

**SOUTH SUBURBAN PARK AND RECREATION DISTRICT
REGULAR MEETING NO. 897
MINUTES**

(Note to the minutes: The regular sessions of the Board of Directors on September 27, 2017 were cancelled due to anticipated lack of a quorum. Proper posting had been accomplished per State Statute. /ds)

1. Call to Order

A regular meeting of the Board of Directors of South Suburban Park and Recreation District was called to order at 5:40 pm on **October 11, 2017** at the Goodson Recreation Center, 6315 South University Boulevard, Centennial, Colorado. Chair John Ostermiller presided.

Board of Directors: John K. Ostermiller
Scott A. LaBrash
Pamela M. Eller
Michael T. Anderson
James A. Taylor

Legal counsel: Kathryn G. Winn, Esq., Collins, Cockrel & Cole PC

Management staff: Rob Hanna, Executive Director
Mike Braaten, Deputy Executive Director
Rich Meredith, Executive Director, Hudson Gardens
Brett Collins, Director of Planning & Development
Jay Dikeman, Director of Hospitality Services
Andy Jennings, Director of Parks and Open Space
Mike MacLennan, Director of Information Technology
Eileen Matheson, Director of Recreation
Bill Ramsey, Director of Golf
Steve Shipley, Director of Finance
Erich WonSavage, Director of Human Resources

2. Study Session

Items of Interest topics included the following.

- 2.1. Monthly Department Reports
- 2.2. The Hudson Gardens Executive Director's monthly report
- 2.3. Meeting updates from staff liaisons
- 2.4. Consent agenda item for review included: Accounts payable, September 2017
- 2.5. In addition, the Board discussed
- 2.6. The August 2017 monthly financial overview
- 2.7. Look Ahead (A review of future agendas, and upcoming events)

3. Recess

The Board paused at 6:54 pm and returned to the public meeting at 7:05 pm.

4. Public Meeting continued

- 4.1. Formal roll call
All Boardmembers were present.

4.2. Pledge of allegiance

4.3. Certification of agenda

Mr. Hanna reported that there was no news to share regarding a current negotiation on a potential property acquisition. Therefore, there was no need for an Executive Session at the end of tonight's public meeting.

4.4. Report on Executive Session held September 13, 2017

Mr. Ostermiller reported on and requested the following: The Board of Directors went into Executive Session along with the Executive Director Rob Hanna, Hudson Gardens Executive Director Rich Meredith and Legal Counsel Tim Flynn at the conclusion of the September 13, 2017 Regular Meeting to determine positions relative to matters that may be subject to negotiations, develop strategy for negotiations and instruct negotiators. He requested: "If anyone believes that any substantial discussion of any matters not included in the motion to go into the Executive Session occurred during the Executive Session, or that any improper action occurred during the Executive Session in violation of the Open Meetings Law, I would ask that you state your concerns for the record."

None of the Boardmembers had any concerns at this time.

4.5. Unscheduled public comments

No public came forward to speak this evening.

4.6. Employee introductions

Mr. Braaten introduced Chris Harguth, the District's new Communications Manager.

Mr. Dikeman introduced Roadovan (Rad) Elekovic, the new Food & Beverage Manager of the South Suburban Golf Course Bar & Grill.

4.7. Legal Counsel's report

Ms. Winn referred members to the confidential written report in tonight's packet. She had nothing to add at this time. She offered to answer questions.

Mr. Hanna updated members on a very recent citizens' initiative to create a small park and recreation district within South Suburban boundaries in order to continue to operate an old private club property currently known as the SouthGlenn Golf Course, with a par 3 course and swimming pool. The club property is adjacent to Mark Twain Elementary and serves about 1,300 houses. It is believed the neighborhood wants to avoid development of multi-family housing on the club property.

There will be a neighborhood meeting next week to determine if the residents want to move forward. If the citizens approve a ballot question for bond funding in November and initiate the formation, then the District would have the option of approving a resolution of consent to overlap, that would have a very narrow scope of approved operations to match their current operations, and that would not compete with other South Suburban programming.

Past communications between the neighborhood and South Suburban have centered on South Suburban's possibly purchasing and operating the club property as-is. South Suburban management has concluded that the District might be interested in potentially acquiring the club property for other recreation uses, but not maintaining the property as it's been built out.

To Mrs. Eller's question, Ms. Winn believed that the proposed district would match the original developer's footprint for the subdivision. Members shared their knowledge regarding the ongoing situation in the community.

