subdivision Confidential Information

"Political Subdivision Confidential Information" means any and all Political Subdivision Records not subject to disclosure under CORA. Political Subdivision Confidential Information shall include, but is not limited to PII, Tax Information, and Political Subdivision personnel records not subject to disclosure under CORA.

R. Political Subdivision Records

"Political Subdivision Records" means any and all data, information, and records, regardless of physical form.

S. Premises

"Premises" means the Facilities owned or controlled by the Political Subdivision as identified on **Exhibit B** - Location of Energy Audit.

T. Principal Representative

"Principal Representative" means the person or persons designated by the Governing Body of the Political Subdivision to act as the Principal Representative of the Political Subdivision under the terms of and as set forth in this Contract. The Principal Representative may delegate his or her authority hereunder, in writing, if authorized to do so pursuant to the related authorizing resolution or ordinance of the Governing Body. The Contractor shall have the right to inquire regarding the delegated authority of any of the Principal Representative's designees under the terms of this Contract and shall be provided with a response in writing when requested.

U. Services

"Services" means the required services to be performed by the Contractor pursuant to this Contract.

V. Subcontractor

"Subcontractor" means third parties, if any, engaged by Contractor to aid in performance of the Work.

W. Tax Information

"Tax Information" means federal and State of Colorado tax information including, without limitation, federal and state tax returns, return information, and such other tax-related information as may be protected by federal and state law and regulation. Tax Information includes, but is not limited to all information defined as federal tax information in Internal Revenue Service Publication 1075.

X. Work

"Work" means the tasks and activities the Contractor is required to perform to fulfill its obligations under this Contract and **Exhibit A**, including the performance of the Services and delivery of the Goods.

Y. Work Product

"Work Product" means the tangible or intangible results of the Contractor's Work, including, but not limited to, research, reports, studies, data, photographs, negatives or other finished or unfinished documents, drawings, models, surveys, maps, materials, or work product of any type (but not including software), including drafts. Work Product does not include the Contractor's Intellectual Property.

Any other term used in this Contract that is defined in an Exhibit shall be construed and interpreted as defined in that Exhibit.

ARTICLE 2 TERM and EARLY TERMINATION

A. Initial Term-Work Commencement

The Parties' respective performances under this Contract shall commence on the later of either the Effective Date or June 1, 2019. This Contract shall terminate thirty-six months after the Effective Date unless sooner terminated or further extended as specified elsewhere herein.

B. Early Termination in the Public Interest

The Political Subdivision is entering into this Contract for the purpose of carrying out the public policy of the Political Subdivision as determined by the Governing Body. If this Contract ceases to further the public policy of the Political Subdivision, the Governing Body, in its sole discretion, may terminate this Contract in whole or in part. Exercise by the Governing Body of this right shall not constitute a breach of the Political Subdivision's obligations hereunder. This subsection shall not apply to a termination of this Contract by the Political Subdivision for cause or breach by the Contractor, which shall be governed by **Article 10(A)** or as otherwise specifically provided for herein.

i. Method and Content

The Principal Representative shall notify the Contractor of such termination in accordance with **Article 13**. The notice shall specify the effective date of the termination and whether it affects all or a portion of this Contract.

ii. Obligations and Rights

Upon receipt of a termination notice, the Contractor shall be subject to and comply with the same obligations and rights set forth in **Article 11(A)(i)**.

iii. Payments

If this Contract is terminated by the Governing Body pursuant to this **Article 2B**, the Contractor shall be paid an amount that bears the same ratio to the total reimbursement under this Contract as Contractor's obligations that were satisfactorily performed bear to the total obligations set forth in this Contract, less payments previously made. Additionally, if this Contract is less than 60% completed, the Political Subdivision may, but is not obligated to, reimburse the Contractor for a portion of actual out-of-pocket expenses (not otherwise reimbursed under this Contract) incurred by Contractor which are directly attributable to the uncompleted portion of Contractor's obligations hereunder. The sum of any and all reimbursements under this **Article 2B** shall not exceed the maximum amount payable to the Contractor hereunder and any and all such reimbursements shall be payable only from funds that have been budgeted, appropriated and otherwise made available and in respect of which a sufficient unencumbered balance thereof remains available for payment of such reimbursements, all within applicable constitutional, statutory, charter, code or other limitations applicable to the Political Subdivision.

ARTICLE 3 STATEMENT OF WORK

A. Work

Contractor shall perform an Investment Grade Audit in accordance with **IGA Exhibit A** – Scope of Work. The Investment Grade Audit shall be performed at the location(s) listed in **IGA Exhibit B** – Location of Audit. If the Governing Body, in its sole discretion, desires to accept the Contractor's Investment Grade Audit Report and the EPC Project Proposal, which acceptance, if made, shall be made within [60] days of the Principal Representative's receipt of such proposal in the form of the Notice of Acceptance of the Investment Grade Audit Report and EPC Project Proposal set forth below in **Article 3(E)**. The Parties may,

but are not obligated to, enter into a new contract, entitled "Energy Performance Contract," based on such proposal, the form of which shall be supplied by the Political Subdivision and shall comply with **§29-12.5-101, C.R.S., *et seq.***

B. Time of Performance

The Work under this Contract shall be completed during the initial term, which is set forth in **Article 2**, or any extension thereof.

C. Goods and Services

Contractor shall procure Goods and Services necessary to complete the Work. Such procurement shall be paid from the Contract Funds and shall not increase the maximum amount payable hereunder by the Political Subdivision.

D. Employees or Agents

All persons employed by the Contractor or Subcontractors to perform Work under this Contract shall be the Contractor's or Subcontractors' employee(s) or agents for all purposes hereunder and shall not be employees or agents of the Political Subdivision for any purpose as a result of this Contract.

E. Acceptance

Once the Contractor has signed the draft "Notice of Acceptance" for the Investment Grade Audit Report and EPC Project Proposal, it shall submit that draft Notice of Acceptance to the Principal Representative for review and approval by the Governing Body. If the IGA Report and EPC Project Proposal meet the statutory requirements set forth in **§29-12.5-101,C.R.S., *et seq.***, and upon receipt of a completed IGA Record of Review from CEO, the Governing Body may, in its discretion, authorize the Principal Representative to issue the Notice of Acceptance.

ARTICLE 4 PAYMENTS TO CONTRACTOR

The Political Subdivision shall, in accordance with the provisions of this **Article 4**, pay the Contractor in the amounts and using the methods set forth below:

A. Project with Insufficient Cost Savings

If the Contractor determines at any time during the Investment Grade Audit that savings cannot be attained to meet the Political Subdivision's statutory requirements set forth in **§29-12.5-101,C.R.S., *et seq.***, the Investment Grade Audit shall be terminated in accordance with **Article 11(B)** and **Article 13.**

B. Maximum IGA Payment Amount

Except as provided for below in subsections (i) and (ii), and (iii) of this **Article 4**, within [45] days after the Notice of Acceptance is issued by the Governing Body, which indicates the completion of the Investment Grade Audit Report and the related proposal for the Energy Performance Contract Project, Principal Representative shall pay to the Contractor a sum not to exceed $43,008.96 in accordance with IGA **Exhibits B and C** to this Contract.

i. Payment Without Financing of Energy Performance Contract

After the Notice of Acceptance has been issued, at the Governing Body's sole discretion, the Governing Body may exercise one of the two options set forth below, if the Governing Body of the Political Subdivision determines to pay out of available funds specifically appropriated for the purpose of performance of this Contract:

a. Payment for performance of IGA only without authorization of Energy Performance Contract

If the Governing Body decides not to proceed with an Energy Performance Contract, the Political Subdivision shall pay the Contractor for the due performance of the IGA from available funds which have been specifically appropriated for this purpose by the Governing Body in the ordinance or resolution authorizing the Political Subdivision to enter into this Contract. The Political Subdivision reserves the right to use such information from the Investment Grade Audit Report as it deems appropriate. Any unilateral use by the Political Subdivision of the Investment Grade Audit Report and any related underlying data for completing, using, maintaining or adding to any facilities of the Political Subdivision shall be at the sole risk of the Political Subdivision and without liability to the Contractor or Contractor consultants.

b. Payment Without Financing Arranged Under Energy Performance Contract

If the Governing Body authorizes the Political Subdivision to enter into an Energy Performance Contract with the Contractor, the Political Subdivision may determine to pay the Contractor for the due performance of the IGA from available funds specifically appropriated for this purpose or from other sources of funding that the Political subdivision chooses to make available, rather than finance the related project from the lease purchase or enterprise revenue bond financing provided through the Energy Performance Contract. The Political Subdivision will pay the Contractor within [90] days after the Notice of Acceptance is issued.

ii. Payment with Financing Arranged Under Energy Performance Contract

If the Governing Body authorizes the Political Subdivision to enter into (a) an Energy Performance Contract with the Contractor and (b) the financing of the IGA cost and the costs of the related project from the lease purchase financing or other form of funding or financing provided through the Energy Performance Contract, the Political Subdivision will have no direct payment obligations to the Contractor under this Contract, provided that the Contractor and the Political Subdivision execute an Energy Performance Contract and secure adequate funding or financing within [90] days after the issuance of the Notice of Acceptance. The above stated cost of the completed Investment Grade Audit shall be incorporated into the Contractor's total project costs and paid from the funding or financing provided through the Energy Performance Contract.

iii. Payment Without the issuance of the Notice of Acceptance

Within [60] days after the date on which the Contractor submits the draft Notice of Acceptance to the Principal Representative, the Principal Representative shall review and may object and propose revisions, in writing, to the Contractor regarding the Investment Grade Audit Report and EPC Project Proposal. If the Political Subdivision has received the completed IGA Record of Review from CEO and such IGA Record of Review and the analysis of the Principal Representative reflect that the IGA Report and the EPC Project Proposal each meet the statutory requirements set forth in **§29-12.5-101,C.R.S., *et seq.***, but the Political Subdivision does not issue the Notice of Acceptance, the Notice of Acceptance will be deemed issued as of the [61st] day after the Contractor's submission of the draft Notice of Acceptance. If the Notice of Acceptance is deemed issued, the Political Subdivision shall be obligated to pay the Contractor for its performance hereunder as set forth in **Article 4(B)(i)**, and the Contractor shall provide the complete Investment Grade Audit Report and any related underlying data including building, infrastructure, and equipment specifications, blueprints, etc., to the Political Subdivision for its records and use.

C. Payment

i. Payments

Contractor shall initiate any payment requests by submitting invoices to the Principal Representative in the form and manner set forth and approved by the Principal Representative.

ii. Interest

The Political Subdivision shall fully pay each invoice within the payment terms of the Political Subdivision and within [30] days of receipt thereof if the amount invoiced represents performance by the Contractor previously accepted by the Principal Representative. Uncontested amounts not paid by the Political Subdivision within [30] days shall bear interest on the unpaid balance beginning on the following day at a rate not to exceed [1.00] percent per month until paid in full; provided, however, that interest shall not accrue on unpaid amounts that the Principal Representative disputes. The Contractor shall invoice the Political Subdivision separately for accrued interest on delinquent amounts. The billing shall reference the delinquent payment, the number of days interest to be paid and the interest rate.

iii. Available Funds-Contingency-Termination

The Political Subdivision is prohibited by law from making financial commitments beyond the term of the current Fiscal Year. This Contract shall not constitute a debt or a multiple Fiscal Year financial obligation under any Colorado constitutional or statutory provisions or limitations. Payment to the Contractor beyond the current Fiscal Year is contingent on the appropriation and continuing availability of Contract Funds in any subsequent year. If federal funds or funds from any other source not from the Political Subdivision constitute all or some of the Contract Funds, the obligation of the

Political Subdivision to pay the Contractor shall be contingent upon such funding continuing to be made available for payment. Payments to be made pursuant to this Contract shall be made only from Contract Funds, and the Political Subdivision's liability for such payments shall be limited to the amount remaining of such Contract Funds. If other funds are not appropriated, or otherwise become unavailable to fund this Contract, the Political Subdivision may, upon written notice, terminate this Contract, in whole or in part, without incurring further liability in accordance with the provisions hereof.

iv. **Erroneous Payments**

At the Governing Body's sole discretion, payments made to the Contractor in error for any reason, including, but not limited to overpayments or improper payments and unexpended or excess funds received by the Contractor, the Political Subdivision may recover from the Contractor by deduction from subsequent payments under this Contract or other contracts, grants or agreements between the Political Subdivision and the Contractor or by other appropriate methods and collected as a payment due to the Political Subdivision. Such payments shall not be made to any party other than the Political Subdivision.

D. Use of Funds

Contract Funds shall be used only for eligible costs identified herein.

ARTICLE 5 REPORTING - NOTIFICATION

Reports, Evaluations, and Reviews required under this **Article 5** shall be in accordance with the procedures of and in such form as prescribed by the Political Subdivision and in accordance with **Article 13**, if applicable.

A. Litigation Reporting

If Contractor is served with a pleading or other document in connection with an action before a court or other administrative decision-making body, and such pleading or document relates to this Contract or may affect Contractor's ability to perform its obligations under this Contract, Contractor shall, within 10 days after being served, notify the Political Subdivision of such action and deliver copies of such pleading or document to the Principal Representative of the Political Subdivision identified in **Article 13**.

B. Performance Outside the State of Colorado and/or the United States

*[This **§5.B** shall not apply if the Contract Funds include any Federal funds]* Following the Effective Date, Contractor shall provide written notice to the Political Subdivision by notice to the Principal Representative, in accordance with **Article 13**, within twenty (20) days of the earlier to occur of Contractor's decision to perform, or its execution of an agreement with a Subcontractor to perform, Services outside the State of Colorado and/or the United States. Such notice shall specify the type of Services to be performed outside the State of Colorado and/or the United States and the reason why it is necessary or advantageous to perform such Services at such location or locations. Knowing failure by Contractor to provide notice to the Political Subdivision under this **Article 5(B)** shall constitute a material breach of this Contract.

C. Noncompliance

Contractor's failure to provide reports and notify the Principal Representative of the Political Subdivision in a timely manner in accordance with this **Article 5** may result in the delay of payment of funds and/or termination as provided under this Contract.

ARTICLE 6 CONTRACTOR RECORDS

A. Maintenance

Contractor shall maintain a file of all documents, records, communications, notes and other materials relating to the Work (the "Contractor Records"). Contractor Records shall include all documents, records, communications, notes and other materials maintained by Contractor that relate to any Work performed by Subcontractors, and Contractor shall maintain all records related to the Work performed by Subcontractors required to ensure proper performance of that Work. Contractor shall maintain Contractor Records until the last to occur of: **(i)** the date [3] years after the date this Contract expires or is terminated, **(ii)** final payment under this Contract is made, **(iii)** the resolution of any pending Contract matters, or **(iv)** if a Contract audit is occurring, or Contractor has received notice that a Contract audit is

pending, the date such Contract audit is completed and its findings have been resolved (the "Record Retention Period").

B. Inspection

Contractor shall permit the Political Subdivision to audit, inspect, examine, excerpt, copy and transcribe Contractor Records during the Record Retention Period. Contractor shall make Contractor Records available during normal business hours at Contractor's office or place of business, or at other mutually agreed upon times or locations, upon no fewer than [2] Business Days' notice from the Principal Representative, unless the Principal Representative determines that a shorter period of notice, or no notice, is necessary to protect the interests of the Political Subdivision.

C. Monitoring

The Principal Representative, in its discretion, may monitor Contractor's performance of its obligations under this Contract using procedures as determined by the Political Subdivision. The Principal Representative shall monitor Contractor's performance in a manner that does not unduly interfere with Contractor's performance of the Work.

D. Final Contract Audit Report

Contractor shall promptly submit to the Political Subdivision a copy of any final Contract audit report of a Contract audit performed on Contractor's records that relates to or affects this Contract or the Work, whether the audit is conducted by Contractor or a third party.

ARTICLE 7 CONFIDENTIAL INFORMATION AND POLITICAL SUBDIVISION RECORDS

Contractor shall comply with the provisions of this **Article 7** if it becomes privy to confidential information in connection with its performance hereunder. Confidential information includes, but is not necessarily limited to, any Political Subdivision records, personnel records, and information concerning individuals. Such information shall not include information required to be disclosed pursuant to CORA.

A. Confidentiality

Contractor shall keep confidential, and cause all Subcontractors to keep confidential, all Political Subdivision Records, unless those Records are publicly available. Contractor shall not, without prior written approval of the Governing Body, use, publish, copy, disclose to any third party, or permit the use by any third party of any Political Subdivision Records, except as otherwise stated in this Contract, permitted by law, or approved in writing by the Governing Body. Contractor shall provide for the security of all Political Subdivision Confidential Information in accordance with all applicable laws, rules, policies, publications, and guidelines. Contractor shall immediately forward any request or demand for Political Subdivision Records to the Principal Representative.

B. Other Entity Access and Nondisclosure Agreements

Contractor may provide Political Subdivision Records to its agents, employees, assigns and Subcontractors as necessary to perform the Work, but shall restrict access to Political Subdivision Confidential Information to those agents, employees, assigns and Subcontractors who require access to perform their obligations under this Contract. Contractor shall ensure all such agents, employees, assigns, and Subcontractors sign agreements containing nondisclosure provisions at least as protective as those in this Contract, and that the nondisclosure provisions are in force at all times that the agent, employee, assign or Subcontractor has access to any Political Subdivision Confidential Information. Contractor shall provide copies of those signed nondisclosure provisions to the Principal Representative upon execution of the nondisclosure provisions if requested by the Principal Representative.

C. Use, Security, and Retention

Contractor shall use, hold and maintain Political Subdivision Confidential Information in compliance with any and all applicable laws and regulations only in facilities located within the United States, and shall maintain a secure environment that ensures confidentiality of all Political Subdivision Confidential Information. Contractor shall provide the Principal Representative with access, subject to Contractor's reasonable security requirements, for purposes of inspecting and monitoring access and use of Political Subdivision Confidential Information and evaluating security control effectiveness. Upon the expiration or termination of this Contract, Contractor shall return Political Subdivision Records provided to Contractor or destroy such Political Subdivision Records and certify to the Governing Body that it has done so, as

directed by the Principal Representative. If Contractor is prevented by law or regulation from returning or destroying Political Subdivision Confidential Information, Contractor warrants that it will guarantee the confidentiality of, and cease to use, such Political Subdivision Confidential Information.

D. Incident Notice and Remediation

If Contractor becomes aware of any Incident, it shall notify the Principal Representative immediately and cooperate with the Political Subdivision regarding recovery, remediation, and the necessity to involve law enforcement, as determined by the Principal Representative. Unless Contractor can establish that Contractor and its Subcontractors are not the cause or source of the Incident, Contractor shall be responsible for the cost of notifying each person who may have been impacted by the Incident. After an Incident, Contractor shall take steps to reduce the risk of incurring a similar type of Incident in the future as directed by the Principal Representative, which may include, but is not limited to, developing and implementing a remediation plan that is approved by the Governing Body at no additional cost to the Political Subdivision. The Governing Body may adjust or direct modifications to this plan in its sole discretion, and Contractor shall make all modifications as directed by the Principal Representative. If Contractor cannot produce its analysis and plan within the allotted time, the Principal Representative, in its sole discretion, may perform such analysis and produce a remediation plan, and Contractor shall reimburse the Political Subdivision for the actual costs thereof.

E. Data Protection and Handling

Contractor shall ensure that all Political Subdivision Records and Work Product in the possession of Contractor or any Subcontractors are protected and handled in accordance with the requirements of this Contract at all times.

F. Safeguarding PII

If Contractor or any of its Subcontractors will or may receive PII under this Contract, Contractor shall provide for the security of such PII, in a manner and form acceptable to the Principal Representative, including, without limitation, Political Subdivision non-disclosure requirements, use of appropriate technology, security practices, computer access security, data access security, data storage encryption, data transmission encryption, security inspections, and audits.

ARTICLE 8 CONFLICTS OF INTEREST

A. Actual Conflicts of Interest

Contractor shall not engage in any business or activities, or maintain any relationships that conflict in any way with the full performance of the obligations of Contractor under this Contract. Such a conflict of interest would arise when a Contractor or Subcontractor's employee, officer or agent were to offer or provide any tangible personal benefit to an employee of the Political Subdivision, or any member of his or her immediate family or his or her partner, related to the award of, entry into or management or oversight of this Contract.

B. Apparent Conflicts of Interest

Contractor acknowledges that, with respect to this Contract, even the appearance of a conflict of interest shall be harmful to the Political Subdivision's interests. Absent the Governing Body's prior written approval, Contractor shall refrain from any practices, activities or relationships that reasonably appear to be in conflict with the full performance of Contractor's obligations under this Contract.

C. Disclosure to the Political Subdivision

If a conflict or the appearance of a conflict arises, or if Contractor is uncertain whether a conflict or the appearance of a conflict has arisen, Contractor shall submit to the Principal Representative a disclosure statement setting forth the relevant details for the Political Subdivision's consideration. Failure to promptly submit a disclosure statement or to follow the Principal Representative's direction in regard to the actual or apparent conflict constitutes a breach of this Contract.

ARTICLE 9 INSURANCE

Contractor shall obtain and maintain, and ensure that each Subcontractor shall obtain and maintain, insurance as specified in this section at all times during the term of this Contract. All insurance policies required by this Contract shall be issued by insurance companies with an AM Best rating of A-VIII or better.

A. Workers' Compensation

Workers' compensation insurance as required by State statute and any other requirements of the Political Subdivision, and employers' liability insurance covering all Contractor or Subcontractor employees acting within the course and scope of their employment.

B. General Liability

Commercial general liability insurance written on an Insurance Services Office occurrence form, covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows:
$1,000,000 each occurrence;
$1,000,000 general aggregate;
$1,000,000 products and completed operations aggregate; and
$50,000 any 1 fire.

C. Automobile Liability

Automobile liability insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of $1,000,000 each accident combined single limit.

D. Professional Liability Insurance

Professional liability insurance covering any damages caused by an error, omission or any negligent act with minimum limits as follows:
$1,000,000 each occurrence; and
$1,000,000 general aggregate.

E. Crime Insurance

Crime insurance including employee dishonesty coverage with minimum limits as follows:
$1,000,000 each occurrence; and
$1,000,000 general aggregate.

