

RECORD OF PROCEEDINGS

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

January 25, 2022

Virtual Only

You are invited to a Zoom webinar.

When: Jan 25, 2022 06:00 PM Mountain Time (US and Canada)

Topic: Board Meeting 1/25/2022 Register in advance for this webinar:

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

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

Prefacing the meeting, Director Meyer said he is still recovering from COVID, his voice is pretty much back but not totally and will try to get through this meeting the best he can.

- III. ROLL CALL:

Director Bielkiewicz:	Present
Director Trimble:	Present
Director James:	Present arrived 6:11pm
Director Butman:	Present
Director Meyer:	Present

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

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

- IV. APPROVAL OF AGENDA:

MOTION: Director Bielkiewicz moved that the Foothills Board of Directors approve the January 25, 2022 agenda as submitted. Director Trimble seconded the motion. Poll of the Board: Director Bielkiewicz, aye; Director Trimble, aye; Director Butman, aye; Director Meyer, aye. The motion was approved.

- V. APPROVAL OF DECEMBER 14, 2021 MINUTES:

MOTION: Director Bielkiewicz moved that the Foothills Board of Directors approve the minutes of the December 14, 2021 board meeting as submitted. Director Butman seconded the motion. Poll of the Board: Director Bielkiewicz, aye; Director Trimble, aye; Director Butman, aye; Director Meyer, abstain. The motion was approved.

- VI. COMMUNITY COMMENTS:

Nancy Werkmeister asked the Board for an update on where we are with the clubhouse. Mr. Hopp indicated he planned to give a lengthy report as part of the Executive Director's report.

RECORD OF PROCEEDINGS

Michael Sexton said he was accompanying Nancy who already said what they are interested in, and looks forward to the meeting.

VII. DECISION ITEMS:

A. May 3, 2022 Election Resolution

Referring to the memo provided, Ronald Hopp discussed staff are anticipating having an election on May 3, 2022. He pointed out the attached election resolution which would allow the District to move forward with the May 3, 2022 regular election, and outlined the key matters the resolution establishes.

Mr. Hopp discussed it would be for the purpose of electing members of the Board of Directors of the District and presenting certain ballot issues to the eligible electors of the Kipling Villas Sub-District. There will be three board members to be elected: one will represent Ward 3 and serve a three-year term, one will represent Ward 4 and serve a three-year term, and one will represent Ward 5 and serve a one-year term. Mr. Hopp discussed special district's terms for transitioning from even year elections to odd year elections. The resolution appoints Richelle Riley as the Designated Election Official, in coordination with Community Resource Services, and will be conducted as a mail ballot election.

Peak Community & Wellness Center is established as a Voting Center, Mr. Hopp explained, and because of the TABOR question in Kipling Villas, Ward 4, there will be a ballot drop-off location at Lilley Gulch Recreation Center. It is not a voting center, just ballot drop-off location. Mr. Hopp explained that regardless of whether there are one or more candidates in Ward 4, that election will need to run because a portion of the election cannot be cancelled. Ward 4 will have the TABOR question, even though it is a subset for Ward 4, it cannot be cancelled. There was discussion about the ballot box at Lilley Gulch. Mr. Hopp confirmed the election is not coordinated by Jefferson County, and staff are working with Community Resource Services on the ballot box and all of the details.

MOTION: Director Trimble moved that the Foothills Board of Directors approve Resolution No. 22-001 appointing a Designated Election Official and authorizing the DEO to conduct the May 3, 2022 election as discussed. Director Butman seconded the motion. Poll of the Board: Director Bielkiewicz, aye; Director Trimble, aye; Director Butman, aye; Director Meyer, aye. The motion was approved.

B. Sixth Avenue West/Columbine West Pools Design Contract

Derek Eberhardt discussed that included in the packet is a proposal from Perkins&Will to provide continued services for the Sixth Avenue West and Columbine West Pools project. The proposal is for design development, construction documents, bidding and negotiation for the pool projects, he explained according to the memo provided. Mr. Eberhardt recalled there is a repair scope currently under contract for now, the intent is to get the pools up and operating for 2022. At the end of 2022, construction would commence, Mr. Eberhardt explained what that involves. He discussed the design fees for this proposal. Staff have been working with the CM/GC and did get some initial cost estimates for both pools, he discussed. Staff have been working together to see if there are any value engineering opportunities. In addition, staff have been compiling a list of owner related items that will be on top of those costs.