On conclusion, Mr. Ostermiller directed staff to continue their investigation.

4.8. Minutes approval – Meeting No. 896, September 13, 2017

There were no changes. Without further objection, the minutes stood approved as presented.

4.9. Executive Director's report

Mr. Hanna passed the microphone to Mr. Harguth, who presented two new items. The Painted Ladies butterflies migration through the south metro area has been of intense local interest, and Skot Latona's South Platte Park Facebook page reached half a million people and gained 3,000 reactions. The District's new promotional video, 1001 Ways to Explore and Enjoy South Suburban, is finished and will be posted on the District website, and used at presentations with local partners; and a portion of the video can be used in the future Gold Medal application.

Mr. Hanna stated, the District hasn't built a library of video. Mr. Harguth added, staff will be taking lots of photos and videos, and growing the District library. Mr. LaBrash asked staff to track the views of the new 1001 video.

4.10. Consent agenda items approval

- A. Accounts Payable for September 2017 in the total amount of \$2,495,250
Mr. Anderson moved to approve item A. Mrs. Eller seconded the motion. There was no further discussion, and the motion was approved unanimously (5-0).

4.11. Public Hearing: Chase Park Preliminary Master Plan Review

Brett Collins and Jason DeHaan presented the preliminary development plan. A new plan has been developed for the entire park, including the newly acquired parcel donated by the Chase family to the City and on the west side of the park. The Park and neighborhood are surrounded by major roads (Federal Boulevard and Oxford Avenue) as well as heavy industrial uses. Following discussions with the City and neighborhood meetings, staff re-scoped their first draft to include additional amenities, recognizing the neighborhood's need for a more full-featured park.

To fund this larger project, staff has partnered with the City of Sheridan on funding. Originally the City and District each earmarked some funds for 2017, which will be carried over. The City and District staffs are in the process of applying for additional 2018 budget amounts and will apply for an Arapahoe County Open Spaces grant in 2018. The neighborhood and several City Councilmembers have been supportive of the plan.

Following Board approval tonight, staff is taking the plan to the full City Council for formal approval, then would bring back to the District Board for an approval of the final Master Plan.

Mr. Taylor asked about the two parallel fences in one location. Staff reported the District fence would be on the District property line; and then the Valentine's Marine fence, located on the business property, can stay in place - or the owner could take it out, he could extend his fences on the north and south, and then he can claim back some currently un-utilized property. Staff is trying to contact the business owner to talk about options. There is no timeline yet for this part of the project. District and City staffs are talking about the choice of materials for the District fence, particularly as a typical 6-foot wood screen fence could be a graffiti magnet in this location.

Mr. Ostermiller encouraged staff to place the District fence on District property and avoid future confusion.

To Mrs. Eller's question, staff affirmed the entire Chase Park would be irrigated, and the entire irrigation system is being upgraded with this plan. Possibly it will be necessary to grade back the new parcel so that it can be mowed.

Mrs. Eller noted that the City has been re-surfacing the street nearby and making it passable, in support of some very nice nearby homes. She concluded, the neighbors are excited, and the amenities are needed.

Mr. Ostermiller opened the public hearing. No public came forward to speak. Mr. Ostermiller closed the public hearing and requested a motion. Mr. Taylor

moved to approve the Chase Park Preliminary Master Plan. Mr. LaBrash seconded the motion, which was approved unanimously (5-0).

Mr. Collins reported the County grant application is due in April 2018. He introduced Andrew Rogge, Sheridan planner, who has worked with District staff. Mr. Rogge affirmed that the City supports the plan.

4.12. 2018 Proposed Budget Summary Presentation

Staff presented the draft 2018 Budget for Board consideration.

Mr. Hanna reviewed the highlights of the proposed budget. He expressed confidence with the data and the numbers; it is a conservative budget. The District is making great strides and steps in accomplishing the master and strategic plans approved in 2017. With the results of the November special election, staff plans to present a final budget for Board approval after November 7. Messrs. Hanna and Shipley addressed the impact of the minimum wage increase, and projected capital improvement funds (estimate: \$8 million available, with a potential projects list of \$10.9 million). The District has strong reserves going into the new year, a total of \$5 million. Staff has suggested a strategy to ensure that the District can cover Certificates of Participation (COPs), if the District decides to build an ice arena, and discussion will continue; the issuance of COPs for a major facility project and funding for initial phases of planning and construction are not in the proposed 2018 budget.