F. Additional Insured

The Political Subdivision shall be named as additional insured on all commercial general liability policies (leases and construction contracts require additional insured coverage for completed operations) required of Contractor and Subcontractors.

G. Primacy of Coverage

Coverage required of Contractor and each Subcontractor shall be primary over any insurance or self-insurance program carried by Contractor or the Political Subdivision.

H. Cancellation

The above insurance policies shall include provisions preventing cancellation or non-renewal, except for cancellation based on non-payment of premiums, without at least 30 days prior notice to Contractor and Contractor shall forward such notice to the Principal Representative in accordance with **Article 13** within 7 days of Contractor's receipt of such notice.

I. Subrogation Waiver

All insurance policies secured or maintained by Contractor or its Subcontractors in relation to this Contract shall include clauses stating that each carrier shall waive all rights of recovery under subrogation or otherwise against Contractor or the Political Subdivision, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

J. Public Entities

If Contractor is a "public entity" within the meaning of the Colorado Governmental Immunity Act, **§24-10-101, et seq., C.R.S.** (the GIA), Contractor shall maintain, in lieu of the liability insurance requirements stated above, at all times during the term of this Contract such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the GIA. If a Subcontractor is a public entity within the meaning of the GIA, Contractor shall ensure that the Subcontractor maintains at all times during the terms of this Contract, in lieu of the liability insurance requirements stated above, such liability

insurance, by commercial policy or self-insurance, as is necessary to meet the Subcontractor's obligations under the GIA.

K. Certificates

Contractor shall provide to the Principal Representative, for the records of the Political Subdivision, certificates evidencing Contractor's insurance coverage required in this Contract within 7 Business Days following the Effective Date. Contractor shall provide to the Principal Representative, for the records of the Political Subdivision, certificates evidencing Subcontractor insurance coverage required under this Contract within 7 Business Days following the Effective Date; except that, if Contractor's subcontract is not in effect as of the Effective Date, Contractor shall provide to the Principal Representative certificates showing Subcontractor insurance coverage required under this Contract within 7 Business Days following Contractor's execution of the subcontract. No later than 15 days before the expiration date of Contractor's or any Subcontractor's coverage, Contractor shall deliver to the Principal Representative certificates of insurance evidencing renewals of coverage. At any other time during the term of this Contract, upon request by the Principal Representative, Contractor shall, within 7 Business Days following the request by the Principal Representative, supply to the Principal Representative evidence satisfactory to the Principal Representative of compliance with the provisions of this **Article 9**.

ARTICLE 10. BREACH

A. Defined

In addition to any breaches specified in other sections of this Contract, the failure of either Party to perform any of its material obligations hereunder in whole or in part or in a timely or satisfactory manner constitutes a breach. The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Contractor, or the appointment of a receiver or similar officer for Contractor or any of its property, which is not vacated or fully stayed within 20 days after the institution or occurrence thereof, shall also constitute a breach.

B. Notice and Cure Period

In the event of a breach, notice of such shall be given in writing by the aggrieved Party to the other Party in the manner provided in **§13**. If such breach is not cured within 30 days of receipt of written notice, or if a cure cannot be completed within 30 days, or if cure of the breach has not begun within 30 days and pursued with due diligence, the Political Subdivision may exercise any of the remedies set forth in **§11**. Notwithstanding anything to the contrary herein, the Governing Body, in its sole discretion, need not provide advance notice or a cure period and may immediately terminate this Contract in whole or in part if reasonably necessary to preserve public safety or to prevent immediate public crisis.

ARTICLE 11. REMEDIES

If Contractor is in breach under any provision of this Contract, the Political Subdivision shall have all of the remedies listed in this **Article 11** in addition to all other remedies set forth in other sections of this Contract following the notice and cure period set forth in **Article 10(B)**. The Political Subdivision may exercise any or all of the remedies available to it, in its sole discretion, concurrently or consecutively.

A. Termination for Cause and/or Breach

The Political Subdivision may terminate this entire Contract or any part of this Contract. Exercise by the Political Subdivision of this right shall not be a breach of its obligations hereunder. Contractor shall continue performance of this Contract to the extent not terminated, if any.

i. Obligations and Rights

To the extent specified in any termination notice, Contractor shall not incur further obligations or render further performance hereunder past the effective date of such notice, and shall terminate outstanding orders and subcontracts with third parties. However, Contractor shall complete and deliver to the Principal Representative all Work, Services and Goods not cancelled by the termination notice and may incur obligations as are necessary to do so within this Contract's terms. At the sole discretion of the Governing Body, Contractor shall assign to the Political Subdivision all of Contractor's right, title, and interest under such terminated orders or subcontracts; provided that Contractor's obligations with respect to Contractor's Intellectual Property are set forth in **Article 14**

below. Upon termination, Contractor shall take timely, reasonable and necessary action to protect and preserve property in the possession of Contractor in which the Political Subdivision has an interest. All materials owned by the Political Subdivision in the possession of Contractor shall be immediately returned to the Political Subdivision. All Work Product, at the option of the Political Subdivision, shall be delivered by Contractor to the Principal Representative and shall become the Political Subdivision's personal property.

ii. **Payments**

The Political Subdivision shall reimburse Contractor only for accepted performance up to the date of termination. If, after termination by the Political Subdivision, it is determined that Contractor was not in breach or that Contractor's action or inaction was excusable, such termination shall be treated as a termination in the public interest and the rights and obligations of the Parties shall be the same as if this Contract had been terminated in the public interest, as described herein.

iii. **Damages and Withholding**

Notwithstanding any other remedial action by the Political Subdivision, Contractor shall remain liable to the Political Subdivision for any damages sustained by the Political Subdivision by virtue of any breach under this Contract by Contractor and the Political Subdivision may withhold any payment to Contractor for the purpose of mitigating the Political Subdivision's damages, until such time as the exact amount of damages due to the Political Subdivision from Contractor is determined. The Principal Representative may withhold any amount that may be due Contractor as the Governing Body deems necessary to protect the Political Subdivision against loss, including loss as a result of outstanding liens, claims of former lien holders, or for the excess costs incurred in procuring similar goods or services. Contractor shall be liable for excess costs incurred by the Political Subdivision in procuring from third parties replacement Work, Services or substitute Goods as cover.

B. **Early Termination for Insufficient Cost Savings**

The Contractor is entering into this Contract for the purpose of carrying out an Investment Grade Audit and Energy Performance Contract Project Proposal. The Contractor may terminate this Contract in accordance with **Article 4(A)(iii)** prior or subsequent to the completion of the Investment Grade Audit. The Contractor shall notify the Governing Body in writing that Contractor is unable to guarantee savings which exceeds the costs associated with performing the audit, installing the improvements, and related maintenance and monitoring services as required and set forth in **§29-12.5-101, C.R.S., et seq**. Exercise by the Contractor of this Early Termination for Insufficient Cost Savings, shall not be deemed a breach of the Contractor's obligations hereunder.

i. **Method and Content**

The Contractor shall notify Governing Body of such termination in accordance with **Article 13**. The notice shall specify the effective date of the termination and whether it affects all or a portion of this Contract.

ii. **Obligations and Rights**

Upon receipt of a termination notice, Contractor shall take timely, reasonable and necessary action to protect and preserve property in the possession of Contractor in which the Political Subdivision has an interest. All materials owned by the Political Subdivision in the possession of Contractor shall be immediately returned to the Political Subdivision.

iii. **Payments**

In this event this Contract shall be terminated and the Political Subdivision shall not be liable to pay Contractor, in whole or part, the amount specified in **Article 4(A)**.

C. **Remedies Not Involving Termination**

The Governing Body, at its sole discretion, may exercise one or more of the following remedies in addition to other remedies available to it:

i. **Suspend Performance**

Suspend Contractor's performance with respect to all or any portion of this Contract pending necessary corrective action as specified by the Principal Representative of the Governing Body of the Political Subdivision without entitling Contractor to an adjustment in price/cost or performance schedule. Contractor shall promptly cease performance and incurring costs in accordance with the

Principal Representative's directive and the Political Subdivision shall not be liable for costs incurred by Contractor after the suspension of performance under this provision.

ii. **Withhold Payment**
Withhold payment to Contractor until corrections in Contractor's performance are satisfactorily made and completed.

iii. **Deny Payment**
Deny payment for those obligations not performed, that due to Contractor's actions or inactions, cannot be performed or, if performed, would be of no value to the Political Subdivision; provided, that any denial of payment shall be reasonably related to the value to the Political Subdivision of the obligations not performed.

iv. **Removal**
Notwithstanding any other provision herein, the Principal Representative of the Governing Body of the Political Subdivision may demand immediate removal of any of Contractor's employees, agents, or subcontractors whom the Principal Representative deems incompetent, careless, insubordinate, unsuitable, or otherwise unacceptable, or whose continued relation to this Contract is deemed to be contrary to the public interest or the Political Subdivision's best interest.

v. **Intellectual Property**
If Contractor infringes on a patent, copyright, trademark, trade secret or other intellectual property right while performing its obligations under this Contract, Contractor shall, at the Governing Body's option (a) obtain for the Political Subdivision or Contractor the right to use such products and services; (b) replace any Goods, Services or other product involved with non-infringing products or modify them so that they become non-infringing; or, (c) if neither of the foregoing alternatives are reasonably available, remove any infringing Goods, Services or products and refund to the Political Subdivision the amounts paid by the Political Subdivision for any such infringing Goods, Services or products.

D. Contractor's Remedies
If the Political Subdivision is in breach of any provision of this Contract and does not cure such breach, Contractor, following the notice and cure period in **Article10.B** and the dispute resolution process in **Article12**, shall have all remedies available at law and equity.

ARTICLE 12 DISPUTE RESOLUTION

A. Initial Resolution
Except as herein specifically provided otherwise, disputes concerning the performance of this Contract which cannot be resolved by the designated Contract representatives shall be referred in writing to a Terry Green, designated by the Political Subdivision and a senior manager designated by Contractor for resolution.

B. Resolution of Controversies
If the initial resolution described in **Article12.A** fails to resolve the dispute within 10 Business Days, Contractor shall submit any alleged breach of this Contract by the Political Subdivision to the Director, Ronald Hopp.

ARTICLE 13 NOTICES and REPRESENTATIVES

Each individual identified below shall be the principal representative of the designating Party. All notices required or permitted to be given under this Contract shall be in writing, and shall be delivered **(i)** by hand with receipt required, **(ii)** by certified or registered mail to such Party's principal representative at the address set forth below or **(iii)** as an email with read receipt requested to the principal representative at the email address or **(iv)** by overnight courier to the address set forth below, if any, set forth below. If a Party delivers a notice to another through email and the email is undeliverable, then, unless the Party has been provided with an alternate email contact, the Party delivering the notice shall deliver the notice by hand with receipt required or by certified or registered mail to such Party's principal representative at the address set forth below. Either Party may change its principal representative or principal representative contact information by notice submitted in accordance with

this **Article13** without a formal amendment to this Contract. Unless otherwise provided in this Contract, notices shall be effective upon delivery of the written notice.

A. Political Subdivision Designee:

Ronald Hopp
Executive Director
6612 S Ward St, Littleton, CO 80127
rhopp@fhprd.org

B. Contractor:

Steve Ruby
McKinstry Regional Director
16025 Table Mountain Parkway, Suite 100
Golden, CO 80403
stever@mckinstry.com

ARTICLE 14 RIGHTS IN DATA, DOCUMENTS, AND COMPUTER SOFTWARE

Except for Contractor's Intellectual Property, any research, reports, studies, data, photographs, negatives or other documents, drawings, models, materials, or Work Product of any type, including drafts, prepared by Contractor in the performance of its obligations under this Contract shall be the nonexclusive personal property of the Political Subdivision and all Work Product shall be delivered to the Principal Representative, for the records of the Political Subdivision, by Contractor upon completion or termination hereof. The Political Subdivision's nonexclusive rights in such Work Product shall include, but not be limited to, the right to copy, publish, display, transfer and prepare derivative works.

ARTICLE 15 GOVERNMENTAL IMMUNITY

Liability for claims for injuries to persons or property arising from the negligence of the Political Subdivision and its departments, institutions, agencies, boards, officials, and employees, including the members of the Governing Body and the Principal Representative, is controlled and limited by the provisions of the Governmental Immunity Act **§24-10-101,C.R.S.,*et seq.***

ARTICLE 16 GENERAL PROVISIONS

A. Assignment

Contractor's rights and obligations under this Contract are personal and may not be transferred or assigned without the prior, written consent of the Governing Body. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of Contractor's rights and obligations approved by the Governing Body shall be subject to the provisions of this Contract.

B. Subcontracts

Contractor shall not enter into any subcontract in connection with its obligations under this Contract without the prior, written approval of the Governing Body of the Political Subdivision. Contractor shall submit to the Principal Representative a copy of each such subcontract upon request by the Principal Representative. All subcontracts entered into by Contractor in connection with this Contract shall comply with all applicable federal, state and Political Subdivision laws and regulations, shall provide that they are governed by the laws of the State of Colorado, and shall be subject to all provisions of this Contract.

C. Binding Effect

Except as otherwise provided in **Article 17(A)**, all provisions of this Contract, including the benefits and burdens, shall extend to and be binding upon the Parties' respective successors and assigns.

D. Authority

Each Party represents and warrants to the other that the execution and delivery of this Contract and the performance of such Party's obligations have been duly authorized.

E. Captions and References

The captions and headings in this Contract are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions. All references in this Contract to sections (whether spelled out or using the § symbol), subsections, exhibits or other attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

F. Counterparts

This Contract may be executed in multiple, identical, original counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

G. Entire Understanding

This Contract represents the complete integration of all understandings between the Parties related to the Work, and all prior representations and understandings related to the Work, oral or written, are merged into this Contract. Prior or contemporaneous additions, deletions, or other changes to this Contract shall not have any force or affect whatsoever, unless embodied herein.

H. Jurisdiction and Venue

All suits or actions related to this Contract shall be filed and proceedings held in the State of Colorado.

I. Modification

Except as otherwise provided in this Contract, any modification to this Contract shall only be effective if agreed to in a formal amendment to this Contract, properly executed and approved in accordance with applicable laws and the fiscal rules and policies of the Political Subdivision. Modifications permitted under this Contract, other than contract amendments, shall conform to the policies promulgated by the Political Subdivision.

J. Statutes, Regulations, Fiscal Rules and Other Authority.

Any reference in this Contract to a statute, regulation, Fiscal Rule, fiscal policy or other authority shall be interpreted to refer to such authority then current, as may have been changed or amended since the Effective Date of this Contract.

K. Order of Precedence

In the event of conflicts or inconsistencies between this Contract and any Exhibits or attachments such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority:

i. Political Subdivision General Provisions in the main body of this Contract,
ii. The provisions of the other sections of the main body of this Contract,
iii. IGA Exhibit A - Scope of Work,
iv. IGA Exhibit B - Location of Audit and
v. IGA Exhibit C - Cost and Pricing Elements.

L. Severability

The invalidity or unenforceability of any provision of this Contract shall not affect the validity or enforceability of any other provision of this Contract, which shall remain in full force and effect, provided that the Parties can continue to perform their obligations under this Contract in accordance with the intent of the Contract.

M. Survival of Certain Contract Terms

Any provision of this Contract that imposes an obligation on a Party after termination or expiration of the Contract shall survive the termination or expiration of the Contract and shall be enforceable by the other Party.

N. Taxes

The Political Subdivision is exempt from all federal excise taxes under I.R.C. Chapter 32 (26 U.S.C., Subtitle D, Ch. 32) (Federal Excise Tax Exemption Certificate of Registry No. 84-730123K) and from Colorado state and local government sales and use taxes under **§§39-26-704(1),*et seq.*C.R.S.** The Political Subdivision shall not be liable for the payment of any excise, sales, or use taxes, regardless of whether any political subdivision of the State of Colorado imposes such taxes on Contractor. Contractor shall be solely responsible for any exemptions from the collection of excise, sales, or use taxes that Contractor may wish to have in place in connection with this Contract.

O. Third Party Beneficiaries

Except for the Parties' respective successors and assigns described in Article 17, this Contract does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Enforcement of this Contract and all rights and obligations hereunder are reserved solely to the Parties. Any services or benefits which third parties receive as a result of this Contract are incidental to the Contract, and do not create any rights for such third parties.

P. Waiver

A Party's failure or delay in exercising any right, power, or privilege under this Contract, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.

Q. CORA Disclosure

"Political Subdivision Confidential Information" means any and all Political Subdivision Records not subject to disclosure under CORA. Political Subdivision Confidential Information shall include, but is not limited to PII, Tax Information, and Political Subdivision personnel records not subject to disclosure under CORA.

R. Standard and Manner of Performance

Contractor shall perform its obligations under this Contract in accordance with the highest standards of care, skill and diligence in Contractor's industry, trade, or profession.

S. Licenses, Permits, and Other Authorizations.

Contractor shall secure, prior to the Effective Date, and maintain at all times during the term of this Contract, at its sole expense, all licenses, certifications, permits, and other authorizations required to perform its obligations under this Contract, and shall ensure that all employees, agents and Subcontractors secure and maintain at all times during the term of their employment, agency or subcontract, all license, certifications, permits and other authorizations required to perform their obligations in relation to this Contract.

T. Indemnification

i. General Indemnification

Contractor shall indemnify, save, and hold harmless the Political Subdivision, its employees, agents and assignees (the "Indemnified Parties"), against any and all costs, expenses, claims, damages, liabilities, court awards and other amounts (including attorneys' fees and related costs) incurred by any of the Indemnified Parties in relation to any act or omission by Contractor, or its employees, agents, Subcontractors, or assignees in connection with this Contract.

ii. Confidential Information Indemnification

Disclosure or use of Political Subdivision Confidential Information by Contractor in violation of **Article 7** may be cause for legal action by third parties against Contractor, the Political Subdivision, or their respective agents. Contractor shall indemnify, save, and hold harmless the Indemnified Parties, against any and all claims, damages, liabilities, losses, costs, expenses (including attorneys' fees and costs) incurred by the Political Subdivision in relation to any act or omission by Contractor, or its employees, agents, assigns, or Subcontractors in violation of **Article 7**.

iii. Intellectual Property Indemnification

Contractor shall indemnify, save, and hold harmless the Indemnified Parties, against any and all costs, expenses, claims, damages, liabilities, and other amounts (including attorneys' fees and costs) incurred by the Indemnified Parties in relation to any claim that any Work infringes a patent, copyright, trademark, trade secret, or any other intellectual property right.

ARTICLE 17 COLORADO SPECIAL PROVISIONS (COLORADO FISCAL RULE 3-1)

A. APPROVAL

This Contract shall not be valid until it has been approved by the Political Subdivision.

B. FUNDS AVAILABILITY

Financial obligations of the Political Subdivision payable after the current Fiscal Year are contingent upon funds for that purpose being budgeted, appropriated and encumbered for the purposes of this Contract as given in **§24-30-202(5.5), C.R.S.**

C. GOVERNMENTAL IMMUNITY.

No term or condition of this Contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the Colorado Governmental Immunity Act, **§24-10-101, *et seq.* C.R.S.** or the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b).

D. INDEPENDENT CONTRACTOR

Contractor shall perform its duties hereunder as an independent contractor and not as an employee. Neither Contractor nor any agent or employee of Contractor shall be deemed to be an agent or employee of the Political Subdivision. Contractor and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the Political Subdivision and the Political Subdivision shall not pay for or otherwise provide such coverage for Contractor or any of its agents or employees. Unemployment insurance benefits will be available to Contractor and its employees and agents only if such coverage is made available by Contractor or a third party. Contractor shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Contract. Contractor shall not have authorization, express or implied, to bind the Political Subdivision to any agreement, liability or understanding, except as expressly set forth herein. Contractor shall **(i)** provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, **(ii)** provide proof thereof when requested by the Principal Representative, and **(iii)** be solely responsible for its acts and those of its employees and agents.

E. COMPLIANCE WITH LAW.

Contractor shall strictly comply with all applicable federal, State and local laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

F. CHOICE OF LAW.

Colorado law and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Contract. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision incorporated herein by reference which purports to negate this or any other Special Provision in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of this Contract, to the extent capable of execution.

G. BINDING ARBITRATION PROHIBITED.

The Political Subdivision does not agree to binding arbitration by any extra-judicial body or person. Any provision to the contrary in this Contract or incorporated herein by reference shall be null and void.

H. SOFTWARE PIRACY PROHIBITION Political Subdivision or other public funds payable under this Contract shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Contractor hereby certifies and warrants that, during the term of this Contract and any extensions, Contractor has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the Political Subdivision determines that Contractor is in violation of this provision, the Political Subdivision may exercise any remedy available at law or in equity or under this Contract, including, without limitation, immediate termination of this Contract and any remedy consistent with federal copyright laws or applicable licensing restrictions.

I. EMPLOYEE FINANCIAL INTEREST/CONFLICT OF INTEREST

The signatories aver that to their knowledge, no employee of the Political Subdivision has any personal or beneficial interest whatsoever in the service or property described in this Contract. Contractor has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Contractor's services and Contractor shall not employ any person having such known interests.

J. VENDOR OFFSET

The Political Subdivision's Controller may withhold payment for: **(i)** unpaid child support debts or child support arrearages; **(ii)** unpaid balances of tax, accrued interest, or other charges;**(iii)** amounts required to be paid to the Unemployment Compensation Fund; and **(v)** other unpaid debts owing to the Political Subdivision as a result of final agency determination or judicial action.