Mr. Eberhardt answered questions from the Board. He talked about the value engineering items that have been identified so far, and the extra cost for Sixth Avenue West site improvements due to grading and removal and relocation of the parking lot; the pool components are fairly comparable. Mr. Eberhardt indicated the cost estimates have come in lower than the cost estimates from about a year ago, and Mr. Hopp elaborated.

RECORD OF PROCEEDINGS

MOTION: Director Bielkiewicz moved that the Foothills Board of Directors approve and authorize the Executive Director to execute an agreement with Perkins&Will to provide Design Development, Construction Documents, and Bidding and Negotiation services for the Sixth Avenue West Pool and Columbine West Pool projects as discussed, subject to staff and legal counsel approval. Director Trimble seconded the motion. Poll of the Board: Director Bielkiewicz, aye; Director Trimble, aye; Director James, aye; Director Butman, aye; Director Meyer, aye. The motion was approved.

VIII. EXECUTIVE DIRECTOR'S REPORT:

Highlighting the report provided, Mr. Hopp discussed the District did not receive the grant for the application submitted to the Department of Local Affairs for the 275 kw Rooftop Solar PV System at the Edge.

Mr. Hopp thanked Park's staff for recognizing there was a quality issue with park benches and picnic tables that have been installed as part of the Neighborhood Park projects. Staff contacted the company and they are replacing everything for no cost.

Mr. Hopp discussed he and Paul Rufien attended the Board of County Commissioners meeting last Tuesday to appeal the denial of inclusion for the two additional filings for Red Rocks Ranch sub-division. They also attended the Board of County Commissioners meeting this morning where they had deferred the hearings related to the re-platting of Red Rocks Ranch sub-division.

Mr. Hopp pointed out we did not have the holiday luncheon this year; we did Foothills attire for employees and have been delivering service awards. In the packet is a list of people who have a landmark service year.

Adding to the report, Mr. Hopp made the Board aware that the District was contacted by an individual who lives in an area that currently is paying taxes to both Foothills Park & Recreation District as well as City of Lakewood, and shared a location map. The area is Preserve at Weaver Creek. It was vacant land in the Foothills Park & Recreation District in 1999 as part of the exclusion process from Lakewood. In 2002 the developer of Preserve at Weaver Creek agreed to include into the City of Lakewood so they can get Lakewood services. Now their HOA has had conversations about wanting to exclude from Foothills Park & Recreation District, Mr. Hopp explained. Mr. Rufien discussed the petition and hearing process. A large consideration for the Board would be the terms of the exclusion agreement at the time with City of Lakewood when the two entities split, Mr. Rufien discussed, to see what was intended at that point in time. Mr. Rufien explained if there is a hearing, it would be led by him and conducted by the Board.

Mr. Hopp said Director James has been contacted by an individual, who lives in the Westgold Meadows area, with a concern about a trail that it was not being plowed, and believed there had been a historical agreement about plowing it. Pointing out Dancing Willows Park and trail, Mr. Hopp said Foothills owns the park and maintains it and maintains that trail up to a point which from then on is owned by the HOA. He shared the plat map that shows Foothills' ownership and Westgold Meadows property. Staff have plowed the HOA's part of the trail inconsistently and if we feel that this will be done long-term, the District should enter into an agreement, Mr. Hopp discussed. Before doing that, Mr. Hopp expressed wanting to make sure the Board would be palatable of staff entering onto private property to plow snow off of this trail. Director James agreed it would be good to have something in writing. Mr. Hopp acknowledged if there are not any objections, staff will proceed with trying to forge an agreement. Mr. Hopp discussed that ultimately this agreement would be approved by the Board. Paul Rufien added there needs to be indemnification in the agreement, and explained it should be made as airtight as possible.

Using screen share, Mr. Hopp provided a clubhouse update. He expressed thanks to the Board for supporting bringing on a Construction Manager/General Contractor (CM/GC) early-on in the construction process. Staff has been proceeding with conceptual designs and schematic designs. Based upon the 100 percent schematic design

RECORD OF PROCEEDINGS

given to Adolfson Peterson, the CM/GC, they priced the clubhouse. Mr. Hopp reminded that there was a placeholder of \$12 million for this project.