Mr. Ostermiller opened the Board discussion. He noted the projected average salary increase in 2018, and he asked where that would put the District in the local job market, for government jobs and for the region generally. Mr. Won Savage reported the Mountain States Employers Council data has identified a local trend to develop separate salary incentives for average workers vs. higher performers. In 2018, he anticipates that average performers may receive an average increase of up to 3%, and top performers may receive up to a 4.7% increase, which should keep the District fairly close to market. Mr. Hanna continued: The District moved up the entire pay scale 3.5% last year to keep the scale at midpoint with the local market; and staff is not proposing another such move this year, as HR staff has reviewed other agency rates and concluded that the District is in range. The District is in range for full-time positions; but with part-time positions, the District is dealing with wage compression due to the move in minimum wage; and with the local market, it has been difficult to fill some positions.

Mr. Anderson asked about management's general guidelines for those who are eligible for higher earnings. Mr. Hanna explained the matrix for merit increases, which drives salaries towards the midpoint. Mr. LaBrash cautioned staff not to let the District fall behind, especially for the part-time positions, because it will be hard to hire people when the District staffs up in the spring. Mr. Hanna reviewed some of the difficulties, and he noted that the District offers some benefits that other employers can't match.

Mr. Taylor noted recent discussions in Sheridan, about what to do with the old pool building adjacent Sheridan Recreation Center. He asked about possible funding in the proposed 2018 Budget. Messrs. Shipley and Hanna explained that the District doesn't own that building, it belongs to the School District, and this project not on the five-year horizon for the District. Mr. Taylor suggested that the community probably will move forward more quickly.

There were no further comments from the Boardmembers at this time, and Mr. Ostermiller closed the discussion. The third public hearing on the 2018 Budget will be during the regular public meeting on November 8, 2017.

4.13. Approval of 2018 Employee Benefits Package

Mr. Won Savage presented. He referred to the discussion during the September 13 study session; staff has included the same summary as previously. He asked the Board to make a decision tonight to approve the changes in benefits and the holiday.

Mr. LaBrash was pleased with the insurance premiums, and he felt that staff would see these as a strong positive.

Mrs. Eller noted recent media coverage on employee healthcare and discussions about offering HSAs instead of flexible spending accounts. Mr. Won Savage explained the value of an HSA program depends on the type of medical plan, and the District doesn't have a high-deductible plan.

Mrs. Eller moved to approve the final employee benefits renewal proposal, with the net increase to be paid for with a \$22,162 buy-down from the Benefit Fund reserve balance, for the benefit plan year January to December 2018; and further, to approve a one-time single pay period premium holiday in 2018, buying down the Health Fund's reserves by approximately \$115,400, if the fund's balance is at or exceeds \$1.5 million at fiscal year-end.

Mr. LaBrash seconded the motion, which was approved unanimously (5-0).

4.14. Sunset Park, Expansion and Irrigation Project: Award of Construction Contract

Brett Collins and Jason DeHaan reviewed the history of the project. A master plan, encompassing the developer's donation of property and cash-in-lieu funds to enhance Sunset Park, was approved in 2006. Now that the new housing development is moving forward, the new parcel has been graded out and is ready for park development. The entire park needs irrigation improvements, and there's an opportunity to add bluegrass. Staff asked for approval of the construction contract with Grandview Landscape-Irrigation Corporation.

Mr. LaBrash asked if the project is funded by the District solely, and staff referred to the cash-in-lieu collected and banked in 2006 from the developer. It makes sense to do all the work on the Park at once, as one construction project. To Mr. LaBrash's question, staff agreed that including the irrigation upgrades in this improvement project will complete a District priority for irrigation improvements across the District.

Mrs. Eller moved to approve the construction agreement with Grandview Landscape-Irrigation Corporation for the Sunset Park Expansion and Irrigation Renovation Project in the amount of \$86,555.80; and approve a total project budget of \$115,049.61, Mr. Anderson seconded the motion.

Mr. Ostermiller asked if Grandview has performed work for the District in the past. Staff affirmed that the contractor has, and Grandview is one of their preferred contractors. Mr. Ostermiller noted that while Grandview was the lowest bidder, the bid was not out of line with the other bids and so that speaks highly of the contractor. Mr. LaBrash noted, it's good to see more than one bid; staff agreed.