K. PUBLIC CONTRACTS FOR SERVICES

Contractor certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who will perform work under this Contract and will confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this Contract, through participation in the E-Verify Program established under Pub. L. 104-208 or the State verification program established pursuant to **§8-17.5-102(5)(c), C.R.S.**, Contractor shall not knowingly employ or contract with an illegal alien to perform work under this Contract or enter into a contract with a Subcontractor that fails to certify to Contractor that the Subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Contract. Contractor **(i)** shall not use E-Verify Program to undertake pre-employment screening of job applicants while this Contract is being performed, **(ii)** shall notify the Subcontractor and the Principal Representative within 3 days if Contractor has actual knowledge that a Subcontractor is employing or contracting with an illegal alien for work under this Contract, **(iii)** shall terminate the subcontract if a Subcontractor does not stop employing or contracting with the illegal alien within 3 days of receiving the notice, and **(iv)** shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to **§8-17.5-102(5), C.R.S.**, by the Colorado Department of Labor and Employment. If Contractor participates in the State program, Contractor shall deliver to the Principal Representative, a written, notarized affirmation, affirming that Contractor has examined the legal work status of such employee, and shall comply with all of the other requirements of the State program. If Contractor fails to comply with any requirement of this provision or **§§8-17.5-101, *et seq.*, C.R.S.**, the Political Subdivision may terminate this Contract for breach and, if so terminated, Contractor shall be liable for damages.

L. PUBLIC CONTRACTS WITH NATURAL PERSONS

Contractor, if a natural person 18 years of age or older, hereby swears and affirms under penalty of perjury that he or she **(i)** is a citizen or otherwise lawfully present in the United States pursuant to federal law, **(ii)** shall comply with the provisions of **§§24-76.5-101, *et seq.*, C.R.S.**, and **(iii)** has produced one form of identification required by §**24-76.5-103, C.R.S.** prior to the Effective Date of this Contract.

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ARTICLE 18. SIGNATURE PAGE

THE PARTIES HERETO HAVE EXECUTED THIS CONTRACT

* Persons signing for Contractor hereby swear and affirm that they are authorized to act on Contractor's behalf and acknowledge that the Political Subdivision is relying on their representations to that effect.

CONTRACTOR	**POLITICAL SUBDIVISION**
McKinstry Essention, LLC By: Steve Ruby Title: Regional Director _____ *Signature Date: _____	**Foothills Park and Recreation District** _____ **By: Ronald Hopp, Executive Director** **Date:** _____

IGA Exhibit A
Scope of Work

SECTION 1. Energy Performance Contract Definitions and Terms

SECTION 2. Pre-Audit Conference

SECTION 3. Data Collection and Building/Equipment Schedules

SECTION 4. Establish Baseline Period Consumption

SECTION 5. Preliminary Analysis and Discussion of Utility Cost-Savings Measures and FIMs and other ESCO Services

SECTION 6. Detailed Analysis of Utility Cost-Savings Measures and FIMs and other ESCO Services

SECTION 7. Draft Investment Grade Audit Report

SECTION 8. Post Draft Investment Grade Audit Report Conference

SECTION 9. Final Investment Grade Audit Report and Energy Performance Contract Project Proposal

Purpose of the Investment Grade Audit and this Scope of Work Exhibit

The purpose of the Investment Grade Audit (IGA) is to review the Political Subdivision's facilities and infrastructure with the intent to present an IGA audit report and an Energy Performance Contract (EPC) Project Proposal. The Scope of Work exhibit is a general outline of the process from the initial Pre-Audit Conference to an accepted IGA report and an EPC Project Proposal. The Scope of Work outlines the information collected, how it is analyzed, the methodology used for calculations, an initial but not exclusive list of Utility Cost-Savings Measures and FIMs to consider, a proposed financing performance, and a format for the report. The EPC Project Proposal should include proposed equipment (or equal) to be installed, proposed facility modifications, expected utility savings, expected project costs, proposed project design and construction schedule, a measurement and verification plan, and long-term Energy Service Company (ESCO) and Political Subdivision maintenance requirements.

The ESCO shall conduct all necessary conference(s) and produce associated documentation to initiate and complete Work under the IGA Contract. The ESCO will facilitate all reviews and collect all the comments starting with the Pre-Audit Conference (reference this **Section 2**) through the Post-Audit Conference (reference **Section 8**). The ESCO will develop the draft and final Investment Grade Audit report and develop the Energy Performance Contract Project Proposal.

If the Political Subdivision (Municipality, County, School District, or Special District) and the ESCO (with CEO review) determine that any of the following services detailed below are not required for a given project, the Scope of Work can be modified by the Political Subdivision by striking through the identified services.

SECTION 1. Energy Performance Contract Definitions and Terms

The following terms are used in the Investment Grade Audit and Project Proposal Contract. The Energy Performance Contract shall be construed and interpreted as follows:

A. Adjusted-Baseline Energy
"Adjusted-Baseline Energy" means the energy use of the baseline period, adjusted to a different set of operating conditions.

B. American Society of Heating, Refrigeration, and Air Conditioning Engineers (ASHRAE)
"American Society of Heating, Refrigeration, and Air Conditioning Engineers" or "ASHRAE" means the recognized professional organization with standards and guidelines that may be referenced for additional definitions, procedures, and technical information as necessary in this Scope of Work and the IGA Project Proposal Report.

C. Baseline Energy
"Baseline Energy" means the energy use (units) occurring during the Baseline Period without adjustments.

D. Baseline Period

"Baseline Period" means the period of time chosen to represent operation of the facility or system before implementation of a Utility Cost-Savings Measure or any applicable FIM, as defined herein. This period may be as short as the time required for an instantaneous measurement of a constant quantity, or long enough to reflect one full operating cycle of a system or facility with variable operations.

E. Baseline

"Baseline" means and pertains to the baseline period.

F. Commissioning

"Commissioning" means a process for achieving, verifying and documenting the performance of equipment to meet the operational needs of the facility within the capabilities of the design, and to meet the design documentation and the Political Subdivision's functional criteria, including preparation of operating personnel. Retro-commissioning is the application of the Commissioning process to existing buildings.

G. Cost-Weighted Average Service Life

"Cost-Weighted Average Service Life" means the calculation is based upon the service life of the equipment (ASHRAE Handbook - HVAC Applications or other approved source), the cost of each Utility Cost-Savings Measure or FIM (excluding the audit cost and Political Subdivision's contingency), and the total cost of all the measures. The formula is the sum of each measure cost divided by the total cost multiplied by its service life. Cost-Weighted Average Service Life = $\sum$ each measure ÷ total cost × service life.

H. Energy

"Energy" means electricity (both usage and demand), natural gas, steam, water (potable or non-potable), or any other Utility-charged service.

I. Energy Conservation Measure (ECM)

"Energy Conservation Measure" or "ECM" means an Energy Saving Measure or Utility Cost-Savings Measure as defined in **§29-12.5-101(4) and §29-12.5-101(9), C.R.S.**, respectively. An ECM is an activity or set of activities designed to increase the efficiency (energy, water, or other utility) of a facility, system or piece of equipment. ECMs may also conserve energy without changing efficiency. An ECM may involve one or more of: physical changes to facility equipment, revisions to operating and maintenance procedures, software changes, or new means of training or managing users of the space or operations and maintenance staff. An ECM may be applied as a retrofit to an existing system or facility, or as a modification to a design before construction of a new system or facility. Within this Contract, Utility Cost-Savings Measures, Energy Saving Measures, Energy Cost-Saving Measures, Energy Conservation Measures (ECMs) and Facility Improvement Measures (FIMs) shall be interchangeable as necessary and may include vehicle fleet operational and fuel cost savings measures.

J. Energy Cost-Savings Contract

"Energy Cost-Savings Contract" means a Utility Cost-Savings Contract or a Vehicle Fleet Operational and Fuel Cost-Savings Contract as defined in **§29-12.5-101(2.5), C.R.S.**

K. Energy Cost-Savings Measure

"Energy Cost-Savings Measure" means a Utility Cost-Savings Measure or a Vehicle Fleet Operational and Fuel Cost-Savings Measure. Within this Contract, Utility Cost-Savings Measures, Energy Saving Measures, Energy Cost-Saving Measures, Energy Conservation Measures (ECMs) and Facility Improvement Measures (FIMs) shall be interchangeable as necessary and may include vehicle fleet operational and fuel cost savings measures.

L. Energy Performance Contract

"Energy Performance Contract" ("EPC") as defined in **§29-12.5-101(3), C.R.S.,** is a contract for evaluations, recommendations or implementation of one or more Utility Cost-Savings Measures designed to produce Utility Cost-Savings, Operation and Maintenance Cost Savings, or Vehicle Fleet Operational and Fuel Cost-Savings, which:

i. Sets forth savings attributable to calculated Utility Cost-Savings or Operation and Maintenance Cost Savings for each year during the Contract Term;

ii. Provides that the amount of actual savings for each year during the Contract Term shall exceed annual contract payments, including maintenance costs, to be made during such year by the Political Subdivision contracting for the Energy Cost-Savings Measures;

iii. Requires the party entering into the Energy Performance Contract with the Political Subdivision to provide a written guarantee that the sum of Energy Cost-Savings and Operation and Maintenance Cost

Savings for each year during the first three years of the Contract period shall not be less than the calculated savings for that year;

iv. Requires a minimum of one-tenth of payments by the Political Subdivision to be made within the first two years. Requires remaining payments by the Political Subdivision to be made within 12 years after the date of the execution of the contract, except that the maximum term of the payments shall be less than the Cost-Weighted Average Service Life of energy cost-savings equipment for which the contract is made, not to exceed 25 years.

M. Energy Service Company

"Energy Service Company" or "ESCO" means the energy service company entity entering into a contract to design and construct the Project with the Political Subdivision. The Energy Service Company may also be referred to as "Contractor" in this Contract or in related schedules, exhibits, attachments, contract modification or procedural documents. The ESCO may be the architect/engineer for the Utility Cost-Savings Measures or may contract out these professional services with approval of the Governing Body.

N. Facility Improvement Measure

"Facility Improvement Measure" or "FIMS" is an activity or set of activities designed to improve the structural or operational conditions of a facility, system or piece of equipment. A FIM may be an activity associated with an Energy Cost-Savings Measure and funded as part of an EPC. A FIM may be an activity requested by the Political Subdivision, but is not an Energy Cost-Savings Measure, but funds have been budgeted, appropriated and otherwise made available to be included in an EPC. Within this Contract, Utility Cost-Savings Measures, Energy Saving Measures, Energy Cost-Saving Measures, Energy Conservation Measures (ECMs) and Facility Improvement Measures (FIMs) shall be interchangeable as necessary and may include vehicle fleet operational and fuel cost savings measures.

O. Federal Energy Management Program (FEMP) Measurement & Verification Guidelines

"Federal Energy Management Program ("FEMP") Measurement and Verification (M&V) Guidelines" means the current M&V Guidelines prepared by the U.S. Department of Energy. The FEMP M&V Guidelines contains specific procedures for applying concepts originating in the IPMVP (definition below). The FEMP M&V Guidelines represents a specific application of the IPMVP to EPC projects. It outlines procedures for determining M&V approaches, evaluating M&V plans and reports, and establishing the basis of payment for energy savings during the contract. These procedures are intended to be fully compatible and consistent with the IPMVP.

P. Finance Agreement Term

"Finance Agreement Term" means the original term and all renewal terms of any Lease-Purchase Agreement or any other financing or funding agreement of the Political Subdivision for the costs of this contract.

Q. Guarantee Period

"Guarantee Period" means a period of time commencing upon M&V Commencement Date and terminating on the termination of the M&V Term. The Guarantee Period is a mutually agreed to time period after the M&V Commencement Date, during which Guaranteed Annual Cost Savings resulting from the Project are measured and verified by the ESCO set forth in **EPC Schedule D**.

R. International Performance Measurement and Verification Protocol

"International Performance Measurement and Verification Protocol" or "IPMVP" means the current document prepared by the Efficiency Valuation Organization on the Effective Date of the IGA contract. It is the industry standard for current best practice techniques available for verifying results of energy efficiency, water efficiency, and renewable energy projects associated with the Investment Grade Audit Report and Energy Performance Contract Project Proposal (**reference Section 7**).

S. kW

"kW" is Kilowatt (abbreviation)

T. kWh

"kWh" is Kilowatt-hour (abbreviation)

U. Measurement and Verification

"Measurement and Verification" or "M&V" means the process of using measurements to reliably determine and verify the actual savings created within buildings, infrastructure, or systems resulting from an energy management program. Savings cannot be directly measured, since they represent the absence of energy

use. Instead, savings are determined by comparing measured use before and after implementation of a project, making appropriate adjustments for changes in conditions. M&V follows the standards and definitions in the current International Performance Measurement and Verification Protocol ("IPMVP"), as may be amended by the Efficiency Valuation Organization on the Effective Date of this contract. The CEO Measurement and Verification Policy may allow alternative verification standards as appropriate for select Utility Cost-Savings Measures or FIMs.

V. M&V Commencement Date

"M&V Commencement Date" means the first day of the month following the completion by ESCO and acceptance by the Governing Body of the Political Subdivision of the Project.

W. M&V Fee

"M&V Fee" means an annual fee paid to ESCO by the Political Subdivision for ESCO's satisfactory performance of the M&V Services, as set forth in **EPC contract Article 13**. The M&V Fee is included as a part of the EPC Maximum Contract Price.

X. M&V Plan

"M&V Plan" defines how savings will be calculated and specifies any ongoing activities that will occur during the Contract Term. The details of the M&V Plan are in **EPC Contract Schedule D**.

Y. M&V Services

"M&V Services" means Services or activities relating to the measurement and verification by ESCO of the efficiency and effectiveness of the Project, pursuant to this Contract and the CEO Measurement and Verification Policy as applied.

Z. M&V Term

"M&V Term" has the meaning as described to it in **EPC Contract Article 13**.

AA. MMBtu

"MMBtu" means 1 Million British thermal unit (abbreviation).

BB. O&M

"O&M" means Operations and Maintenance (abbreviation).

CC. Operations and Maintenance Cost Savings

"Operation and Maintenance Cost Savings" as defined in **§29-12.5-101 (4.5), C.R.S.**, means the measurable decrease in operation and maintenance (O&M) costs that is a direct result of the implementation of one or more Utility Cost-Savings Measures. Such savings shall be calculated in comparison with an established baseline of operation and maintenance costs.

DD. Rebate

"Rebate" means moneys used for ESCO's compensation that are not the moneys of the Political Subdivision [or moneys from a Third-Party Lessor], including solar RECs and utility rebates, all as described in **Schedule B** and on **Schedule G**.

EE. Repair or Replace

"Repair or Replace" means to repair or replace equipment or components as necessary based upon the age, usage, O&M cost, potential efficiency improvement, etc.

FF. Savings Calculations

"Savings Calculations" means the manner in which Savings is calculated, as set forth in **EPC contract Schedule C**.

GG. Simple Payback

"Simple Payback" means the length of time, typically presented in years, required to recover the cost of a measure or project.

HH. Third-Party Lessor

"Third-Party Lessor" means a third-party entity entering into a Lease Purchase Agreement, as lessor, with the Political Subdivision, as lessee, for the lease purchase financing of the Equipment and the Services pursuant to this Contract.

II. Utility or Utilities

"Utility" or "Utilities" means the water, sewer services, electricity payments to energy service companies, purchase of energy conservation equipment, and all heating fuels. Utility may include compressed air, chilled water, or other systems or services as agreed to with the Governing Body of the Political Subdivision.

JJ. Utility Cost Savings

"Utility Cost Savings" means the definition set forth in **§29-12.5-101(7), C.R.S.,** is the combination of either or both of the following:

i. A cost savings caused by a reduction in metered or measured physical quantities of a bulk fuel or Utility resulting from the implementation of one or more Utility Cost-Savings Measures or FIMs when compared with an established baseline of usage; or

ii. A decrease in utility costs as a result of changes in applicable utility rates or utility service suppliers. The savings shall be calculated in comparison with an established baseline of utility costs.

KK. Utility Cost-Savings Contract

"Utility Cost-Savings Contract" means an Energy Performance Contract or any other agreement in which Utility Cost Savings are used to pay for services or equipment set forth in **§29-12.5-101(8), C.R.S**.

LL. Utility Cost-Savings Measure

"Utility Cost-Savings Measure" means the definition set forth in **§29-12.5-101(9), C.R.S.,** is the installation, modification or service that is designed to reduce energy and water consumption and related operating costs in buildings and other facilities and includes, but is not limited to, the following:

i. Insulation in walls, roof, floors and foundations, and in heating and cooling distribution systems;

ii. Storm windows and doors, multiglazed windows and doors, heat absorbing or heat reflective glazed and coated window and door systems, additional glazing, reductions in glass area, and other window and door system modifications that reduce energy consumption;

iii. Automatic energy control systems;

iv. Heating, ventilating or air conditioning and distribution system modifications or replacements in buildings or central plants;

v. Caulking or weather stripping;

vi. Replacement or modification of lighting fixtures to increase the energy efficiency of the system without increasing the overall illumination of a facility unless such increase in illumination is necessary to conform to the applicable building code for the proposed lighting system;

vii. Energy recovery systems;

viii. Renewable energy and alternate energy systems;

ix. Cogeneration systems that produce steam or forms of energy, such as heat or electricity, for use primarily within a building or complex of buildings;

x. Devices that reduce water consumption or sewer charges;

xi. Changes in operation and maintenance practices;

xii. Procurement of low-cost energy supplies of all types, including electricity, natural gas and other fuel sources, and water;

xiii. Indoor air quality improvements that conform to applicable building code requirements;

xiv. Daylighting systems;

xv. Building operation programs that reduce utility and operating costs including computerized energy management and consumption tracking programs, staff and occupant training, and other similar activities;

xvi. Services to reduce utility costs by identifying utility errors and optimizing existing rate schedules;

xvii. Any other location, orientation, or design choice related to, or installation, modification of installation or remodeling of, building infrastructure improvements that produce utility or operational cost savings for their appointed functions in compliance with applicable state and local building codes;

xviii. Vehicle fleet operational and fuel cost savings;

xix. When an energy saving measure involves a cogeneration system, the sale of excess cogenerated energy shall be subject to the same state and federal regulatory requirements as the sale of all other cogenerated energy, as set forth in **§29-12.5-103(3), C.R.S.**

Within this Contract, Utility Cost-Savings Measures, Energy Saving Measures, Energy Cost-Saving Measures, Energy Conservation Measures (ECMs) and Facility Improvement Measures (FIMs) shall be interchangeable as necessary and may include vehicle fleet operational and fuel cost savings measures.

MM. Vehicle Fleet Operational and Fuel Cost Savings

"Vehicle Fleet Operational and Fuel Cost Savings" means a measurable decrease in the operation and maintenance costs of Political Subdivision vehicles that is associated with fuel or maintenance based on higher efficiency ratings or alternative fueling methods, including but not limited to savings from the

reduction in maintenance requirements and a reduction in or the elimination of projected fuel purchase expenses as a direct result of investment in higher efficiency or alternative fuel vehicles or vehicle or charging infrastructure.

NN. Vehicle Fleet Operational and Fuel Cost-Savings Contract

"Vehicle Fleet Operational and Fuel Cost-Savings Contract" means the definition set forth in **§29-12.5-101(11), C.R.S.,** means an Energy Performance Contract or any other agreement in which Vehicle Fleet Operational and Fuel Cost Savings are used to pay for the cost of the vehicle or associated capital investments.

OO. Vehicle Fleet Operational and Fuel Cost-Savings Measure

"Vehicle Fleet Operational and Fuel Cost-Savings Measure" is defined in **§29-12.5-101(12), C.R.S.,** means any installation, modification, or service that is designed to reduce energy consumption and related operating costs in vehicles and includes, but is not limited to, the following:

i. Vehicle purchase or lease costs either in full or in part;
ii. Charging or fueling infrastructure to appropriately charge or fuel alternative fuel vehicles included in an energy performance contract.

SECTION 2. Pre-Audit Conference

The Pre-Audit Conference is the initial meeting including the Political Subdivision's key staff, the Colorado Energy Office (CEO) representative, and all critical ESCO staff to present and discuss the Investment Grade Audit (IGA) approach, its activities, individual and mutual responsibilities, and proposed schedule.

ESCO shall prepare an agenda and conference record to include, but not be limited to, the following agenda outline and topics:

A. Introductions/Roles

i. Roles of key representatives
ii. Preferred means of communication and protocols
iii. Contact Information

B. Objectives and Goals

i. Political Subdivision's interests, goals, objectives and priorities (Owner/Political Subdivision project requirements)
ii. Level of management, facility, and staff support
iii. Discussion by ESCO of their approach to the project
iv. Review of CEO program support documents, process, forms (CEO IGA/EPC Review Matrix, Record of Review, M&V Policy, other items)

C. Technical Expectations

i. General discussion on EPC scope, buildings and potential Utility Cost-Savings Measures or FIMS to be considered
ii. Discussion of any Federal, State, Local, or Political Subdivision environmental, occupancy, construction specifications, performance or other reporting or certification requirements
iii. Long-term plans at the facilities including additional capacity, demolition, new construction
iv. Operations and maintenance, training and educational needs and expectations
v. Commissioning (Cx) and Retro-Commissioning (RCx) priorities for EPC scope and the existing facilities
vi. Deferred maintenance project priorities of the facilities
vii. Code Compliance: State and local jurisdiction building code requirements, as applicable
viii. Hazardous materials and other considerations/issues
ix. Other studies, reports information available

D. Project Financial Parameters

i. Simple payback, contract term, utility escalation rates, inflation rate, capital and other financial contributions, and other investment parameters
ii. Potential cost of Political Subdivision's Maintenance Responsibilities (as indicated in an **EPC Schedule**) or any other long-term Operation and Maintenance (O&M) services as applicable, and the Political Subdivision's desire or ability to support these costs
iii. M&V savings verification options and extent

iv. Rebates and other financial incentives

E. Investment Grade Audit Process and Schedule

i. Logistics and access; testing/metering to be accomplished
ii. Security and access requirements to restricted areas, escorts, tool control, etc.
iii. Safety requirements, training, hazards

F. Schedule/timeline with significant milestones

i. Action Items & Next Steps
ii. Recap of action items including directives from the Political Subdivision
iii. Set next meeting or conference call time.

SECTION 3. Data Collection and Building/Equipment Schedules

ESCO shall coordinate collection of Political Subdivision-provided facility data and additional information with the goal of developing the existing conditions, operating schedules and utility usage/cost to determine the Political Subdivision's accepted baselines. The Political Subdivision shall provide the necessary and available information referenced in this **Section 3** or as required for ESCO to perform Work under the IGA Contract, concerning facility operation and energy use.