Mr. Hopp shared a document summary of the 33 different divisions on the building and site work and all of the things related to that, the percentages of the overall cost, including below the line types of things – contingencies, insurance, liability insurance, etc. The number for construction of the building is coming in at \$14.7 million. This is not inclusive of other contingencies, owner items and design. Mr. Hopp expressed the \$12 million placeholder is inadequate for this project at this point in time. He discussed specific items and noted there is quite a bit of contingency in the number of \$14.7 million. There are 32 pages of detail about that. Regarding what has caused this, Mr. Hopp discussed that staff started conceptualizing this in 2018/2019, and talked about a historical escalation of projects like this over the last four years.

Since staff got those cost estimates, the team was challenged to start looking at value engineering, Mr. Hopp explained, and outlined items for tier one; tier two; tier three; looking at all options. In addition to reductions, there are things staff would want to consider as add alternates, Mr. Hopp gave examples. In addition to construction costs, Mr. Hopp outlined the owner costs. Total of all of the hard costs of all of the building came out to about \$18.2 million, a lot higher than anticipated. Mr. Hopp discussed options that seem to be very doable, applying them comes to about \$16.3 million; that's the number being looked at in this point in time.

Mr. Hopp talked about contingencies and other revenue sources, considering the projected project amount of \$16.3 million. He indicated another option, not a preferred option, could be to go back to the drawing board and look at a much smaller building and new design that would fit within those numbers that were previously allocated. Mr. Hopp reiterated there are the options of starting over, all the way up to allocating whatever it takes. He expressed a preference for a compromised position of finding as much savings as possible without degrading the spirit of the facility and program elements.

Mr. Hopp requested the Board's feedback – go back to the drawing board, do whatever needs to be done, or somewhere in the middle. Director Meyer expressed the desire to stick with this plan and find reasonable cost savings, and discussed finding a way to get this done. Director Trimble agreed to not start over, and discussed. Referring to the screen share presentation, Mr. Hopp provided clarifications, and examples for tier one, tier two and tier three. Board discussion ensued. The point is, staff think there is room to cut without drastically changing the integrity of what is going to be done, Mr. Hopp discussed.

Looking at the earmarks we have with the COP and the 2022 unallocated, and 2023 projects for the capital budget, Director James expressed the \$16.3 million figure is a fair price and would feel comfortable with at this point in time. Mr. Hopp clarified this does not include any numbers that have been allocated to the neighborhood park projects in 2022. Director James expressed approval of the \$16.3 million figure. Director Butman agreed to follow through with what was started and expressed he would like to see the result when we get through everything and compare the lists. Mr. Hopp made clear the Board will ultimately approve a guaranteed maximum price number that will build the project. He reiterated if there are clearly efficiencies that can be had that don't change the program and don't compromise the integrity of what the original intent was, they should be looked at. We want to make sure we are conservative enough with our guaranteed maximum price, make sure we have contingencies so that we can get this project built right. Discussion about efficiencies continued. Director Bielkiewicz agreed with moving forward and expressed the clubhouse should be part of everyone's legacy in this area.

Michael Sexton observed we are looking at this like a one-time project. He suggested what if we change the paradigm and look at it as a three, four, or five-year project, and gave examples. Mr. Hopp acknowledged the parking lot could be a good example of that, something that could be deferred to a future year.

RECORD OF PROCEEDINGS

Nancy Werkmeister thanked the Board for continuing with this project and saying “go big or go home”, and expressed appreciation for the Board’s positive outlook on going forward with this project as much as we can. She questioned the simulator room. Mr. Hopp indicated staff feel strongly there should be a simulator room. He reminded this is not the final list of things that could be considered. Ms. Werkmeister expressed the kitchen equipment scope is something that we leave in. There was discussion about public input with the design team.

Director Trimble suggested that Mr. Hopp and the design team bring back a recommendation to the Board, what is being recommended to eliminate, and what we think we are going to have to add in.

Terry Reinig talked about the \$100,000 fireplace cost, it could bring pleasure for the golfers who are out there playing when it’s 42 degrees. The fireplace structure could bring an ambience that people would want to pay money for.

Mr. Hopp concluded staff have received good directions and appreciate the Board’s willingness to allocate additional dollars and trust the process. Staff are going to go through value engineering exercises with the pools as well, that is the prudent, responsible thing to do. If there are things we can do that won’t affect the program and the service that we’re providing, we should look at those. Staff will continue doing that with the clubhouse and the pools project.