Mr. Collins noted that one factor for a successful bid was the flexibility on the schedule and the winter construction schedule generally, which will help the contractor keep its people busy during the low season.

The motion was approved unanimously (5-0).

4.15. Directors' items. Committee meeting updates

Mr. Anderson reported on the most recent Lone Tree Subcommittee meeting, also attended by Messrs. LaBrash and Hanna.

- Lone Tree representatives were impressed with the renovated South Suburban Clubhouse.
- The RidgeGate East inclusion schedule is pending a number of steps that have to be done. Perhaps at the end of the year, or early in 2018, they'll be talking about the master IGA between the District and City and another agreement with RidgeGate Inc., the developer.
- Award of contract for construction for Phase 1 of the Entertainment District Park is anticipated. The plan for the public art placement is coming together.

- The City is very pleased about the interest that citizens are showing in the new Lone Tree Hub, and the different types of activities offered. There's a question to consider, whether or not the District can help out the local groups with needs for meeting space; Mr. Hanna is taking these requests into consideration.
- The Lone Tree City Council is very aware of what the District has worked out with the City of Littleton regarding the Mary Carter Greenway signage. They are impressed with the new system, and the District has set a standard for local sign systems.

To Mr. Ostermiller's question, Boardmembers and staff reported that construction of the Leaf Bridge (over Lincoln) is moving forward, and the City is thinking about a ceremony to open it just before the end of the year. Mr. LaBrash added, the trail activity right there has to be worked out.

Mrs. Eller noted articles in the Sheridan newsletter and Littleton Independent regarding the District's special election, concluding, the articles are fairly accurate. There was a nice article about Parks Director Andy Jennings recently in YourHub; and in the west-side edition, some complimentary coverage about the BMX track (Lorenz Regional Park).

Mrs. Eller reported on the Special District Association's annual conference in Keystone, in September. She represented the District during their annual meeting. She noted, the SDA now has 1,714 District members and 255 associate members, and 85% belong to the insurance pool. She reported on several sessions.

Mr. LaBrash reported on the National Recreation & Parks Association annual conference in New Orleans, also in September. He focused on communications sessions. Referring to a session on drones, Mr. Jennings reported that the District owns a couple of drones and some staff are qualified pilots; they are using the drones to inspect tree canopies. Mr. Jennings concluded, the District is in compliance with Federal requirements for drone use.

Mr. LaBrash asked the District to think about placing outdoor recreation/fitness stations on a trail loop. Staff reported on some plans underway. Mr. Ostermiller reported the Gardens Board is also thinking about a station system in Hudson Gardens.

Mr. LaBrash also reported on Lone Tree's submission to build a major Amazon headquarters in the City. The City is moving forward and has drafted their submission to Amazon, and the District is writing a letter of support for their package. Mr. Hanna added, the State wants to gather all the local proposal packages (including Denver, Aurora, and Louisville at this time) and to pick one Colorado city for a final submission. Mr. LaBrash believes every major city in the US is preparing a submission.

Mr. Ostermiller added his thoughts about the recent NRPA annual conference. His goal was to find out what the District is doing vs. what is recommended, and he had focused on food & beverage operations and golf operations. Regarding golf operations, he concluded, the District is outperforming the market; Mr. Hanna added, however, the NRPA presenter specializes in distressed properties. Mr. Ostermiller believes that the NRPA presentations are available online for staff's review.

Mr. Anderson added his thoughts on the NRPA STEM (science, technology, engineering and math careers initiative) presentation. The presenter encouraged park and recreation providers to use their strengths and help children find their interests in the sciences, and ultimately careers in technology and engineering. He encouraged the District to "keep our mind open" and look for ways to make this happen.

Mr. Ostermiller reported he will attend the upcoming Littleton Public Schools Board meeting. Their agenda includes an endorsement of the District's November ballot questions. He noted the great relationship between LPS and the District, and he complimented Mr. Hanna and staff for their work.

MINUTES

4.16. Session announcements and emergency items

(Note to the minutes: There were no items included on tonight's agenda. Following discussion during Study Session tonight, during the next meeting, staff will request calling a special session on November 16 and cancelling the November 22 sessions for the Board of Directors' formal approval, with appropriate posting to be accomplished thereafter. /ds)

5. **Adjournment**

The group adjourned for the evening at 8:55 pm.

Donna Shephard
District Records Clerk

/ds