A. Building Data (by Building/infrastructure as listed in IGA Exhibit B):

i. Construction date(s) of buildings and major additions including building envelope.
ii. Infrastructure information as necessary (tunnels, steam lines, chiller water lines, water treatment plants, etc.).
iii. Inventory and description of the existing facilities and their major mechanical, electrical, water systems and any other systems as necessary (itemized by energy source, equipment type, capacity, services years, and condition.
iv. Building operation/occupancy schedules, equipment operation schedules (including weekly and seasonal use schedules, unoccupied buildings and areas).
v. Drawings of mechanical, plumbing, electrical, building automation and temperature controls, structural, architectural, infrastructure, modifications and remodels, etc., as available.
vi. Original construction submittals and factory data such as equipment specifications, pump curves, etc., as available.
vii. Operating engineer logs, maintenance work orders, etc., as available.
viii. Records of maintenance expenditures on energy-using equipment, including service contracts.
ix. Prior energy audits or studies.

B. Utility Data:

Political Subdivision shall provide, at a minimum, one year of actual historical utility invoices, and provide access to utility service providers for historical energy and water use (by energy source provider and master, sub-metered areas), for the designated three years (last three years or selected number of years by mutual agreement, as available.

C. Energy Management:

i. Description of energy management program
ii. Description of any building automation systems and other control systems/procedures
iii. Description of any energy or water-related improvement projects, completed or in progress
iv. Description of any changes in the facility or energy-using or water-using equipment

D. Capital Construction Projects:

i. Description of existing capital construction projects
ii. Description of future plans regarding building modifications, renovations, repairs, decommissioning, or equipment modifications, replacements

E. Interviews:

ESCO shall coordinate and conduct, in conjunction with the Political Subdivision, the interviews. The Political Subdivision shall make available individuals with knowledge of the facility such as the facility or plant manager, maintenance staff, and occupants of each building regarding:

i. Facility operation, including energy management systems and procedures
ii. Equipment maintenance problems including deferred and un-scheduled maintenance
iii. Occupant comfort problems and standards of comfort requirements

iv. Equipment reliability including frequency of unscheduled or emergency maintenance and potential loss-of-use of facility, building, or portions thereof
v. Projected equipment needs including upgrade, replacement, and/or repairs
vi. Occupancy and weekly use schedules for the facility and specific equipment
vii. Facility improvements – past, planned and desired

F. Systems Survey:
Political Subdivision shall provide site-knowledgeable escorts and facility access to ESCO who shall identify major utility-impacting components, which may include, but is not limited to, lighting, both indoor and outdoor; heating and heat distribution systems, cooling systems and related equipment, central plants, automatic temperature control systems and equipment, air distribution systems and equipment, outdoor ventilation systems and equipment; exhaust systems and equipment; hot water generation and distribution systems, electric motors, transmission and drive systems, special systems such as kitchen/dining equipment, laundry equipment, renewable energy systems, other energy using systems, water consuming systems, such as restroom fixtures, water treatment plant, wastewater treatment plant, water features and irrigation systems; and building envelope.

SECTION 4. Establish Baseline Period Consumption

Establish appropriate baseline period consumption by evaluation of appropriate utility meter data, and utility bills (reference **Section 3**) for electricity, natural gas, propane, steam, water, and any other applicable utilities. Compile baseline period consumption in terms of:

A. Utility provider accounts:
Prepare summary of all utility bills for all fuel types and water. Develop description and itemization of current accounts, billing rates, schedules, riders, and related terms or agreements that affect consumption and energy costs. Consult with Political Subdivision to account for any anomalous schedule or operating conditions on billings that could skew the Baseline. ESCO shall account for periods of time when equipment was broken or malfunctioning in calculating the Baseline Period, provided this information is available from the Political Subdivision's representative.

i. Energy and Water Units: Units of energy in kWh, kW, ccf, "Therms", thousand gallons, or other units used in bills. List appropriate, supplier-verified conversion factors and convert natural gas, methane, fuel oil, biomass, and propane to MMBtu; show electricity in both kW and kWh and the MMBtu equivalent. Units of water (kgal).
ii. Energy and Water Units per building square foot per year
iii. Energy Cost (in dollars) per building square foot per year

B. Describe the process used to determine the baseline period and baseline energy
C. Describe the process to reconcile the proposed utility baseline information with the actual consumption

SECTION 5. Preliminary Analysis and Discussion of Utility Cost-Savings Measures and FIMs and other ESCO Services

ESCO shall prepare and present a preliminary analysis of all Utility Cost-Savings Measures or FIMs considered, initial construction cost estimates and schedule, initial utility and other savings, initial measurement and verification plan, initial training, initial operation and maintenance cost impacts, and other items as requested (mutual agreement between Political Subdivision and ESCO) to determine prioritization of measures for the draft EPC Project Proposal. A draft financial package should be reviewed that includes potential interest rates and potential financing terms, grants, rebates, Political Subdivision capital contributions (one-time or annually), and other potential project funding sources.

A. Preliminary Utility Cost-Savings Measures and FIMs List

i. Consider technologies in a comprehensive approach including, but not limited to: lighting systems, heating/ventilating/air conditioning equipment and distribution systems, controls systems, building envelope, motors, kitchen equipment, pools, renewable energy systems, other special equipment, irrigation systems, other infrastructure systems (steam, chilled water, compressed air, etc), and water saving devices

ii. Consider services that modify existing equipment/systems/procedures through programs including, but not limited to: commissioning, deep retrofits, ENERGY STAR rating, an existing buildings registration/certification program, or another verification or certification program

iii. Include services to complete applications/forms for compliance with State statute or policies, for compliance with applicable executive orders, or any other Political Subdivision reporting requirements (if requested by Political Subdivision)

B. Review the Project Financial Parameters

At this stage in the development of the Investment Grade Audit, the project financial parameters need review and updates prior to refining the list of Utility Cost-Savings Measures and FIMs for further analysis. To keep the project on schedule and control the number of re-analyses of the project's financial performance, it is to the benefit of the project that the financial parameters be refined. To sufficiently change the project financial parameters after the detailed analysis is presented by the ESCO could add sufficient time to the delivery of an acceptable report.

i. Discuss the capability of Political Subdivision to make capital contributions to the project to improve the Project's Financial Performance. Capital contribution could be from a one-time addition of appropriated funds

ii. Discuss an acceptable range on the financial term and interest rate

iii. Discuss an acceptable escalation rate for each utility for each year. Reference the CEO/OSA Escalation Policy

iv. Discuss an acceptance of any operation or maintenance savings. Discuss how these would be determined, escalated, and the maximum number of years allowed

v. List any known utility rebates, grants, or other financial incentives that affect cost of installation or final maximum project cost

C. Preliminary Measurement and Verification Plan Discussion

The goal of measurement and verification is to reduce the risk to Political Subdivisions by providing a mechanism to evaluate the performance of a project throughout the term of the contract. The challenge of M&V is to balance M&V costs with the value of increased certainty in the cost savings from the conservation measure. At the heart of a performance contract is a guarantee of a specified level of cost savings and performance. One of the primary purposes of M&V is to reduce the risk of non-performance to an acceptable level, which is a subjective judgment based on the Political Subdivision's priorities and preferences.

i. ESCO should provide a presentation on measurement and verification. The presentation should cover important project risks, assess their potential impacts, and clarify the party responsible for managing the risk. The presentation should discuss the CEO Measurement and Verification Policy. The presentation should cover the four IPMVP M&V options and their advantages and disadvantages.

ii. For each potential Utility Cost-Savings Measure or FIM, the ESCO shall present the initial M&V options. The ESCO shall provide sufficient information to understand the risk, cost, and responsibilities for each M&V option.

iii. ESCO shall record for the final M&V plan and post construction M&V discussion, the Political Subdivision's and ESCO's M&V initial responsibilities.

D. Develop a list of recommended measures for further analysis.

Describe how the projected project economics meet the Political Subdivision's Project Financial Goals for completing the final Investment Grade Audit report and the Energy Performance Contract Project Proposal. Discuss assessment of energy use, savings potential, project opportunities, and potential for developing an energy performance contract. The Political Subdivision shall at its discretion have the option to reject any presented calculation of savings; potential savings allowed or project recommendations.

SECTION 6. Detailed Analysis of Utility Cost-Savings Measures and FIMs and other ESCO Services

ESCO shall conduct detailed analysis of recommended measures for further analysis, including construction cost and schedule, utility and other savings, code compliance estimate and permit costs (reference section 2, C, vii), measurement and verification plan, training, operation and maintenance cost impacts, and other items as requested (mutual agreement between Political Subdivision and ESCO) to complete the final Investment Grade Audit report and the negotiated Energy Performance Contract Project Proposal. A financial package should be prepared that

includes potential interest rates and financing terms, grants, rebates, Political Subdivision capital contributions (one time or annual), and other potential project funding sources. The ESCO may need to work with the Colorado Department of the Treasury to verify financial options.

ESCO shall evaluate facility and equipment schedules and baseline utility use and costs relative to Work and EPC Project Proposed associated with this IGA Contract including, but not limited to:

A. **Weekly Use and Operational Schedule**:
ESCO to perform "late-night," weekend trend monitoring devices, and field surveys outside of normal business hours or on weekends to confirm building system and occupancy schedules "impacting measures for further analysis."

B. **Evaluate actual operation schedules, conditions for the facilities, equipment and buildings (hours, temperatures, air flows, humidity, etc.):**
   i. Estimate loads as necessary and applicable. Equipment loads can change over time. Changes in load can show up as increases or decreases in "savings," depending on the M&V Services. Clarify whether equipment loads are to be measured or stipulated and what the impact will be if they change.
   ii. Where loading or usage is highly uncertain (including variable loads such as cooling), ESCO will use its best judgment, spot measurements or short-term monitoring. ESCO should not assume that equipment run hours equal the operating hours of the building(s) or facility staff estimates.

C. **Description of Utility Cost-Savings Measures and FIMs:**
Provide a technical description for each Utility Cost-Savings Measure and FIM. Consider the following parameters for each system, component, and associated conservation measure:
   i. Comfort and maintenance problems
   ii. Energy or water source, use, loads, proper sizing, efficiencies and hours of operation
   iii. Current existing systems, controls, and operating condition
   iv. Remaining service life
   v. Feasibility of system replacement
   vi. Hazardous materials and other environmental concerns
   vii. Political Subdivision's future plans for equipment replacement or building renovations
   viii. Facility operation and maintenance procedures that could be affected
   ix. Procedure to measure and verify savings (M&V) (necessary M&V equipment including meters, sub-meters, data-loggers, and control system monitoring/reporting capabilities)

D. **Cost Estimate Analysis:**
ESCO shall identify and perform next-level analysis on measures which appear potentially cost-effective. The analysis shall include itemized costs of design, engineering, equipment, materials, installation, maintenance, repairs and estimates of vehicle fleet operational and fuel cost measures, as set forth in **§29-12.5-102(2), C.R.S**. The analysis may consider the following sources of data for design and construction cost, potential operation and maintenance costs or other categories as identified by ESCO or Political Subdivision:
   i. Political Subdivision's representative list of acceptable/preferred manufacturers or vendors
   ii. Political Subdivision's construction specifications, requirements, standards
   iii. ESCO's Subcontractor material and labor cost estimates
   iv. ESCO's Subcontractor professional design firm's cost estimates
   v. ESCO's pricing information from historical projects
   vi. ESCO's product specification information
   vii. ESCO's or Political Subdivision's pricing information for hazardous/environmental work

E. **Cost Savings Analysis:**
For each potentially cost-effective measure, prepare an estimate of utility cost savings, operation and maintenance cost savings and vehicle fleet operational and fuel cost savings. Analysis shall include the description of analysis methodology and supporting calculations and assumptions used to estimate savings. Include itemized costs of design, engineering, equipment, materials, installation, maintenance, repairs, all costs of vehicle operational and fuel cost savings measures, and debt service as required under **§29-12.5-102(2), C.R.S.**
   i. Follow the methodology of the American Society of Heating, Refrigeration, and Air Conditioning Engineers (ASHRAE) or other nationally-recognized authorities following the engineering principle(s) identified for each retrofit option

ii. Utilize assumptions, projections and the baseline period energy consumption and/or the mutually agreed-upon adjusted baseline energy, whichever best represents the value of future energy or operational savings
iii. Include accurate energy unit costs at the time the analysis is performed, documentation of material and labor cost savings, adjustments to the baseline to reflect current conditions at the facility, and calculations which account for the interactive effects of the recommended measures
iv. Use best judgment regarding the employment of instrumentation and recording durations so as to achieve an accurate and faithful characterization of energy use
v. Develop a preliminary measurement and verification plan for each measure

F. Finalize Project Financial Parameters

i. Discuss the willingness and capability of Political Subdivision to make capital contributions to the project to improve the Project's Financial Performance. Capital contribution could be from a one-time addition of funds, monetized value of capital cost avoidance from equipment replacement, or any other Political Subdivision acceptable contribution.
ii. Discuss an acceptable financial term and interest rate or a range on term and interest rate.
iii. Discuss an acceptable escalation rate for each utility for each year. The escalation rates may be different each year. Reference the CEO/OSA Escalation Policy.
iv. Discuss an acceptance of any operation or maintenance savings. Discuss how these would be determined, escalated, and the maximum number of years allowed.
v. List any known utility rebates, grants, or other financial incentives that effect cost of insulation or final maximum project cost.

SECTION 7. Draft Investment Grade Audit Report

ESCO shall prepare a draft IGA Report. The Draft and Final IGA Report shall follow this outline format including, but not limited to:

A. Executive Summary:

i. Project Background and Introduction
ii. Political Subdivision's Project Requirements (accepted changes to original)
iii. Summary of Recommended Facility Improvement Measures
iv. Summary of Total Savings (energy, (units and cost by utility) water, maintenance or other Political Subdivision approved items)
v. Summary of Project Financials including initial total project cost, potential interest rates (from recent projects or current industry rates), capital contributions (projected or identified), and financing term (per Political Subdivision's requirements). Total project cost is the maximum, not-to-exceed amount Political Subdivision shall pay for the project and ESCO's services.
vi. Conclusions and Recommendations

B. Facility and Building Data:

For each facility identified in Exhibit B, the ESCO shall provide a brief building description, including the use, square footage, hours of operation and lighting, mechanical and water systems and building envelope/construction;

C. Baseline Period Utility Consumption:

Compile and provide a concise and well organized analysis and written report of the data gathered and necessary to provide baseline utility consumption pursuant to the baseline period consumption **Section 4** of this **Exhibit A** which may include, but not limited to:

i. Description and itemization of current billing rates, including schedules and riders
ii. Summary of all utility bills for all energy types
iii. Identification and definition of baseline energy and period and description of how established
iv. Reconciliation of estimated end use consumption (i.e. lighting, cooling, heating, fans, plug loads, etc.) with base year (include discussion of any unusual findings)

D. Utility Cost-Savings Measures and FIMs:

IGA Exhibit A
Scope of Work

Update, compile, and provide comprehensive analysis of recommended Utility Cost-Savings Measures and FIMs for consideration, review and comments by the Political Subdivision which include, but are not limited to the following:

Conservation Measure List – Prepare a summary, in table format, of recommended Utility Cost-Savings Measures and FIMs as referenced in **Section 6** of this **Exhibit A**. The summary shall include an itemization for each measure of total design and construction cost, annual operation and maintenance costs, the first year savings (cost avoidance), (in dollars and appropriate utility units), Simple Payback and major equipment service life. The summary shall further include tabulated utility consumption savings per system, building, or facility separated out by contributing Utility Cost-Savings Measure or FIM. For each recommended energy and utility saving conservation measures, provide a summary of the following:

a. **Existing Conditions** Describe existing conditions, systems, etc. to be affected by the proposed utility conservation measures, and the specific benefits of each to modify each condition, including but not limited to, energy, water or resource conservation, capital improvement, deferred maintenance, long-term performance and reduction of operating costs, etc.

b. **Project Scope of Work:** Description of improvements, equipment, etc. to be installed and how it shall function

c. **O&M Procedures:** Include discussion of facility operations and maintenance procedures that shall be affected by installation or implementation

d. **Implementation Plan:** Present a conceptual plan for the proposed EPC project indicating design and construction timeframes for the Utility Cost-Savings Measure or FIM. Indicate any potential installation time constraints or critical start/completion dates

e. **Utility Savings Calculations**:

   a) **Base -Year Consumption:** base year utility use and cost

   b) **End-Use Consumption Estimate:** Post-retrofit utility use and cost

   c) **Annual Savings Estimates:** The Utility Cost Savings and Operation and Maintenance Cost Savings shall be determined for each year during the contract period. Savings shall be achieved by the implementation of such measures on an annual basis. Savings shall be limited to savings allowed by the State Statute or Governing Body of the Political Subdivision

   d) **O&M Savings:** Operation and maintenance savings, including detailed calculations and description. Ensure that maintenance savings are only applied in the applicable years and only during the lifetime of the particular equipment. Operation and Maintenance Cost Savings if considered in the EPC Project Proposal will require Political Subdivision approval and signature on the Record of Reviews

   e) Methodology for Savings Estimates:

      1. Savings estimates including the methodology used in analysis, supporting calculations and assumptions used. Analysis and methodology shall also include description and calculations for any proposed rate changes. Analysis shall further include an explanation of how savings between retrofit options are accounted for in calculations
      2. If computer simulation is used, include a short description and indicate key input data. If requested by Political Subdivision, access shall be provided to the program and all assumptions and inputs used. Printouts shall also be provided of all input files and important output files and included in the Investment Grade Audit with documentation that explains how the final savings figures are derived from the simulation program output printouts
      3. If manual calculations are employed, formulas, assumptions and key data shall be stated

f. Conclusions and Analysis: Provide other observations, caveats, etc.

E. M&V Plan:

Summary of the Measurement and Verification Plan. Cost of the M&V services per year through the financing term.

F. Cost Estimate Analysis:

Summary and update of cost assessment initiated under **Section 6.D** of this **Exhibit A**.

G. Cost Savings Analysis:

Summary and update of analysis initiated under **Section 6.E** of this **Exhibit A**, including calculation of cost savings expected if all recommended measures are implemented and total percentage savings of total facility utility cost.

G. **Excluded Measures:**
List all Utility Cost-Savings Measures or FIMs considered but not recommended with a short paragraph on why it was not included.

H. **Political Subdivision Review, Comments, and Prioritization:**
Summary of documentation or conference records of Political Subdivision priorities, stipulations, and designated compliance with statute, requirements and policies.

I. **Draft Investment Grade Audit Report:**
Pursuant to **Section 9** of this **Exhibit A** the Draft IGA Report shall be prepared in the format of the final IGA Report (as required in the IGA Contract and **Section 7** of this **Exhibit A**). The ESCO shall comply with the following items:

i. Draft IGA Report shall be submitted in a format acceptable to the Political Subdivision labeled to include the project title "Investment Grade Audit report and Energy Performance Contract Project Proposal," the Political Subdivision facility name, name of the ESCO, and date of issuance or revision. Provide additional sets of these documents as requested or required by the Project Representative.

ii. Contents shall be formatted and tabbed in the exact form and alphanumeric sequence of the outline of **Section 7.A. – Section 7.H** of this **Exhibit A**, with additional outlined formats for other referenced sections of this **Exhibit A**. Content elements not otherwise referenced or required in this **Exhibit A**, if provided, shall appear at the end of the IGA Report under its own tab(s) or in separate document(s).

iii. Contents contained in the IGA Report shall be complete. ESCOs are encouraged to respond in a concise manner. The use of charts and spreadsheets to summarize certain information is especially encouraged; said information may be accompanied by an explanatory narrative.

iv. An electronic version of the draft IGA Report and any additional provided or requested information shall be submitted with the written report.

SECTION 8. Post Draft Investment Grade Audit Report Conference

A. The ESCO shall prepare an agenda consistent with the format of the Pre-Audit Conference in **Section 2** of this **Exhibit A**, including any modifications as a result of the Pre-Audit Conference. ESCO shall conduct all necessary conference(s) and produce associated documentation to engage the Political Subdivision to review the recommendations, savings calculations and impact of the measures on the operations of the facility. Describe how the projected project economics meet the Political Subdivision's terms for completing the IGA Report. Revise audit as directed by Political Subdivision.

B. **Political Subdivision Review and Comments**

i. ESCO shall provide all services and deliverables to include, but not be limited to, draft, project proposal(s), supplemental documents and ESCO's responses, etc. necessary to support written acceptance by Political Subdivision.

ii. The Political Subdivision and CEO shall perform concurrent reviews and all comments are shared by all parties, including CEO third party reviews.

iii. The Political Subdivision and CEO may submit written comments at any time during the IGA Contract and the ESCO shall provide supplemental responses.

C. **Finalize Political Subdivision Financial Targets:** Capital contribution, maximum financial term and interest rate, utility escalation rates, and operation and maintenance information.

D. **Responses to Political Subdivision Comments** – Revise IGA Report as directed by Political Subdivision which shall be included in the final Energy Performance Contract Proposal.

SECTION 9. Final Investment Grade Audit Report and Energy Performance Contract Project Proposal

A. **Present Final IGA Report**. ESCO to complete and deliver final documents defined in this **Section 7** to Political Subdivision for approval.