IX. DISCUSSION ITEMS:

A. Finance Update

Dennis Weiner discussed the financial update through December 31, 2021 as detailed in the report provided in the packet. Going through the details of the report, he talked about operating revenue for the year, operating expenditures for the year, net operating loss, non-operating revenue and expenditures. Looking at the bottom line, Mr. Weiner concluded that net revenue for the year was better than the plan.

B. 2022 Planned Capital Improvements and Equipment

Referring to the memo provided, Mr. Hopp said in the 2022 budget there is \$46 million budgeted for capital improvements and equipment, a big increase over 2021 mostly because of the \$35 million COP. Staff are continuing the mill levy park improvement and facility improvement projects; in the fifth and final year of those. He recognized staff can identify future projects, depending on funding that is left, for 2023, 2024, 2025, and 2026 and hopefully beyond if the mill levy gets extended beyond 2026.

Mr. Hopp talked about the funding for the projects. Using screen share, he went through a 2022 Capital Improvement Projects and Equipment spreadsheet for Leisure Services, Parks, Information Technology, Golf, Miscellaneous, Golf Development Fund, 2021 COP Projects. Mr. Hopp indicated the equipment and types of capital projects that are earmarked are what staff intend to do in 2022.

C. Year-end Quarterly Reports

Dennis Weiner presented a fourth quarter update for the Administrative Services departments. He reported the financial performance for 2021 and spoke about activity for the fourth quarter within Human Resources and Information Technology as provided in the packet.

Derek Eberhardt reported financials for the fourth quarter of 2021 for Leisure Services. He talked about overall 2021 department highlights as detailed in the report provided. Barb Butler added highlights in terms of fourth quarter accomplishments for programming departments as provided in the packet.

RECORD OF PROCEEDINGS

Sue Maguire presented a fourth quarter, 2021 rounds update for the Golf department as provided in the packet. She highlighted accomplishments including Golf Development Fund projects and the new clubhouse at Foothills.

Colin Insley went through financial information for the Parks department fourth quarter, 2021. He discussed highlights for each departmental area as provided in the packet.

Mr. Hopp provided fourth quarter, 2021 highlights for Marketing and Community Outreach as included in the packet.

Mr. Hopp acknowledged there are lots of things going on in every department and expressed appreciation for all the efforts by everybody throughout 2021.

X. EXECUTIVE SESSION

Director Meyer said once the Board goes into Executive Session, it will not be a public meeting. The Board will come back into the public session to adjourn; no actual business will occur at that time.

- A. Legal Matters Regarding Jefferson County/Red Rocks Ranch per 24-6-402(4)(b), C.R.S.
- B. Personnel Matters per 24-6-402(4)(f), C.R.S.

MOTION: Director Meyer moved that the Foothills Board of Directors move into Executive Session for the purpose of addressing Legal Matters Regarding Jefferson County/Red Rocks Ranch per statutory section 24-6-402(4)(b), Colorado Revised Statutes and address Personnel Matters per statutory section 24-6-402(4)(f), Colorado Revised Statutes. Director Butman seconded the motion. Poll of the Board: Director Bielkiewicz, aye; Director Trimble, aye; Director James, aye; Director Butman, aye; Director Meyer, aye. The motion was approved.

The regular meeting adjourned at 8:30pm. Executive Session started at 8:35pm and ended at 9:59pm. The regular meeting reconvened at 10pm.

XI. ADJOURNMENT:

The regular meeting was adjourned at 10pm. The next regular board meeting will be held at 6pm on Tuesday, February 22, 2022.

Submitted by: Richelle Riley, Recording Secretary

RECORD OF PROCEEDINGS

Executive Session Attestations:

I hereby attest that Personnel Matters, 24-6-402(4)(f), C.R.S in the January 25, 2022 Executive Session that was not recorded constituted confidential communications, and was not recorded pursuant to instruction of district legal counsel.



Paul Rufien, District Legal Counsel

I hereby attest that Personnel Matters, 24-6-402(4)(f), C.R.S. in the January 25, 2022 Executive Session that was not recorded was confined to the topic authorized for discussion in Executive Session.



William Meyer, Chair