B. **EPC Project Proposal**. Pending approval of the Final IGA Report, and the execution of the Notice of Acceptance, prepare an Energy Performance Contract using CEO's Energy Performance Contract documents, subject to IGA Contract terms and provisions, and subject to negotiation and agreement

between the Parties pursuant to applicable Federal and State regulatory requirements and the CEO Standards for Success. ESCO shall prepare the applicable schedules to be incorporated in an Energy Performance Contract that includes the following:

i. Total Project Cost Proposal: the maximum, not-to-exceed amount Political Subdivision shall pay for the project and ESCO's services. Costs shall be consistent with mutually agreed on markups and fees established in IGA **Exhibit C**.

ii. Cost Estimate: Include all information required under Cost Savings Analysis in **Section 6** above, as well as a detailed scope of the construction work suitable for cost estimating. Include all anticipated costs associated with installation, implementation, and categories outlined in **IGA Exhibit C**. Provide preliminary specifications for major mechanical components as well as detailed lighting and water fixture counts. The following shall also be included:
   a. Engineering/design costs
   b. ESCO/vendor estimates for labor, materials, and equipment; include special provisions, overtime, and all other appropriate items, as needed to accomplish the work with minimum disruption to the operations of the facilities
   c. Code compliance estimate and permit costs (reference section 2, C, vii)
   d. Costs (disposal, avoided emissions, handling of hazardous materials, and any other related costs) as relates to handling and disposal of hazardous lighting materials, but not as relates to remediation or abatement work

iii. Base-Year Consumption: Disclose baseline basis for cost savings. Summary of annual utility use by type and costs of existing or base year condition.

iv. Cost Savings Calculations: Calculation of cost savings expected if all recommended utility conservation measures are implemented and total percentage savings of total facility utility cost.

v. End-Use Consumption Estimate: Outline the proposed utility use reduction and end use consumption for the system or facility.

vi. Contract Term: Years of the Energy Performance Contract.

vii. Utility Rate Escalation Factor: Escalation or decline based on historical trends, utility provider rate forecasts, and economic forces of supply and demand (global, national, local or regional), natural resource availability, technology, utility capital investment, and environmental requirements. (Consistent with CEO/OSA Utility Escalation Policy).

viii. Financial Terms: Description of how the project may be financed, including available indicative interest rates and potential financing terms, based on interest rates likely available to Political Subdivision at this time and based on interest rate lock options available. Analysis of annual cash flow for Political Subdivision during the contract term.

ix. Weather Adjustments: If applicable, proposed modification to how the savings shall be calculated and adjusted due to weather (such as heating and cooling degree days), occupancy or other factors.

x. Measurement and Verification: Proposal consistent with the CEO Measurement and Verification Policy at time this contract is made:

xi. Commissioning Plan: Preliminary Commissioning plan

xii. Operations and Maintenance Plan

xiii. Implementation Plan and Schedule

The ESCO shall propose a milestone schedule with activity durations of all Energy Performance Contract phases, including, but not limited to, ESCO services, commissioning, M&V activities, etc. to include written acceptance by the Political Subdivision, as follows:

   a. The ESCOs shall submit an implementation plan for all Utility Savings and Cost Savings measures with a narrative describing design-build and bidding strategies and recommended delivery options;
   b. Training, operation and maintenance activities, interim and milestone responsibilities for maintenance, etc.

END OF EXHIBIT A – SCOPE OF WORK

IGA Exhibit B
Location of Audit

Buildings and Infrastructure Included in Scope of Work

Political Subdivision Name: Foothills Park and Recreation District

The following tables lists the buildings included in the Investment Grade Audit (IGA) Scope of Work. Add additional rows as necessary to list all buildings and non-typical facilities. Since building names may change over time, a unique agency building shall be included.

EXHIBIT B, TABLE 1 - BASE COST TABLE

Building Name	Building Sq Ft.	Building Type	Bldg. Audit $/SF*	Bldg. Total Audit $
Edge Ice Arena	80,000	Recreation Center	$.12	$9600.00
Ridge Recreation Center	83,000	Recreation Center	$.12	$9960.00
Lilley Gulch Recreation Center	30,000	Recreation Center	$.12	$3600.00
Peak Community & Wellness Center	40,000	Recreation Center	$.12	$4800.00
Foothills Sports Arena	65,000	Recreation Center	$.12	$7800.00
Maintenance & Service Center	19,378	Shops/Offices	$.12	$2325.36
Clement Park Maintenance and Offices	6,500	Shops/Offices	$.12	$780.00
Schaefer Athletic Complex	2,500	Recreation Center	$.12	$300.00
Foothills Golf Course	9,622	Golf Course	$.12	$1154.64
Meadows Golf Club	14,500	Club House	$.12	$1740.00
Weaver Hollow Pool	2,689	Outdoor Pool	$.12	$322.68
Deer Creek Pool	2,689	Outdoor Pool	$.12	$322.68
6th Ave. West Pool	1,265	Outdoor Pool	$.12	$151.80
Columbine West Pool	1,265	Outdoor Pool	$.12	$151.80
Total	**358,408**			**$43,008.96**

***discounted audit price since we have already performed a Phase 1 audit and project within these facilities.**

Indicate the cost for Non-Typical facilities (buildings or infrastructure) where the GSF audit fee may not be appropriate, e.g., water treatment plants, wastewater treatment plants, warehouses, arenas, street lighting and others. (Consult with CEO for appropriateness of fees).

EXHIBIT B, TABLE 2 - NON-TYPICAL FACILITY COST TABLE

Building or Infrastructure	Facility Type	Facility GSF measurement)	Unit cost for audit (if applicable)	Facility Total Audit Cost $
Foothills Fieldhouse	Recreation Center	55,000	Included (recently acquired building)	Included
All outdoor fields, parks, irrigation	n/a	n/a	Included	Included
Behavioral engagement program	n/a	n/a	Included	Included
Renewables/solar	n/a	n/a	Included	Included

TOTAL COST OF IGA: $43,008.96

IGA Exhibit C
COST AND PRICING ELEMENTS

COST AND PRICING

The cost of the IGA is calculated from the Base Cost plus the cost for any Non-Typical Facilities. The Base Cost is established by the Colorado Energy Performance Contracting Program for participating ESCOs and is determined by the sum of the cost associated with each building's total square footage and location. The Non-Typical Facilities cost for infrastructure and other non-building projects is negotiated prior to signing the IGA contract. The Pricing for the Project Percentages and Annual Cost are calculated based upon the specific project scope of Work and the information each ESCO submitted in the proposal/renewal provided to the Colorado Energy Office (CEO). The calculated cost is equal to or less than the ESCO's maximum established percentages submitted to CEO.

IGA Costs (base cost plus non-typical facilities cost)

The proposal includes the initial list of buildings with their square footage and the distance from the CEO office.

Political Subdivisions with Non-Typical Facilities (e.g. waste water treatment, irrigation systems, pools, street lighting, etc.) should incorporate information about these types of facilities and infrastructure in their proposal. The additional costs for performing the IGA on these Non-Typical Facilities shall be negotiated with the selected ESCO as part of finalizing the IGA contract. The final, negotiated cost of the IGA is indicated on an updated IGA Exhibit B.

The Base Cost (from Exhibit B, Table 1) is	$43,008.96
The Non-Typical Facility Cost (from Exhibit B, Table 2) is	$0
Total Investment Grade Audit Cost is	$43,008.96

Project Percentages

Percentages of the total project for each line item shall be calculated and should not exceed what is stated for the duration of the project. Use only the categories shown. Supplying ranges for the percentages is acceptable.

	A	B	C	D	E	F	G	H	I
			Project Costing Categories	IGA Contract Maximum % of Total Project Cost	Actual Final IGA Calculated % of Total Project Cost	Actual Final IGA Cost	Sub-Totals	Totals	Notes
1	Investment Grade Audit (IGA)								
2		Total Facility Area			358,408.00				Unique for each project
3		$ / Sq Ft			$0.12				See Standard IGA Pricing Table tab
4		Investment Grade Audit Total Cost				$ 43,009			G4 = F2*F3
5									
6	Implementation Costs								
7		Pre-Construction Costs*							
8			Design and Other Engineering	7.00%	0.00%				% in column E is calculated from estimated project amount
9			Pre-Construction Services	3.00%	0.00%				% in column E is calculated from estimated project amount
10			Other Pre-Construction Costs	3.00%	0.00%				% in column E is calculated from estimated project amount
11		Pre-Construction Cost Subtotal			0.00%		$ -		G11 = sum (F8:F10)
12		Construction Costs*							
13			Trade Subcontracts		0.00%				% in column E is calculated from estimated project amount
14			Design/Build Subcontracts		0.00%				% in column E is calculated from estimated project amount
15			Direct Purchase Equipment		0.00%				% in column E is calculated from estimated project amount
16			Construction Management	8.00%	0.00%				% in column E is calculated from estimated project amount
17			Project Engineering	2.00%	0.00%				% in column E is calculated from estimated project amount
18			General Conditions	2.00%	0.00%				% in column E is calculated from estimated project amount
19			Construction Completion	7.00%	0.00%				% in column E is calculated from estimated project amount
20			Other Construction Costs	8.00%	0.00%				% in column E is calculated from estimated project amount
21		Construction Cost Subtotal			0.00%		$ -		G21 = SUM(F13:F20)
22	Implementation Costs Subtotal*							$ -	H22 = SUM(G11+G21)
23									
24	Profit*			10.00%				$ -	Value in column H is calculated from estimated project amount
25									
26	Estimated Project Amount*							$ -	H26 = SUM(H22 + H24)
27									
28	Contingency*			5.00%				$ -	Value in column H is calculated from estimated project amount
29									
30	Total Funded Amount*							$ 43,009	H30 = SUM(G4+H26+H28)

Annual Costs

Use only the categories shown. Proper cost determination and expected length of service should be noted for all services.

CATEGORY OF ANNUAL COST	Total annual cost	How Price is Determined	Years Applied (One-time, Annual, etc.)
Warranty	TBD	Actual cost percentage and/or price is highly dependent upon the FIMs installed as part of the final project.	One year on the entire project with the option to extend at the discretion of Foothills Park and Recreation District. Other manufacturer's equipment warranties are also extended to Foothills Park and Recreation District.
Measurement and Verification	TBD	Actual cost percentage and/or price is highly dependent upon the final FIMs installed as part of the project. However, typical cost percentage is 5-10% of the total guaranteed savings amount.	The first three (3) years are required under the CEO program with the option to extend at the Owner's discretion. McKinstry will work with the Owner to determine the best approach for the project.
Maintenance/other	TBD if needed or desired by Foothills Park and Recreation District.	Actual cost percentage and/or price is highly dependent upon the final FIMs installed as part of the project.	A maintenance agreement with McKinstry is not required as part of the project and completely optional at the discretion of Foothills Park and Recreation District.

Foothills Park and Recreation District
Energy Performance Contract
Phase 2 Meeting

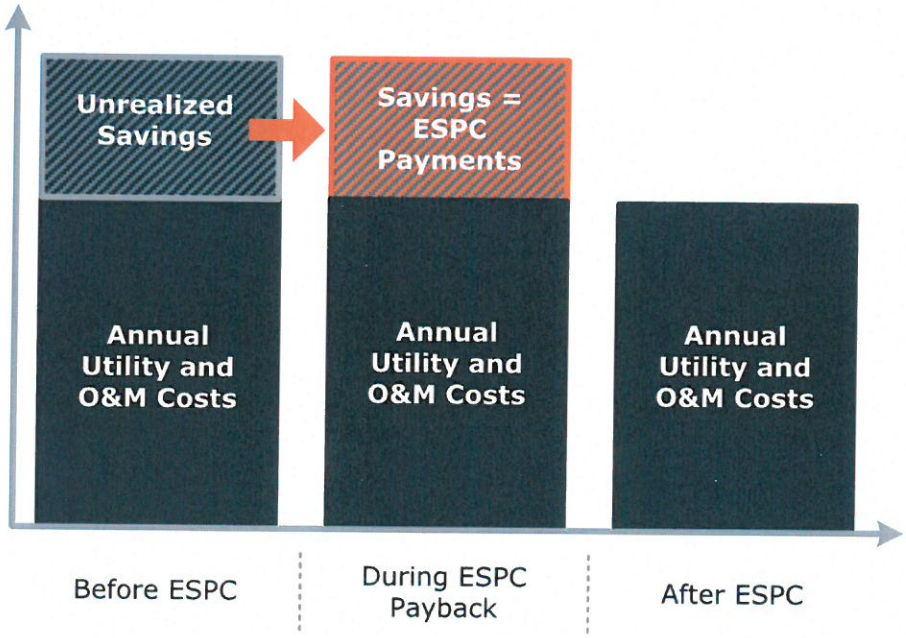
May 21, 2019

ATTENDEES

Person	Organization	Role	Present
Terry Green	FHPRD	Special Projects Coordinator	
Ron Hopp	FHPRD	Executive Director	
Colin Insley	FHPRD	Director for Parks, Planning, and Construction	
Derek Eberhardt	FHPRD	Director of Recreational Facility Operations	
Barb Butler	FHPRD	Director of Recreation Programs	
Dennis Weiner	FHPRD	Director of Administrative Services	
Mirka DellaCava	Colorado Energy Office	Senior Program Manager	
Ashley Brasovan	McKinstry	Account Executive	
Bryan Hanson	McKinstry	Director of Regional Operations	
Steve Ruby	McKinstry	Regional Director	

MEETING AGENDA

1. Introductions & Proposed Roles
2. Review of Energy Performance Contracting



3. Colorado Energy Office Role and MOU

Rocky Mountain Region
16025 Table Mountain Parkway, Ste 100
Golden, CO. 80403
Phone: 303.215.4040

4. Phase 2 Scope
    a. Evaluate all buildings within FHPRD including parks, golf courses, and outdoor pools

Recreational Facilities	**Square Footage**
Edge Ice Arena	80,000
Ridge Recreation Center	83,000
Lilley Gulch Recreation Center	30,000
Peak Community & Wellness Center	40,000
Sports Facilities	
Foothills Sports Arena	65,000
Foothills Fieldhouse	55,000
Operations Center	
Maintneance & Service Center	19,378
Clement Park Maintenance and Offices	6,500
Sports Field Complex	
Schaefer Athletic Complex	2,500
Golf Facilities	
Foothills Golf Course	9,622
Meadows Golf Club	14,500
Outdoor Swimming Pools	
Weaver Hollow	2,689
Deer Creek	2,689
6th Ave. West	1,265
Columbine West	1,265
Total Square Footage	413,408

    b. Proposed scope items:
        - RCx of mechanical/controls measures
        - Fully evaluate controls/BAS system replacement (Iconics) to look at cloud technology so that FHPRD is not hosting this platform – ex. Transition to Tridium 4
        - Replace all JACE (N30, FX, etc)
        - Solar PV – a lot of incentives from Xcel through end of 2019 and a new PV time-of-use rate; parking structures at pools
        - LED lighting -interior and exterior that have not yet been retrofitted with LED technology

- Irrigation, water efficiency
- Pool efficiency measures – Filter replacement, On-site hypochlorite.
- Behavioral engagement
- Controls Optimization
- AHU replacements at Lily Gulch, Foothills golf course, Meadows Golf Course, Edge, Peak and Ridge - among others
- Boiler replacements- Edge Ice Arena and the Peak Community and Wellness Center, Lilly Gulch

c. Other Recommendations and feedback from FHPRD?

5. ESPC Goals
   a. Increased energy efficiency
   b. Improved building comfort
   c. Lower utility costs
   d. Additional goals?

Rocky Mountain Region
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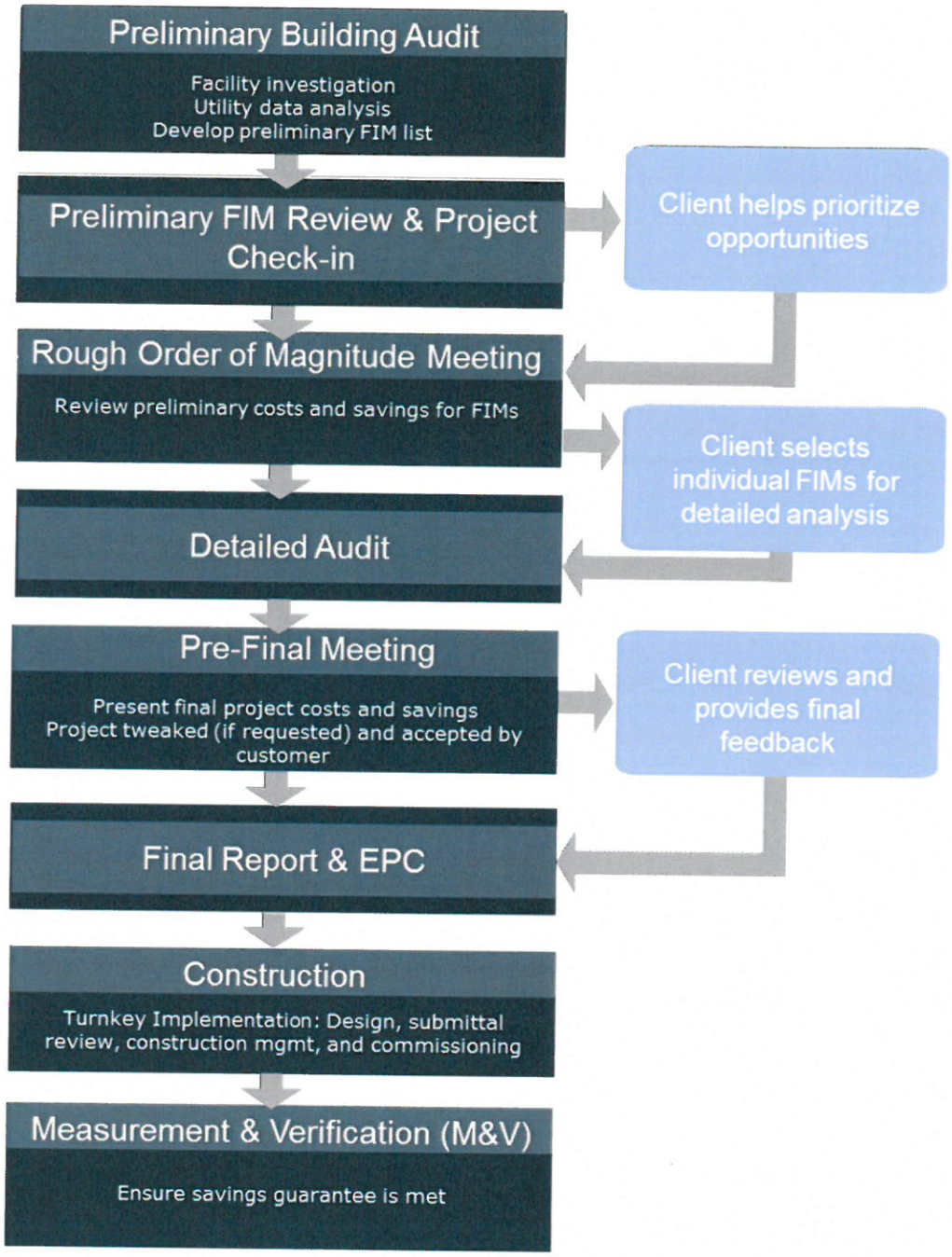
Golden, CO. 80403
Phone: 303.215.4040

6. Audit Process



Rocky Mountain Region
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Golden, CO. 80403
Phone: 303.215.4040

7. Next Steps and Schedule

Milestone	Target Date
Sign MOU with Colorado Energy Office	May 2019
Finalize and Execute IGA Contract/Board Approval	June 2019
IGA Kick-Off Meeting & Begin Site Survey	Summer 2019
Preliminary FIM (Facility Improvement Measure) Review	Summer 2019
Rough Order of Magnitude Presentation	September 2019
Pre-Final Presentation	December 2019
Delivery of IGA Report / ESPC Contract	January 2020
Final Contract Executed	February 2020
Implementation/Construction Phase	Spring/Summer 2020
Measurement and Verification	Fall 2020 - 2023

8. Questions
9. Acronym Summary:
    a. CEO – Colorado Energy Office –Provides third party support to the FHPRD.
    b. EPC or ESPC – Energy Saving Performance Contract – The contract for construction of the recommendations in the IGA.
    c. M&V – Measurement and Verification – The process of verifying that the energy savings guarantee has been met.
    d. IGA – Investment Grade Audit – The project phase where buildings are audited, facility improvement measures are identified, guaranteed savings are determined, and guaranteed maximum costs are determined. The audit's deliverable is a report, the IGA report.
    e. FIM – Facility improvement measure – The individual measures to be completed as part of the project.

Foothills
Park & Recreation District

Creating Community, Enhancing Health, and Inspiring Play since 1959

DATE: **June 25, 2019**

MEMO TO: **Foothills Board of Directors**

THROUGH: **Ronald Hopp, Executive Director**

FROM: **Terry Green, Special Projects Coordinator**

TOPIC: **Meadows Golf Club Parking Lot Paving Project**

The Meadows Golf Club Parking Lot is in need of repaving and funds have been allocated in the 2019 Capital Project budget. This project was also listed as a mill levy improvement project promoted to the public as part of the 2017 mill levy election. Staff has researched all of the various options available to pave this parking lot.

Recently, a portion of the Lilley Gulch Parking Lot was paved with concrete. SLV Quality Concrete, the contractor the District used for that project, implemented an innovative approach with long lasting low maintenance concrete. The approach involved laying concrete over the existing asphalt, so all of the cost and inconvenience of hauling all of the old asphalt material was avoided. This same approach has also been used very successfully by this same contractor at a number of other locations in Colorado, including the Pinehurst Country Club and Thorn Creek Golf Club parking lots.

Staff solicited budgetary estimates from both this concrete contractor and an asphalt paving contractor. The costs were very similar and the difference between the future maintenance costs and the life cycle period of both options were also analyzed. Staff has determined that the concrete overlay process is the preferred solution.

The SLV Quality Concrete proposal for paving the Meadows Golf Club is $ 329,316.00

MOTION: I move that the Foothills Board of Directors award the contract for the Meadows Golf Club Parking Lot Paving Project to SLV Quality Concrete for $329,316.00, and authorize the Executive Director to execute the contract documents subject to review and approval by staff and Legal Counsel.

Foothills Park & Recreation District

Creating Community, Enhancing Health, and Inspiring Play since 1959

DATE: June 25, 2019

TO: Foothills Board of Directors

FROM: Ronald Hopp, Executive Director

SUBJECT: Executive Director's Report

Please welcome the following new staff who have started working for the District. We are excited to have them as part of our team!

Name	Department and/or Facility Location
Brian Benedict	Meadows Course Maintenance
Jacob Culp	Clement Park Batting Cages
Carter Dart	Clement Park Batting Cages
Joseph Francis	Meadows Course Maintenance
John French	Clement Park Turf Maintenance
Taryn McGraw	Ridge Pool
Dennis Miller	Meadows Driving Range
Monica Mitchell	Sports Specialty Programming
Charles Priday	Foothills Course Maintenance
Tara Robarge	Gymnastics
Loren Scott	Part Time Preschool Lilley Gulch
Ella Simon	Sports Specialty Programming
Janet Toenjes	Regional Park Maintenance
Alyssa Applegate	Ridge Pool
Kendall Armitage	Sports Specialty Programming
Dalton Dillard	Meadows Course Maintenance
Robin Luke Giammanco	Cultural Arts
Taylor Hadra	Cultural Arts
McKayla Haymes	Gymnastics
Jordie Horton	Lilley Gulch Camp KOTM
Dylan Iverson	Ridge Pool
Grant Keim	Meadows Course Maintenance
Jeffrey Kraft	Foothills Pro Shop & Operations
Walter Malinowski	District Adult Sports
Kyle Newhouse	Youth and Middle School Sports
Michael Popick	Foothills Pro Shop & Operations
Carter Rubin	Ridge Pool
Josue Salazar	Foothills Course Maintenance
Collin Sheppelman	Ridge Pool
Noah Shipton	Meadows Course Maintenance
Rex Smith	Foothills Course Maintenance

Jacove Snapp-Cook	Ridge Recreation Center
Colin Stuhr	Youth and Middle School Sports
Ashley Anderson	Urban Park Maintenance
Adelade Auger	Clement Park Splash Pad
Caleb Baker	Ridge Pool
Nathan Bell	Regional Park Maintenance
Jordyn Benedict	Clement Park Splash Pad
Logan Benedict	Urban Park Maintenance
William Bevard	Day Camp Normandy
Katherine Brande	Foothills Pro Shop & Operations
Adam Brandland	Ridge Pool
Emily Briggs	Sports Specialty Programming
Renee Broadus	Lilley Gulch Camp KOTM
Tiffany Burger	Ridge Pool
Luke Casados	Ridge Pool
Akio Castro	Sports Specialty Programming
Landon Church	Lilley Gulch Pool
Vincent Conrad	Lilley Gulch Pool
Jackson Constant	Clement Park Splash Pad
Shealin Crider	Fieldhouse Summer Sports
Erin Dempsey	6th Avenue West Pool
Dustin Ethridge	Meadows Course Maintenance
Jeremy Felker	Ridge Pool
Ashley Fortin	Day Camp Normandy
Laura Fortin	Lilley Gulch Camp KOTM
Isabella Gallegos	Teen Camp at Clement Park
Maddison Gargiulo	Lilley Gulch Pool
Brandon Grishman	Clement Park Splash Pad
Noah Haddad	Meadows Course Maintenance
Makayla Haggerty Smalls	Lilley Gulch Camp Hoppers
John Haggett	Clement Park Splash Pad
Jared Hoerter	Urban Park Maintenance
Matthew Holsopple	Lilley Gulch Camp KOTM
Tyler Hughes	Day Camp Ute Meadows
Zachary Hutchison	Clement Park Turf Maintenance
Dan Jaimes	Children's Programs Admin
Hailey Jordan	Deer Creek Pool
Blake Kinney	Clement Park Splash Pad
Jonathan Kowalski	6th Avenue West Pool
Cole LeMieux	Urban Park Maintenance
Melanie Lopez	Ridge Camp KOTM
Matthew Mallon	Sports Specialty Programming
Harrison Massengale	Foothills Course Maintenance
Kiel Massengale	Foothills Course Maintenance
Anthony Matson-Morales	Ridge Pool
Zachary Mesch	Deer Creek Pool
Christian Montoya	Urban Park Maintenance
Henry Ohlen	Clement Park Splash Pad
Alexandria Ouellette	6th Avenue West Pool
Victoria Pearson	Marketing & Community Outreach
Zane Perry	6th Avenue West Pool
Blake Reini	Ridge Pool

Morrison Rickard	Ridge Pool
Mekinsey Sage	Weaver Hollow Pool
Christian Schlicht	Clement Park Splash Pad
Margaret Schmitz	Deer Creek Pool
Gary Serrano	Urban Park Maintenance
Evan Sodja	Ridge Pool
Pamela Strauch	Foothills Pro Shop & Operations
Alyssa Swider	Day Camp Ute Meadows
James Swisher	Youth and Middle School Sports
Hayden Taylor	6th Avenue West Pool
Lindsey Taylor	Ridge Pool
Reese Tepper	Deer Creek Pool
Kacey Valerio	Day Camp Devinny
Jacobi Villamaria	Foothills Course Maintenance
Sophia Wisell	Wellness
Kai Zwarg	Ridge Pool

We currently have six facility-use Intergovernmental Agreements (IGAs) with various entities that allow for the residents of those entities to utilize programs and facilities at District rates. As a reminder, each respective district is billed the differential between the resident rates and the non-resident rates. A monthly/year-to-date usage report is attached.

The 401k Committee met with our financial advisor group to review the District's Salary Deferral Plan for the second quarter, 2019, and looked at how funds are performing when compared to their peers/benchmark funds. The Committee did make a decision to change the fund family for the retirement date funds that are offered to our employees. The decision was made to change the family of funds because the fees for participants are lower and the financial advisor believes that the glide path of the new funds will benefit the individuals participating.

Colin Insley and I attended the Bergen Board meeting where the annual water allocation was decided and a review of the dam issues at Polly Deane (Hine Lake) reservoir were discussed.

As a result of the addition of a full-time Marketing Specialist, the decision was made to transition the responsibility for Red, White and You from the Cultural Arts Department back to the Marketing Department. As a result, a meeting was held with the two departments to discuss a transition plan and logistics, etc. The responsibility for the event is remaining with Cultural Arts until after the event, and will transition in early fall to the Marketing Department.

We held an employee pickleball and kickball event at the Foothills Fieldhouse and served lunch to those that attended. This was a fun event that was attended by nearly 30 employees.

An All Staff meeting was held and topics of discussion were 2019 Capital Projects, Neighborhood Parks Projects Update, Clement Park Project Update, GO Bond Extension, District Updates/Ask Ron…what's goin' on!, and Two-Minute Supervisor Updates.

Colin Insley, Gary Ramos, Sean Kitners and I conducted a walking tour of the Columbine Trail with our trail design consultant. The section east and north of Kendall along South Platte Canyon Road will be improved as part of our 2019 Mill Levy Projects.

Dennis Weiner and I met with a representative from the Mesa View Estates HOA to continue our discussions related to potential revisions to the Estates Park Maintenance Agreement. We are continuing to exchange information and ideas related to the agreement.

Dennis Weiner and I had a meeting with Mark Ernest, the owner of the Foothills Ice Arena, to discuss the lease agreement terms. As a reminder, the Foothills Ice Arena located in Lakewood, is built on Foothills-owned property and the owner of the Ice Arena pays the District a monthly lease rate.

Colin Insley and Kevin Wilks met with representatives from Mile Hi BMX regarding the status of their facility. Fencing around the facility is nearly complete and the group just completed asphalting the corners of the track.

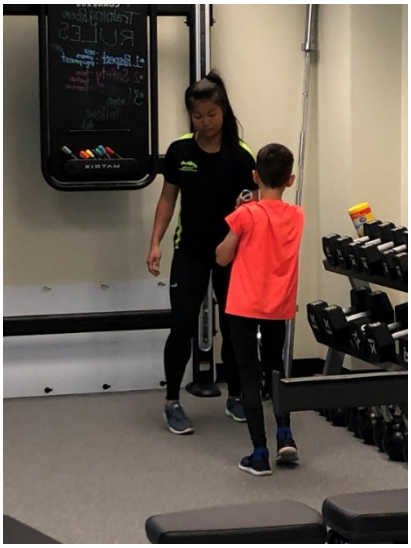
The District hosted the most recent Jefferson County Parks Directors meeting at the Meadows Golf Club. This meeting is facilitated by Jefferson County Open Space to discuss topics that are of a beneficial interest to all of the park and recreation service providers throughout Jefferson County. Topics of the meeting included the local grant program, the county wide trails master plan, reverter clause information, discussion about the Statewide Comprehensive Outdoor Recreation Plan (SCORP), and I gave a presentation about the improvement projects at Clement Park.

Colin, Derek, Barb, Dennis, Terry and I had a meeting with McKinstry and representatives from the Governors Energy Office to discuss the details related to a potential Energy Performance Contract Phase II.

On Saturday, May 4th, the Golf Department hosted its Annual Junior Golf Open House. Kids were treated to one half day of golf instruction, information was provided on the summer and fall junior instructional programs, and Chick-Fil-A provided lunch, all free of charge. The weather was fantastic and the event was a success!

Feeding Many held a small summer concert at Weaver Creek Park on June 1. The event was permitted by our staff.

Edge Performance Training opened at the Edge Ice Arena on June 1st. Once the location of the Edge Pro Shop, this space has been under renovation since early this year and is now fully equipped with an Olympic lift pad, racks and weights, self-driven cardio pieces, and many other functional training pieces. We have hired a part-time core Strength & Conditioning Assistant, Liz Vlad, to oversee this program and coordinate scheduling of team, group, and individual training sessions in this location, as well as for the Cage Training Center at Foothills Fieldhouse. In addition to this position, we have also hired five Strength and Conditioning Coaches to run camps, classes, and training sessions. We hosted our first training camp last week (June 10-14) with about 60 kids participating in dryland conditioning sessions in conjunction with the Rocky Mountain Hockey Schools Camp. We are in the midst of our current group training, about 30 kids coming to us for their dryland conditioning while attending MacLeod Goalie Camp. Sessions have been fantastic, and our staff are thrilled with the new location. We are currently hosting individual and team training sessions, Hi-Cross drop-in classes and Open Performance Training sessions at this location. Here are a few snapshots of the good times we have cultivated in this short time since opening!



I had a meeting with Jim Morgan, the President of Sports Made Possible to discuss our contract and items related to our working relationship to provide an adaptive sports program at the Jason Jennings Field located at Schaefer Athletic Complex.

Derek Eberhardt has met with representatives from the County who are looking to add more voting centers within the County for the November, 2020 general election. They potentially would like to rent rooms at Lilley Gulch and Ridge Recreation Center to accommodate voters for the 2020 election, as well as install a permanent ballot box in front of those facilities.

Terry Green and I met with representatives from a cellular phone company and their contractor to discuss possible cell tower location(s) somewhere in the vicinity of the Schaefer Athletic complex or Foothills Golf Course. This could potentially be a good revenue producing lease arrangement but would likely require a public rezoning process.

Congratulations to the Children's Programs Staff in the Lilley Pad All Day Preschool Classroom for being nominated for the 2019 TRIAD Early Childhood Council Children's Champion's Award. Jonah-Davis Bigelow, Cindy Barela and Alex Underwood were included in the nomination for this award. TRIAD, the early childhood council for the counties of Clear Creek,

Gilpin and Jefferson, is a part of a system of Early Childhood Councils designated under Colorado HB1062. TRIAD is composed of public and private stakeholders engaged in collaborative planning and decision making to improve quality, access and equity outcomes for young children. Each year TRIAD seeks individuals and organizations who work across systems to improve the lives of young children and their families for this award.

Derek Eberhardt, Bryan Reno and I met with Director Meyer and the members of our consulting team at the 6th Avenue West Pool to discuss the concerns that Director Meyer had with the idea that was presented at the last Board meeting. As a result, we will be working with the consultants to provide a revised concept.

Colin Insley, Paul Janosik and I participated in a conference call to discuss the potential of storing some of our water in a potential expanded Bear Creek Lake Water Storage facility. Late last year, we informed the Colorado Water Conservation Board that we were interested in learning more and wanted to be considered as part of their feasibility studies. This meeting provided some of their findings and discussed next steps. We are looking at this as a potential location to store some water to potentially be used for Foothills Golf Course and Schaefer Athletic Complex.

Several staff members and I participated in meetings to discuss improvements to the Schaefer Athletic Complex batting cages. We are looking to replace the batting machines with machines that provide more options for users and we are exploring some site improvements as well.

The 45th Annual Foothills Invitational Golf Tournament was held May 18th and 19th at Foothills Golf Course. The event was a 36-Hole Two Person Best Ball, and 92 teams participated.

We have received a notification form for the 2019 Coordinated Election from Jefferson County. We are required to notify them by July 26, 2019 whether or not we are going to participate in the November 5, 2019 coordinated election. With the Board's concurrence, we will let them know that we will not have a TABOR issue for the 2019 November election.

We hosted the Special District Board Golf outing at Meadows Golf Club and it was a great success. The next outing is July 10th at Greg Mastriona Golf Course at Hyland Hills. This event is a 9-hole scramble. It starts at 9:00am and is followed by lunch. Please let us know if you would like to attend and we will get you signed up!

The Foothills Foundation Golf Tournament was held on Friday, June 21st and registration was full with 144 golfers. We had one title sponsor, 16 hole sponsors, and some amazing raffle

prizes! Thank you to Tom Woodard and his staff for working with the Foundation to plan and promote this great event!

On Sunday June 2, Colin Insley worked with Denver Bassmasters and Colorado Parks and Wildlife to install fish habitat in the reservoir at Blue Heron Park. The habitat was paid for by Denver Bassmasters to help enhance fisheries in Colorado. See photos of fish habitat and boat launch below.

As a reminder, a separate capital projects report can found in the information section of the Board packet.

IGA MONTHLY FACILITY/CLASS/GOLF USAGE

2019 AGENCY	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	TOTAL
Bowles Metro	873	1,266	1,452	1,601	1,233								6,425
Normandy Estates	141	149	175	421	153								1,039
Plains Metro	0	0	0	0	55								55
Roxborough Village	1,333	1,250	2,067	1,365	1,800								7,815
TrailMark	1,216	1,069	1,087	1,115	669								5,156
Vintage Reserve	252	273	257	341	257								1,380
Monthly Totals	3,815	4,007	5,038	4,843	4,167	0	0	0	0	0	0	0	21,870

21,870

Foothills Park & Recreation District

Creating Community, Enhancing Health, and Inspiring Play since 1959

DATE: **June 25, 2019**

TO: **Foothills Board of Directors**

THROUGH: **Ronald Hopp, Executive Director**

FROM: **Dennis Weiner, Director of Finance and Administrative Services**

SUBJECT: **MAY FINANCIAL UPDATE**

Attached are the District's Financial Summary report and discussion of the District's year-to-date operating revenues and expenditures as well as non-operating revenues and expenditures through May 31, 2019 as compared to the budget.

Also included is a summary comparison of actual versus budget for the year-to-date by department. If you have any questions concerning this information, please ask me.

Foothills
Park & Recreation District

EXECUTIVE SUMMARY OF THE DISTRICT
ACTUAL VS BUDGET FOR THE YEAR-TO-DATE PERIOD ENDED 5/31/2019

Total Year-to Date Operating Revenue:

Total District Year-to-Date Operating Revenues are $5,640,527 versus budget of $6,210,623 or $570,096 lower than planned due to the following:

- Admission Fee Revenues were $4,272,668 which was $529,824 unfavorable to plan.
  - Leisure Services admission fees were $367,057 lower than planned. This variance was primarily a result of timing of revenue recognition versus when budgeted and was related to our implementation of our new point of sale system, which has the capability to defer revenue and recognize as programs occur. As of May 31, 2019, we had $372,634 of deferred revenue which will be recognized as revenue as programs occur between June and August of this year.
  - Golf admission fees, including Golf Development and Improvement Fund revenue, were $985,769, which was unfavorable to plan by $149,381 because of unfavorable weather conditions over the first five months of the year resulting in a lower number of rounds at both courses.
- Rentals were lower than planned by $35,905, primarily driven by lower cart rentals at both District golf courses as a result of poor weather conditions and lower than expected pool rentals at Lilley Gulch and the Ridge.
- Other Revenue was favorable to plan by $14,983 mainly because of higher levels of advertising sales for the District magazine.

Total Year-To-Date Operating Expenditures:

Total District Year-to-Date Operating Expenditures are $7,752,963 versus budget of $8,280,755 or $527,792 less than planned due to the following:

- Salaries and Wages expenditures were better than plan by $155,529 because of lower full-time salaries in Aquatics and Children's Programs resulting from staff changes and the timing of hiring for open positions and lower than planned part-time wages in Parks, Golf and Aquatics related to challenges experienced in recruiting for seasonal employees.
- Personnel expenditures were $66,478 lower than planned due to lower than planned health insurance and payroll tax expenditures related to lower staff levels and lower than planned discretionary 401(k) contributions.
- Supplies expenditures were favorable to plan by $164,959 due to timing of expenditures for program, operating and facility repair supplies in Parks, Facility Maintenance, Aquatics, District Athletics, at the Edge and in Golf.

- Purchased Services expenditures were better than planned by $112,755 mainly due to lower Legal and Public Relations expenditures and the timing of expenditures on professional services in Administration and Parks.

- Utilities were favorable to budget by $34,470 primarily because lower Water and Electric expenditures, which were lower by $38,712 and $7,059, respectively due to lower usage, partially offset by Natural Gas expenditures, which were higher by $11,301.

Net Operating Revenue/Loss:

Net Operating Loss was $2,112,436 compared to a planned Net Operating Loss of $2,070,132, or $42,304 unfavorable to plan, driven by lower operating revenue, partially offset by lower than planned operating expenditures.

Non-Operating Revenue and Expenditures:

Net Non-Operating Revenue was $101,130 favorable to plan mostly due to the following:

- Specific Ownership Taxes were $146,289 better than planned because of higher levels of vehicle registrations in the County than anticipated.

- Conservation Trust Fund Revenues from lottery sales were $59,841 better than planned.

- Contributions and Grants were $21,462 favorable to plan primarily because of Red White & You sponsorships that have come in earlier than anticipated in the budget.

- Investment Income was better than planned by $44,064, resulting from higher yields on invested balances than planned.

- Property Tax Revenue was $182,096 lower than planned because of slower collection of property taxes by the County than anticipated.

Net Revenue/Expenditures:

As a result of the District's financial activity through May 31, 2019, Net Revenue was $2,796,931, which was $58,827 better than plan because of higher specific ownership taxes collected, higher conservation trust fund revenue and higher than expected levels of contributions and grants partially offset by higher than expected Net Operating Loss and slower than expected collection of property taxes.

Foothills Parks & Recreation Distrcit

Summary of All Units

Friday, May 31, 2019

	May			YTD			2019			
	2019 Actual	2019 Budget	Fav/(Unfav) Variance	2019 Actual	2019 Budget	Fav/(Unfav) Variance	Original Budget	Remaining Budget	% Completed	2018 YTD
OPERATING REVENUES										
Admission Fees	$1,204,022	$1,292,856	($88,834)	$4,272,668	$4,802,492	($529,824)	$12,010,346	$7,737,678	35.57%	$4,752,076
Rentals	216,574	234,308	(17,734)	1,003,267	1,039,173	(35,905)	2,566,475	1,563,207	39.09%	1,064,785
Merchandise Sales	46,857	48,517	(1,660)	138,151	148,678	(10,527)	520,828	382,677	26.53%	150,077
Concessions and Other Contracts	31,123	45,635	(14,512)	184,952	193,775	(8,823)	480,407	295,455	38.50%	191,878
Other Revenue	10,013	8,280	1,733	41,489	26,507	14,983	76,841	35,352	53.99%	41,256
TOTAL OPERATING REVENUES	1,508,590	1,629,596	(121,006)	5,640,527	6,210,623	(570,096)	15,654,896	10,014,369	36.03%	6,200,072
OPERATING EXPENDITURES										
Salaries and Wages	922,835	971,551	48,716	4,055,883	4,211,412	155,529	11,030,192	6,974,309	36.77%	3,870,918
Personnel	160,963	170,981	10,017	1,002,791	1,069,269	66,478	2,283,014	1,280,223	43.92%	944,146
Supplies	233,246	321,054	87,808	930,570	1,095,529	164,959	2,360,258	1,429,689	39.43%	1,051,737
Purchased Services	232,155	234,491	2,336	1,100,253	1,213,007	112,755	2,625,669	1,525,416	41.90%	1,097,626
Utilities	135,983	186,419	50,436	547,838	582,308	34,470	1,889,931	1,342,092	28.99%	616,920
Insurance	21,877	21,846	(31)	109,563	109,230	(333)	262,152	152,589	41.79%	97,207
Other Expenditures	342	-	(342)	6,065	-	(6,065)	-	(6,065)	0.00%	22
TOTAL OPERATING EXPENDITURES	1,707,402	1,906,342	198,940	7,752,963	8,280,755	527,792	20,451,216	12,698,253	37.91%	7,678,576
NET OPERATING REVENUE/(EXPENDITURES)	(198,812)	(276,746)	77,934	(2,112,436)	(2,070,132)	(42,304)	(4,796,320)	(2,683,884)	44.04%	(1,478,504)
NON-OPERATING REVENUE										
Fund Balance	-	-	-	18,851	12,000	6,851	5,354,261	5,335,410	0.35%	3,663
Property Taxes Collected to Pay GO Bonds	191,900	191,900	-	1,410,117	1,410,117	-	2,057,249	647,132	68.54%	1,429,709
Property Taxes Collected for Operations	607,014	904,602	(297,589)	6,465,096	6,647,192	(182,096)	9,697,727	3,232,631	66.67%	6,835,206
Specific Ownership Taxes	85,815	51,871	33,944	398,320	252,031	146,289	641,651	243,331	62.08%	425,419
Conservation Trust	-	-	-	180,202	120,360	59,841	481,441	301,239	37.43%	106,693
Contributions and Grants	6,523	5,600	923	507,776	486,314	21,462	865,071	357,296	58.70%	129,792
Investment Income	19,336	9,346	9,990	93,022	48,957	44,064	109,917	16,896	84.63%	61,164
QEBC Interest Expense Subsidy	-	-	-	16,799	17,885	(1,086)	35,770	18,971	46.96%	16,719
Gain/(Loss) on Sale of Capital Assets	-	-	-	-	-	-	-	-	0.00%	106
Proceeds from Insurance	-	-	-	2,876	-	2,876	-	(2,876)	0.00%	6,173
Other Income	450	-	450	6,850	-	6,850	-	(6,850)	0.00%	8,438
TOTAL NON-OPERATING REVENUE	911,037	1,163,318	(252,281)	9,099,907	8,994,856	105,051	19,243,088	10,143,181	47.29%	9,023,082
NON-OPERATING EXPENDITURES										
Grant Expenditures	738,398	719,988	(18,410)	1,686,044	1,672,508	(13,536)	2,460,184	774,140	68.53%	140,691
Facilities & Equipment Repairs and Replacements	538,246	538,246	-	1,931,852	1,931,425	(428)	7,849,909	5,918,057	24.61%	352,253
Debt Payments	-	-	-	47,800	47,800	-	3,131,300	3,083,500	1.53%	46,600
Interest Expense	-	-	-	411,828	411,828	-	823,000	411,172	50.04%	453,645
Other Expenditures	13,819	18,648	4,828	113,017	123,060	10,043	182,375	69,358	61.97%	131,478
TOTAL NON-OPERATING EXPENDITURES	1,290,464	1,276,882	(13,582)	4,190,541	4,186,620	(3,921)	14,446,768	10,256,227	29.01%	1,124,666
NET REVENUE/(EXPENDITURES)	(578,238)	(390,310)	(187,929)	2,796,931	2,738,104	58,827	-	(2,796,931)	0.00%	6,419,912
TOTAL REVENUE	2,419,627	2,792,914	(373,287)	14,740,434	15,205,479	(465,045)	34,897,984	20,157,550	42.24%	15,223,154
TOTAL EXPENDITURES	2,997,866	3,183,224	185,358	11,943,504	12,467,375	523,871	34,897,984	22,954,480	34.22%	8,803,242
NET REVENUE/(EXPENDITURES)	(578,238)	(390,310)	(187,929)	2,796,931	2,738,104	58,827	-	(2,796,931)	0.00%	6,419,912

Foothills Parks & Recreation Distrcit

Summary of All Units

Friday, May 31, 2019

	May			YTD			2019			
	2019 Actual	2019 Budget	Fav/(Unfav) Variance	2019 Actual	2019 Budget	Fav/(Unfav) Variance	Original Budget	Remaining Budget	% Completed	2018 YTD
OPERATING REVENUES										
Admission Fees:										
Total Parks and Clement Park - Admission Fees	139,681	153,067	(13,386)	139,681	153,067	(13,386)	283,077	143,396	49.34%	140,242
Leisure Services Summary - Admission Fees	633,299	698,453	(65,154)	3,147,218	3,514,274	(367,057)	8,165,770	5,018,552	38.54%	3,491,297
Golf Summary - Admission Fees	414,762	415,781	(1,019)	922,229	1,062,115	(139,886)	3,325,492	2,403,263	27.73%	1,050,524
Other Funds - Admission Fees	16,280	25,555	(9,275)	63,540	73,035	(9,495)	236,007	172,467	26.92%	70,013
Total Admission Fees	1,204,022	1,292,856	(88,834)	4,272,668	4,802,492	(529,824)	12,010,346	7,737,678	35.57%	4,752,076
Rentals:										
Total Parks and Clement Park - Rentals	43,371	39,068	4,303	107,354	110,507	(3,153)	236,512	129,158	45.39%	106,856
Leisure Services Summary - Rentals	77,542	101,653	(24,111)	693,107	712,246	(19,139)	1,548,159	855,051	44.77%	732,200
Golf Summary - Rentals	95,661	93,586	2,075	202,806	216,420	(13,613)	781,804	578,998	25.94%	225,730
Total Rentals	216,574	234,308	(17,734)	1,003,267	1,039,173	(35,905)	2,566,475	1,563,207	39.09%	1,064,785
Merchandise Sales:										
Leisure Services Summary - Merchandise Sales	7,527	6,940	587	42,876	46,365	(3,489)	104,441	61,565	41.05%	43,755
Golf Summary - Merchandise Sales	39,330	41,577	(2,247)	95,275	102,313	(7,038)	416,387	321,112	22.88%	106,321
Total Merchandise Sales	46,857	48,517	(1,660)	138,151	148,678	(10,527)	520,828	382,677	26.53%	150,077
Concessions and Other Contracts:										
Administration - Concessions and Other Contracts	-	10,000	(10,000)	10,000	10,000	-	10,000	-	100.00%	10,000
Total Parks and Clement Park - Concessions and Other Contracts	-	-	-	4,392	3,993	399	3,993	(399)	110.00%	3,993
Leisure Services Summary - Concessions and Other Contracts	21,123	25,635	(4,512)	160,560	169,782	(9,222)	397,414	236,854	40.40%	167,885
Golf Summary - Concessions and Other Contracts	10,000	10,000	-	10,000	10,000	-	69,000	59,000	14.49%	10,000
Total Concessions and Other Contracts	31,123	45,635	(14,512)	184,952	193,775	(8,823)	480,407	295,455	38.50%	191,878
Other Revenue:										
Administration - Other Revenue	4,285	2,500	1,785	11,786	5,000	6,786	10,000	(1,786)	117.86%	4,319
Total Parks and Clement Park - Other Revenue	2,977	2,339	638	9,803	9,498	305	17,748	7,945	55.23%	20,481
Leisure Services Summary - Other Revenue	1,974	2,760	(786)	17,351	9,380	7,971	34,650	17,299	50.07%	14,034
Golf Summary - Other Revenue	778	681	97	2,550	2,629	(79)	14,443	11,893	17.66%	2,421
Total Other Revenue	10,013	8,280	1,733	41,489	26,507	14,983	76,841	35,352	53.99%	41,256
TOTAL OPERATING REVENUES:										
Administration - TOTAL OPERATING REVENUES	4,285	12,500	(8,215)	21,786	15,000	6,786	20,000	(1,786)	108.93%	14,319
Total Parks and Clement Park - TOTAL OPERATING REVENUES	186,029	194,474	(8,445)	261,230	277,065	(15,835)	541,330	280,100	48.26%	271,572
Leisure Services Summary - TOTAL OPERATING REVENUES	741,466	835,442	(93,976)	4,061,111	4,452,046	(390,935)	10,250,433	6,189,322	39.62%	4,449,171
Golf Summary - TOTAL OPERATING REVENUES	560,531	561,625	(1,094)	1,232,860	1,393,477	(160,616)	4,607,126	3,374,265	26.76%	1,394,997
Other Funds - TOTAL OPERATING REVENUES	16,280	25,555	(9,275)	63,540	73,035	(9,495)	236,007	172,467	26.92%	70,013

	May			YTD			2019			
	2019 Actual	2019 Budget	Fav/(Unfav) Variance	2019 Actual	2019 Budget	Fav/(Unfav) Variance	Original Budget	Remaining Budget	% Completed	2018 YTD
Total TOTAL OPERATING REVENUES	1,508,590	1,629,596	(121,006)	5,640,527	6,210,623	(570,096)	15,654,896	10,014,369	36.03%	6,200,072
OPERATING EXPENDITURES										
Salaries and Wages:										
Administration - Salaries and Wages	82,198	85,513	3,315	410,188	417,875	7,687	1,009,196	599,008	40.65%	402,810
Total Parks and Clement Park - Salaries and Wages	158,091	188,096	30,005	720,298	781,304	61,005	2,023,106	1,302,808	35.60%	678,643
Leisure Services Summary - Salaries and Wages	511,962	502,531	(9,431)	2,287,991	2,323,181	35,190	6,120,877	3,832,885	37.38%	2,143,911
Golf Summary - Salaries and Wages	170,585	195,411	24,826	637,406	689,053	51,647	1,877,014	1,239,608	33.96%	645,554
Total Salaries and Wages	922,835	971,551	48,716	4,055,883	4,211,412	155,529	11,030,192	6,974,309	36.77%	3,870,918
Personnel:										
Administration - Personnel	13,439	15,099	1,659	98,438	123,114	24,675	244,561	146,122	40.25%	95,712
Total Parks and Clement Park - Personnel	34,889	38,365	3,476	239,960	246,879	6,919	507,479	267,519	47.28%	221,986
Leisure Services Summary - Personnel	83,399	86,104	2,705	492,183	525,053	32,870	1,155,129	662,945	42.61%	468,204
Golf Summary - Personnel	29,236	31,413	2,177	172,209	174,223	2,014	375,846	203,636	45.82%	158,244
Total Personnel	160,963	170,981	10,017	1,002,791	1,069,269	66,478	2,283,014	1,280,223	43.92%	944,146
Supplies:										
Administration - Supplies	(256)	(152)	104	9,533	6,371	(3,161)	27,785	18,252	34.31%	398
Total Parks and Clement Park - Supplies	56,187	61,009	4,823	206,958	232,647	25,688	470,423	263,465	43.99%	187,839
Leisure Services Summary - Supplies	81,907	124,465	42,557	433,252	514,316	81,064	1,013,581	580,330	42.74%	432,153
Golf Summary - Supplies	95,313	135,732	40,419	280,732	342,195	61,463	848,469	567,737	33.09%	430,697
Other Funds - Supplies	95	-	(95)	95	-	(95)	-	(95)	0.00%	650
Total Supplies	233,246	321,054	87,808	930,570	1,095,529	164,959	2,360,258	1,429,689	39.43%	1,051,737
Purchased Services:										
Administration - Purchased Services	59,764	51,716	(8,047)	257,899	308,428	50,529	650,065	392,167	39.67%	292,957
Total Parks and Clement Park - Purchased Services	37,528	37,200	(328)	179,370	218,076	38,706	387,189	207,818	46.33%	187,268
Leisure Services Summary - Purchased Services	110,854	111,425	571	560,801	566,767	5,966	1,322,332	761,531	42.41%	523,955
Golf Summary - Purchased Services	24,010	34,150	10,140	102,182	119,737	17,554	266,083	163,900	38.40%	93,446
Total Purchased Services	232,155	234,491	2,336	1,100,253	1,213,007	112,755	2,625,669	1,525,416	41.90%	1,097,626
Utilities:										
Administration - Utilities	1,411	1,718	307	8,825	8,867	42	23,750	14,925	37.16%	8,982
Total Parks and Clement Park - Utilities	40,803	73,967	33,163	116,409	138,093	21,684	636,769	520,361	18.28%	149,889
Leisure Services Summary - Utilities	56,567	64,954	8,387	311,980	309,005	(2,975)	816,128	504,147	38.23%	303,728
Golf Summary - Utilities	37,201	45,780	8,579	110,624	126,343	15,718	413,284	302,659	26.77%	154,321
Total Utilities	135,983	186,419	50,436	547,838	582,308	34,470	1,889,931	1,342,092	28.99%	616,920
Insurance:										
Administration - Insurance	6,665	6,665	-	33,323	33,323	-	79,975	46,652	41.67%	27,280
Total Parks and Clement Park - Insurance	5,138	5,107	(31)	25,868	25,535	(333)	61,284	35,416	42.21%	23,463

	May			YTD			2019			
	2019 Actual	2019 Budget	Fav/(Unfav) Variance	2019 Actual	2019 Budget	Fav/(Unfav) Variance	Original Budget	Remaining Budget	% Completed	2018 YTD
Leisure Services Summary - Insurance	8,952	8,952	-	44,759	44,759	-	107,422	62,663	41.67%	41,286
Golf Summary - Insurance	1,123	1,123	-	5,613	5,613	-	13,472	7,859	41.67%	5,178
Total Insurance	21,877	21,846	(31)	109,563	109,230	(333)	262,152	152,589	41.79%	97,207
Other Expenditures:										
Leisure Services Summary - Other Expenditures	403	-	(403)	386	-	(386)	-	(386)	0.00%	950
Golf Summary - Other Expenditures	(61)	-	61	5,678	-	(5,678)	-	(5,678)	0.00%	(929)
Total Other Expenditures	342	-	(342)	6,065	-	(6,065)	-	(6,065)	0.00%	22
TOTAL OPERATING EXPENDITURES:										
Administration - TOTAL OPERATING EXPENDITURES	163,221	160,559	(2,662)	818,205	897,977	79,772	2,035,331	1,217,126	40.20%	828,139
Total Parks and Clement Park - TOTAL OPERATING EXPENDITURES	332,636	403,745	71,109	1,488,864	1,642,534	153,670	4,086,250	2,597,386	36.44%	1,449,088
Leisure Services Summary - TOTAL OPERATING EXPENDITURES	854,044	898,431	44,387	4,131,353	4,283,081	151,728	10,535,468	6,404,115	39.21%	3,914,188
Golf Summary - TOTAL OPERATING EXPENDITURES	357,407	443,608	86,201	1,314,446	1,457,163	142,717	3,794,167	2,479,721	34.64%	1,486,511
Other Funds - TOTAL OPERATING EXPENDITURES	95	-	(95)	95	-	(95)	-	(95)	0.00%	650
Total TOTAL OPERATING EXPENDITURES	1,707,402	1,906,342	198,940	7,752,963	8,280,755	527,792	20,451,216	12,698,253	37.91%	7,678,576
NET OPERATING REVENUE/(EXPENDITURES):										
Administration - NET OPERATING REVENUE/(EXPENDITURES)	(158,936)	(148,059)	(10,877)	(796,419)	(882,977)	86,558	(2,015,331)	(1,218,911)	39.52%	(813,820)
Total Parks and Clement Park - NET OPERATING REVENUE/(EXPENDITURES)	(146,607)	(209,271)	62,664	(1,227,634)	(1,365,469)	137,835	(3,544,920)	(2,317,286)	34.63%	(1,177,515)
Leisure Services Summary - NET OPERATING REVENUE/(EXPENDITURES)	(112,578)	(62,989)	(49,589)	(70,242)	168,966	(239,208)	(285,035)	(214,793)	24.64%	534,984
Golf Summary - NET OPERATING REVENUE/(EXPENDITURES)	203,124	118,017	85,107	(81,586)	(63,687)	(17,899)	812,958	894,544	(10.04%)	(91,515)
Other Funds - NET OPERATING REVENUE/(EXPENDITURES)	16,185	25,555	(9,370)	63,445	73,035	(9,590)	236,007	172,562	26.88%	69,363
Total NET OPERATING REVENUE/(EXPENDITURES)	(198,812)	(276,746)	77,934	(2,112,436)	(2,070,132)	(42,304)	(4,796,320)	(2,683,884)	44.04%	(1,478,504)
NON-OPERATING REVENUE										
Fund Balance:										
Other Funds - Fund Balance	-	-	-	18,851	12,000	6,851	5,354,261	5,335,410	0.35%	3,663
Total Fund Balance	-	-	-	18,851	12,000	6,851	5,354,261	5,335,410	0.35%	3,663
Property Taxes Collected to Pay GO Bonds:										
Other Funds - Property Taxes Collected to Pay GO Bonds	191,900	191,900	-	1,410,117	1,410,117	-	2,057,249	647,132	68.54%	1,429,709
Total Property Taxes Collected to Pay GO Bonds	191,900	191,900	-	1,410,117	1,410,117	-	2,057,249	647,132	68.54%	1,429,709
Property Taxes Collected for Operations:										
Administration - Property Taxes Collected for Operations	196,001	493,590	(297,589)	5,953,603	6,135,699	(182,096)	4,319,928	(1,633,675)	137.82%	6,369,859
Total Parks and Clement Park - Property Taxes Collected for Operations	209,397	209,397	-	1,386,395	1,386,395	-	3,566,271	2,179,876	38.88%	1,307,098
Leisure Services Summary - Property Taxes Collected for Operations	23,396	23,396	-	223,369	223,369	-	892,316	668,946	25.03%	212,205
Other Funds - Property Taxes Collected for Operations	178,220	178,220	-	(1,098,272)	(1,098,272)	-	919,212	2,017,484	(119.48%)	(1,053,956)

	May			YTD			2019			
	2019 Actual	2019 Budget	Fav/(Unfav) Variance	2019 Actual	2019 Budget	Fav/(Unfav) Variance	Original Budget	Remaining Budget	% Completed	2018 YTD
Total Property Taxes Collected for Operations	607,014	904,602	(297,589)	6,465,096	6,647,192	(182,096)	9,697,727	3,232,631	66.67%	6,835,206
Specific Ownership Taxes:										
Other Funds - Specific Ownership Taxes	85,815	51,871	33,944	398,320	252,031	146,289	641,651	243,331	62.08%	425,419
Total Specific Ownership Taxes	85,815	51,871	33,944	398,320	252,031	146,289	641,651	243,331	62.08%	425,419
Conservation Trust:										
Other Funds - Conservation Trust	-	-	-	180,202	120,360	59,841	481,441	301,239	37.43%	106,693
Total Conservation Trust	-	-	-	180,202	120,360	59,841	481,441	301,239	37.43%	106,693
Contributions and Grants:										
Leisure Services Summary - Contributions and Grants	-	-	-	-	-	-	-	-	0.00%	436
Other Funds - Contributions and Grants	6,523	5,600	923	507,776	486,314	21,462	865,071	357,296	58.70%	129,356
Total Contributions and Grants	6,523	5,600	923	507,776	486,314	21,462	865,071	357,296	58.70%	129,792
Investment Income:										
Administration - Investment Income	19,336	9,346	9,990	93,022	48,957	44,064	109,917	16,896	84.63%	61,164
Total Investment Income	19,336	9,346	9,990	93,022	48,957	44,064	109,917	16,896	84.63%	61,164
QEBC Interest Expense Subsidy:										
Other Funds - QEBC Interest Expense Subsidy	-	-	-	16,799	17,885	(1,086)	35,770	18,971	46.96%	16,719
Total QEBC Interest Expense Subsidy	-	-	-	16,799	17,885	(1,086)	35,770	18,971	46.96%	16,719
Gain/(Loss) on Sale of Capital Assets:										
Other Funds - Gain/(Loss) on Sale of Capital Assets	-	-	-	-	-	-	-	-	0.00%	106
Total Gain/(Loss) on Sale of Capital Assets	-	-	-	-	-	-	-	-	0.00%	106
Proceeds from Insurance :										
Total Parks and Clement Park - Proceeds from Insurance	-	-	-	2,876	-	2,876	-	(2,876)	0.00%	6,173
Total Proceeds from Insurance	-	-	-	2,876	-	2,876	-	(2,876)	0.00%	6,173
Other Income:										
Other Funds - Other Income	450	-	450	6,850	-	6,850	-	(6,850)	0.00%	8,438
Total Other Income	450	-	450	6,850	-	6,850	-	(6,850)	0.00%	8,438
TOTAL NON-OPERATING REVENUE:										
Administration - TOTAL NON-OPERATING REVENUE	215,337	502,936	(287,598)	6,046,625	6,184,656	(138,032)	4,429,846	(1,616,779)	136.50%	6,431,023
Total Parks and Clement Park - TOTAL NON-OPERATING REVENUE	209,397	209,397	-	1,389,271	1,386,395	2,876	3,566,271	2,177,000	38.96%	1,313,272
Leisure Services Summary - TOTAL NON-OPERATING REVENUE	23,396	23,396	-	223,369	223,369	-	892,316	668,946	25.03%	212,641
Other Funds - TOTAL NON-OPERATING REVENUE	462,907	427,590	35,317	1,440,642	1,200,435	240,207	10,354,656	8,914,014	13.91%	1,066,146

	May			YTD			2019			
	2019 Actual	2019 Budget	Fav/(Unfav) Variance	2019 Actual	2019 Budget	Fav/(Unfav) Variance	Original Budget	Remaining Budget	% Completed	2018 YTD
Total TOTAL NON-OPERATING REVENUE	911,037	1,163,318	(252,281)	9,099,907	8,994,856	105,051	19,243,088	10,143,181	47.29%	9,023,082
NON-OPERATING EXPENDITURES										
Grant Expenditures:										
Other Funds - Grant Expenditures	738,398	719,988	(18,410)	1,686,044	1,672,508	(13,536)	2,460,184	774,140	68.53%	140,691
Total Grant Expenditures	738,398	719,988	(18,410)	1,686,044	1,672,508	(13,536)	2,460,184	774,140	68.53%	140,691
Facilities & Equipment Repairs and Replacements:										
Total Parks and Clement Park - Facilities & Equipment Repairs and Replacements	-	-	-	20,000	20,000	-	20,000	-	100.00%	20,000
Golf Summary - Facilities & Equipment Repairs and Replacements	-	-	-	428	-	(428)	-	(428)	0.00%	112
Other Funds - Facilities & Equipment Repairs and Replacements	538,246	538,246	-	1,911,425	1,911,425	-	7,829,909	5,918,484	24.41%	332,140
Total Facilities & Equipment Repairs and Replacements	538,246	538,246	-	1,931,852	1,931,425	(428)	7,849,909	5,918,057	24.61%	352,253
Debt Payments:										
Other Funds - Debt Payments	-	-	-	47,800	47,800	-	3,131,300	3,083,500	1.53%	46,600
Total Debt Payments	-	-	-	47,800	47,800	-	3,131,300	3,083,500	1.53%	46,600
Interest Expense:										
Other Funds - Interest Expense	-	-	-	411,828	411,828	-	823,000	411,172	50.04%	453,645
Total Interest Expense	-	-	-	411,828	411,828	-	823,000	411,172	50.04%	453,645
Other Expenditures:										
Administration - Other Expenditures	(164)	-	164	(7,111)	-	7,111	-	7,111	0.00%	5,504
Total Parks and Clement Park - Other Expenditures	126	126	-	926	926	-	1,351	425	68.54%	934
Other Funds - Other Expenditures	13,858	18,522	4,664	119,202	122,134	2,931	181,024	61,821	65.85%	125,040
Total Other Expenditures	13,819	18,648	4,828	113,017	123,060	10,043	182,375	69,358	61.97%	131,478
TOTAL NON-OPERATING EXPENDITURES:										
Administration - TOTAL NON-OPERATING EXPENDITURES	(164)	-	164	(7,111)	-	7,111	-	7,111	0.00%	5,504
Total Parks and Clement Park - TOTAL NON-OPERATING EXPENDITURES	126	126	-	20,926	20,926	-	21,351	425	98.01%	20,934
Golf Summary - TOTAL NON-OPERATING EXPENDITURES	-	-	-	428	-	(428)	-	(428)	0.00%	112
Other Funds - TOTAL NON-OPERATING EXPENDITURES	1,290,502	1,276,756	(13,746)	4,176,299	4,165,694	(10,605)	14,425,417	10,249,118	28.95%	1,098,116
Total TOTAL NON-OPERATING EXPENDITURES	1,290,464	1,276,882	(13,582)	4,190,541	4,186,620	(3,921)	14,446,768	10,256,227	29.01%	1,124,666
NET REVENUE/(EXPENDITURES):										
Administration - NET REVENUE/(EXPENDITURES)	56,566	354,877	(298,311)	5,257,317	5,301,679	(44,363)	2,414,515	(2,842,802)	217.74%	5,611,699
Total Parks and Clement Park - NET REVENUE/(EXPENDITURES)	62,664	-	62,664	140,711	-	140,711	-	(140,711)	0.00%	114,822
Leisure Services Summary - NET REVENUE/(EXPENDITURES)	(89,182)	(39,593)	(49,589)	153,127	392,335	(239,208)	607,281	454,153	25.22%	747,624
Golf Summary - NET REVENUE/(EXPENDITURES)	203,124	118,017	85,107	(82,013)	(63,687)	(18,326)	812,958	894,971	(10.09%)	(91,627)
Other Funds - NET REVENUE/(EXPENDITURES)	(811,410)	(823,610)	12,201	(2,672,211)	(2,892,224)	220,013	(3,834,754)	(1,162,543)	69.68%	37,393

	May			YTD			2019			
	2019 Actual	2019 Budget	Fav/(Unfav) Variance	2019 Actual	2019 Budget	Fav/(Unfav) Variance	Original Budget	Remaining Budget	% Completed	2018 YTD
Total NET REVENUE/(EXPENDITURES)	(578,238)	(390,310)	(187,929)	2,796,931	2,738,104	58,827	-	(2,796,931)	0.00%	6,419,912
TOTAL REVENUE:										
Administration - TOTAL REVENUE	219,622	515,436	(295,814)	6,068,410	6,199,656	(131,246)	4,449,846	(1,618,565)	136.37%	6,445,342
Total Parks and Clement Park - TOTAL REVENUE	395,425	403,871	(8,445)	1,650,501	1,663,460	(12,959)	4,107,601	2,457,100	40.18%	1,584,844
Leisure Services Summary - TOTAL REVENUE	764,862	858,838	(93,976)	4,284,480	4,675,416	(390,935)	11,142,749	6,858,269	38.45%	4,661,812
Golf Summary - TOTAL REVENUE	560,531	561,625	(1,094)	1,232,860	1,393,477	(160,616)	4,607,126	3,374,265	26.76%	1,394,997
Other Funds - TOTAL REVENUE	479,187	453,145	26,042	1,504,182	1,273,470	230,712	10,590,663	9,086,481	14.20%	1,136,159
Total TOTAL REVENUE	2,419,627	2,792,914	(373,287)	14,740,434	15,205,479	(465,045)	34,897,984	20,157,550	42.24%	15,223,154
TOTAL EXPENDITURES:										
Administration - TOTAL EXPENDITURES	163,056	160,559	(2,498)	811,094	897,977	86,883	2,035,331	1,224,237	39.85%	833,643
Total Parks and Clement Park - TOTAL EXPENDITURES	332,762	403,871	71,109	1,509,790	1,663,460	153,670	4,107,601	2,597,811	36.76%	1,470,022
Leisure Services Summary - TOTAL EXPENDITURES	854,044	898,431	44,387	4,131,353	4,283,081	151,728	10,535,468	6,404,115	39.21%	3,914,188
Golf Summary - TOTAL EXPENDITURES	357,407	443,608	86,201	1,314,874	1,457,163	142,290	3,794,167	2,479,294	34.66%	1,486,623
Other Funds - TOTAL EXPENDITURES	1,290,597	1,276,756	(13,841)	4,176,394	4,165,694	(10,700)	14,425,417	10,249,023	28.95%	1,098,766
Total TOTAL EXPENDITURES	2,997,866	3,183,224	185,358	11,943,504	12,467,375	523,871	34,897,984	22,954,480	34.22%	8,803,242
NET REVENUE/(EXPENDITURES):										
Administration - NET REVENUE/(EXPENDITURES)	56,566	354,877	(298,311)	5,257,317	5,301,679	(44,363)	2,414,515	(2,842,802)	217.74%	5,611,699
Total Parks and Clement Park - NET REVENUE/(EXPENDITURES)	62,664	-	62,664	140,711	-	140,711	-	(140,711)	0.00%	114,822
Leisure Services Summary - NET REVENUE/(EXPENDITURES)	(89,182)	(39,593)	(49,589)	153,127	392,335	(239,208)	607,281	454,153	25.22%	747,624
Golf Summary - NET REVENUE/(EXPENDITURES)	203,124	118,017	85,107	(82,013)	(63,687)	(18,326)	812,958	894,971	(10.09%)	(91,627)
Other Funds - NET REVENUE/(EXPENDITURES)	(811,410)	(823,610)	12,201	(2,672,211)	(2,892,224)	220,013	(3,834,754)	(1,162,543)	69.68%	37,393
Total NET REVENUE/(EXPENDITURES)	(578,238)	(390,310)	(187,929)	2,796,931	2,738,104	58,827	-	(2,796,931)	0.00%	6,419,912

Foothills Park & Recreation as of May 31, 2019

	Operating Revenue			Operating Expenditures			Net Operating Revenue (Loss)		
	Actual	Budget	Variance Fav/(Unfav)	Actual	Budget	Variance Fav/(Unfav)	Actual	Budget	Variance Fav/(Unfav)
Administration									
Executive Director	11,000	10,000	1,000	286,998	325,676	38,678	(275,998)	(315,676)	39,678
Marketing	10,775	5,000	5,775	104,653	113,765	9,112	(93,878)	(108,765)	14,887
Finance	(93)		(93)	211,334	220,576	9,242	(211,427)	(220,576)	9,149
Human Resources	100		100	77,111	99,470	22,359	(77,011)	(99,470)	22,459
Information Technology				138,108	138,492	384	(138,108)	(138,492)	384
Total Admiinstration	21,782	15,000	6,782	818,204	897,979	79,775	(796,422)	(882,979)	86,557
Parks									
Parks Administration	1,500		1,500	131,411	142,805	11,394	(129,911)	(142,805)	12,894
Fleet Maintenance	336		336	194,892	187,236	(7,656)	(194,556)	(187,236)	(7,320)
Urban Parks	73,507	79,093	(5,586)	531,726	620,355	88,629	(458,219)	(541,262)	83,043
Regional Parks	93,677	106,294	(12,617)	288,107	338,647	50,540	(194,430)	(232,353)	37,923
Kipling Villas				26,416	25,386	(1,030)	(26,416)	(25,386)	(1,030)
Clement Park	92,210	91,679	531	316,312	328,104	11,792	(224,102)	(236,425)	12,323
Total Parks	261,230	277,066	(15,836)	1,488,864	1,642,533	153,669	(1,227,634)	(1,365,467)	137,833
Leisure Service									
LS Adminstration				169,962	144,115	(25,847)	(169,962)	(144,115)	(25,847)
Baby Sitting	3,867	3,207	660	9,585	12,083	2,498	(5,718)	(8,876)	3,158
Lilley Gulch Rec Center	40,994	50,839	(9,845)	103,736	112,955	9,219	(62,742)	(62,116)	(626)
Peak Wellness Center	84,000	107,524	(23,524)	136,449	144,096	7,647	(52,449)	(36,572)	(15,877)
Ridge Rec Center	146,791	214,701	(67,910)	214,693	210,249	(4,444)	(67,902)	4,452	(72,354)
Climbing Wall	9,404	14,445	(5,041)	6,336	9,657	3,321	3,068	4,788	(1,720)
Total Facility Operations	285,056	390,716	(105,660)	470,799	489,040	18,241	(185,743)	(98,324)	(87,419)
Facility Maintenance				229,456	269,316	39,860	(229,456)	(269,316)	39,860
Wellness Programs	259,309	291,567	(32,258)	209,513	216,740	7,227	49,796	74,827	(25,031)
Cultural Arts	121,221	135,483	(14,262)	107,938	107,066	(872)	13,283	28,417	(15,134)
Children's Program Administrati	66,817	87,200	(20,383)	610,226	633,670	23,444	(543,409)	(546,470)	3,061
Children's Program Teen Progra	489	3,630	(3,141)	556	600	44	(67)	3,030	(3,097)
Children's Program Preschool, A	248,929	259,682	(10,753)	129,761	125,042	(4,719)	119,168	134,640	(15,472)
Children's Program B&A	702,487	702,456	31	192,526	217,788	25,262	509,961	484,668	25,293
Children's Program Camp	146,018	91,222	54,796	74,096	53,402	(20,694)	71,922	37,820	34,102
Total Children's Programs	1,164,740	1,144,190	20,550	1,007,165	1,030,502	23,337	157,575	113,688	43,887
Aquatics Administration				137,838	164,558	26,720	(137,838)	(164,558)	26,720
Deer Creek Pool	7,776	20,858	(13,082)	17,069	18,750	1,681	(9,293)	2,108	(11,401)
Columbine West Pool	1,504	5,016	(3,512)	13,153	25,259	12,106	(11,649)	(20,243)	8,594
Sixth Avenue West Pool	535	2,544	(2,009)	12,729	16,774	4,045	(12,194)	(14,230)	2,036
Lilley Gulch Pool	13,154	39,393	(26,239)	35,557	47,788	12,231	(22,403)	(8,395)	(14,008)
Ridge Pool	253,964	316,788	(62,824)	352,936	335,248	(17,688)	(98,972)	(18,460)	(80,512)
Weaver Hollow Pool	8,012	18,661	(10,649)	16,642	18,251	1,609	(8,630)	410	(9,040)
Total Aquatics	284,945	403,260	(118,315)	585,924	626,628	40,704	(300,979)	(223,368)	(77,611)
Edge	891,410	885,499	5,911	624,970	670,565	45,595	266,440	214,934	51,506
District Athletics Adult Sports	145,360	197,895	(52,535)	108,283	119,911	11,628	37,077	77,984	(40,907)
District Athletics Concessions/M	11,390	14,941	(3,551)	1,025	1,025		10,365	13,916	(3,551)
Schaefer Batting Cage	15,037	16,300	(1,263)	7,133	12,803	5,670	7,904	3,497	4,407
District Athletics Administration	21,663	22,601	(938)	47,300	49,669	2,369	(25,637)	(27,068)	1,431
Clement Park Batting Cage	11,885	10,560	1,325	7,238	12,701	5,463	4,647	(2,141)	6,788
Clement Park Concessions	1,334	1,300	34	1,095	1,085	(10)	239	215	24
Clement Splash Park	6,216	10,010	(3,794)	1,665	1,752	87	4,551	8,258	(3,707)
Foothills Sports Arena	230,168	245,290	(15,122)	157,082	141,969	(15,113)	73,086	103,321	(30,235)
Youth & Middle School Sports	203,723	239,739	(36,016)	117,096	120,953	3,857	86,627	118,786	(32,159)
Gymnastics	170,418	186,346	(15,928)	92,115	87,870	(4,245)	78,303	98,476	(20,173)
Sports Specialty Programming	61,246	77,325	(16,079)	77,630	75,262	(2,368)	(16,384)	2,063	(18,447)
Total District Athletics	878,440	1,022,307	(143,867)	617,662	625,000	7,338	260,778	397,307	(136,529)
Foothills Fieldhouse	175,993	179,023	(3,030)	107,966	104,107	(3,859)	68,027	74,916	(6,889)
Total Leisure Service	4,061,114	4,452,045	(390,931)	4,131,355	4,283,079	151,724	(70,241)	168,966	(239,207)
Golf									
Foothills Golf Course	835,487	903,460	(67,973)	737,686	840,894	103,208	97,801	62,566	35,235
Meadows Golf Course	397,374	490,017	(92,643)	576,760	616,270	39,510	(179,386)	(126,253)	(53,133)
Total Golf	1,232,861	1,393,477	(160,616)	1,314,446	1,457,164	142,718	(81,585)	(63,687)	(17,898)
Other Funds (Golf Developm	63,540	73,035	(9,495)	94	-	(94)	63,446	73,035	(9,589)
Total District	5,640,527	6,210,623	(570,096)	7,752,963	8,280,755	527,792	(2,112,436)	(2,070,132)	(42,304)

Creating Community, Enhancing Health, and Inspiring Play since 1959

DATE: **June 25, 2019**

MEMO TO: **Foothills Board of Directors**

FROM: **Ronald Hopp, Executive Director**

SUBJECT: **Capital Projects Report through May 31, 2019**

Parks, Planning and Construction

Clement Park Phase C

Budget:	$3,303,617.97	
Funding:	$1,500,000	Jeffco Open Space Grant
	$1,552,448.29	Foothills Capital
	$350,000	GOCO

Expenses to Date: $2,620,465

Scheduled Completion: July 2019

- The Church of Jesus Christ of Latter-day Saints, Columbine Stake provided volunteer assistance to help the project along and install portions of the playground on June 1, 2019
- Weather and permit delays have moved the completion day back.
- Completion schedule is being actively adjusted to accommodate scheduled shelter and amphitheater rentals.
- Concrete access to all shelters is complete
- Irrigation replacement is roughly 90% complete
- Lake overlooks were removed and boulders delivered. Weather delays and following lake filling up has resulted in deferring overlook work to fall of 2019
- Playground boulder wall is complete, main structure is complete.
- Project fencing boundary has been reduced to open up shelters and amphitheater bowl
- Amphitheater concrete apron and stage front completed
- Site lighting will be converted to LED
- Lake Aeration system has been installed and is operational

2018 Mill Levy Projects

Budget: $2,500,000

Funding: $2,500,000 – 2018 Mill Levy Capital Funds

$38,950 – SB35 Development Funds

Expenses to Date: $1,020,000

Scheduled Completion: September 2019

Wingate South

- Concrete trail replacement completed in April. Staff completed grading the trail shoulder. Seeding is completed.
- Benches and landscaping to be completed by volunteers July 13.
- Project to be completed by July 15.

Blue Heron Park

- Irrigation to be completed.
- Concrete walk replacement is completed.
- Playground ordered, to be installed week of June 24.
- Project to be completed by July 5.

Christensen Meadows Park

- Walk replacement is 90% completed.
- Trees installed by volunteers in fall of 2018.
- Project to be completed by July 15.

Governor James B. Grant Park

- Grading permit completed from Jeffco.
- Work on trail begins week of June 24.
- Project to be completed by August 30.

Dewey Haberman Memorial Park

- Project to be completed by September 30th

Lilley Gulch Parking Lot

- Project Completed.

2019 Mill Levy Projects

Budget: $2,500,000
Funding: $2,400,000 – 2019 Mill Levy Capital Funds
$100,000 - 2018 Mill Levy Capital Funds
$40,965.60 – SB35 Development Funds
Expenses to Date: $240,146
Scheduled Completion: December 2019

Columbine Trail

- Working on construction plans to be completed in August.

Chaucer Park

- 75% Construction Plans reviewed and completed.

Trapper's Glen Park

- 75% Construction Plans reviewed and completed.
- Grading permit in review with Jefferson County.

Valley View Park

- 75% Construction Plans reviewed and completed.

Dakota Station Park

- Tennis court resurface under contract to be completed in July.

Lilley Gulch Tennis Courts

- Under contract to be completed in September.

Other Projects

Belleview Acres Park

Budget: $216.000
Funding: $216,000 - SB35 Development Funds
Expenses to Date: $160,908
Scheduled Completion: September 1, 2019

- Concrete walk replacement completed by July1.
- Placement of concrete sump in detention pond complete.
- Park sign to be re-lettered and painted as part of the project.

Clement Park Outlet Valve Replacement

Budget: $140,000
Funding: $140,000 - 2018 and 2019 Capital Budget Funds
Expenses to Date: $111, 059
Scheduled Completion: Completed

- Final letter from State Engineer completed.

Leisure Services

Ridge Leisure Pool Features

Budget: $157,103.50
Funding: $150,000 Foothills
Expenses to Date: $0
Scheduled Completion: August 30, 2019

- Staff researched options for replacement equipment and designed a rendering to give users a new experience.
- Staff presented the project, and the Board approved the project April 23, 2019.
- We have executed the order contract and supporting documents to get the equipment into manufacturing queue to be delivered prior to the planned closure, August 12-30, 2019.

LG Gym A/C, Air Handler Project 2018

Budget: 134,897.00
Funding: Mill Levy
Expenses to Date: $107,673.60
Scheduled Completion: June 2019

- Staff worked with engineer to evaluate the possibility of installing an air conditioning unit on the roof of the LG Facility.
- Based on the evaluation of the engineer, the size of the a/c unit was determined.
- Staff then prepared bid documents in the fall of 2018 and solicited bids from a number of different companies.
- In December of 2018, the District entered in to an agreement with the successful bidder and the contractor placed an order for all of the necessary equipment.
- All of the filed work was then scheduled for the months of April and May in 2019.
- As of the middle of May, both the new air handler and air conditioner units have been installed and tested.
- During the week of May 20 and 27, the new controls equipment will be installed and commissioned.
- As on the end of May we are still working with the company to get the new controls working correctly and commissioned.

SAC Batting Cage Equipment

Budget: $150,000
Funding: Mill Levy 2019 Project
Expenses to Date: $0
Scheduled Completion: End of 2019

- January – May staff has been doing due diligence evaluating a number of different types of batting cage equipment and pitching machine designs. Based on that research, the preferred machine is the ABC Batting Cage.
- Met with representatives from J & J Amusements on site on June 18, 2019 to evaluate the site and the retrofitting necessary to install ABC Batting Cages. It has been determined that the site can be modified to accommodate the preferred machines. We are evaluating the costs associated with the demolition, retrofitting and installation of the machine and hope to have a recommendation for board review at the July board meeting.

Ridge Exterior Wall Drainage Solution

Budget: $56,000
Funding: Capital Facility Repairs 2019
Expenses to Date: $0
Scheduled Completion: August of 2019

- Staff hired a company to evaluate the current condition of the drainage system originally installed around the east wall and the crawl space in Ridge Recreation Center.
- The investigation became necessary when it appeared that water was entering the facility and causing damage to the integrity of the building.
- The contractor issued a report and a plan of attack to repair the area along the exterior of the east wall and in the crawl space opposite the north wall of the gym.
- In March of 2019, the District entered in to an agreement with the contractor to perform the work necessary to protect the integrity of the building and at the same time construct a drain system to deal with future drainage issues, both on the exterior of the building and in the crawl space next to the gym.

New Condensing Tower - Edge Ice Arena

Budget: $85,000
Funding: Capital Facility Repairs 2019
Expenses to Date: $74,542.00
Scheduled Completion: Project Completed

- Staff received two bids and went with Arena Products and Services to complete this project.
- Staff received three options with new technology and have decided to go with Model CXVB-190-0809-15 Evaporative Condenser w/auxiliary cooling, which will be more efficient than our current tower.
- The tower has been ordered and will be on site May 21, 2019.
- Crane has been secured and will be on site for the removal of the existing unit as well as the new installation.
- The new unit was installed and put into operation on May 23, 2019

Edge Ice Arena Pro-shop Repurposing

Budget: $67,000
Funding: Facility Repairs 2019
Expenses to Date: $24,134.06
Scheduled Completion: June 2019

- Edge Performance Center chosen as the name.
- Walls painted and repaired.
- Large mirrors installed on one wall.
- During the month of May new flooring was installed, signage was installed, window coverings installed and the following equipment was delivered and installed: 5 self-propelled cardio machines, 2 squat racks, TRX, kettlebells, various weights, and plyo boxes.
- Also in May a part time core staff (Liz Vlad) has been hired to oversee the sports performance training programs and 5 Strength and Conditioning Coaches have been hired. Operation procedures are being finalized and marketing is in progress. Two groups have already booked time in June and we have an agreement in place for Foothills Hockey Association as well as Colorado Girls Select to use the Edge Performance Center for all of their team training needs for the 2019-2020 hockey season.

Edge Ice Arena Lower Room Repurposing

Budget: $13,000
Funding: Facility Repairs 2019
Expenses to Date: $0
Scheduled Completion: Summer 2019

- Staff will be converting a room in the lower level, currently being used by Foothills Hockey Association as a training room, into a dance/yoga studio for our Figure Skating athletes, making the Edge the most versatile rink in the area.
- Currently doing due diligence on the floor of the space to ensure there is no standing water issues. If none exists, we will proceed with floor replacement, add a ballet bar, mirrors and paint.

LG Fitness Equipment

Budget: $153,338
Funding: Mill Levy
Expenses to Date: $143.312.16

- Scheduled Completion: Project Completed
- In January 2019, staff began the due diligence for updating the Lilley Gulch Cardio/Weight area. It was determined that in addition to purchasing all new weight equipment, we would also give the space a facelift.
- Work commenced on March 13, 2019 with the removal of the old equipment. In the space of 10 days, several projects were completed.
- Ceiling in the free weight area was raised approximately 11 inches, this work included moving sprinklers for the fire suppression system.
- All walls were painted in both cardio and free weight area.
- Mirrors were added to an additional wall in the free weight area.
- All televisions were replaced with new 52" televisions.
- Replaced the spin bikes with new spin bikes.
- All new Matrix Strength Training Machines.
- All new equipment in the free weight room including dumbbells, Torque Machine for functional training, benches, and weight accessories.
- New hanging mat rack and mats.
- TRX equipment.
- The Cardio/Weight area reopened to the public on March 23, 2019.
- The final piece of equipment was received on May 7, 2019

Golf

Meadows Golf Club Hole # 16 Fairway Drainage Project

Budget: $92,602.58
Funding: Golf Course Development and Improvement Fund
Final Expenses: $92,602.58
Scheduled Completion: Project was completed on May 23, 2019

- Historically, the fairway on hole # 16 has had very poor drainage.
- A number of years ago, a company used an innovative technique of digging a number of trenches in a pre-engineered design.
- Once the trenches are dug, plastic pipe is then installed to move the excess ground water off of the fairway.
- This same technique was used on different portions of the fairway with great success.
- The District entered in to an Agreement with that same company to install the same type of drainage system in the remaining problem areas of the fairway.
- The goal is to give the excess ground water a place to go so any further damage to the fairway can be minimized.