

**SOUTH SUBURBAN PARK AND RECREATION DISTRICT
REGULAR MEETING NO. 823
MINUTES**

Call to order

A regular meeting of the Board of Directors of South Suburban Park and Recreation District was called to order at 5:36 pm, Wednesday, August 27, 2014 at the Goodson Recreation Center, 6315 South University Boulevard, Centennial, Colorado. Chair John Ostermiller presided.

Present: John K. Ostermiller
Susan M. Rosser
Pamela M. Eller
Michael T. Anderson
Scott A. LaBrash

Legal Counsel: James P. Collins, Esq.

Management Staff: David Lorenz, Executive Director
Deanna Heyn, Deputy Executive Director
Brett Collins, Director of Planning & Development
Teresa Cope, Director of Communications
Jay Dikeman, Director of Hospitality Services
JoAnn Gould, Director of Recreation & Community Services
Mike MacLennan, Director of IT
Rich Meredith, Executive Director, Hudson Gardens
Jim Priddy, Director of Parks & Open Space
Bill Ramsey, Director of Golf
Clay Shuck, Deputy Recreation Manager
Steve Shipley, Director of Finance

Study Session

After the call to order, Mr. Ostermiller convened the Study Session, and the group discussed several items on the posted Study Session agenda. (See continued discussion below.)

The Board paused at 6:55 pm and returned to the public meeting at 7:04 pm.

Special announcements

Mr. Lorenz announced **JoAnn Gould** was named a 2014 Manager of the Year by the Special District Association. Mr. Collins noted that there are 2,500 special districts in the State, with staff competing for this recognition. Ms. Gould will be honored on September 12 at the Special District Association's annual conference in Keystone.

NEW BUSINESS

November 4, 2014 election. Ballot issue and Resolution.

Mr. Lorenz provided a history for the benefit of the public present. During recent sessions, the Board of Directors made some recommendations to legal counsel and staff regarding how to draft the ballot question. Since then, Mr. Lorenz made some minor suggestions for additional language regarding potential investments in solar energy and water systems, and particularly to use untreated water sources to irrigate District properties. Both of these types of projects will take infrastructure investments. Therefore the Board received two drafts tonight.

The formal call for the election (the Resolution, See below) also is presented for Board consideration tonight. Jim Collins reported, the Resolution is pretty straightforward and standard, comprising the Board's certification

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of the ballot question, providing for a coordinated election with the three counties, and formally appointing Mrs. Heyn as the Designated Election Official.

Ballot language

Mr. Ostermiller asked for continued discussion.

- Members expressed support for the second option.
- Mrs. Rosser suggested the addition of “aging and ...” to the bullet language regarding irrigation systems. She suggested that this type of improvement is something that homeowners face, and it speaks to what they know. Members had no objections.
- Mr. Anderson asked if Ms. Weigel, who conducted the public survey in July, tested the Mr. Lorenz’ proposed additions, and if there were any concerns. Ms. Cope thought there were no concerns.

MRS. ELLER MOVED TO APPROVE THE FOLLOWING BALLOT ISSUE LANGUAGE (Option 2) WITH THE ADDITION OF THE LANGUAGE REGARDING THE AGING IRRIGATION SYSTEMS, FOR THE NOVEMBER 4, 2014 ELECTION:

SOUTH SUBURBAN PARK AND RECREATION DISTRICT BALLOT ISSUE:

SHALL SOUTH SUBURBAN PARK AND RECREATION DISTRICT TAXES BE INCREASED \$4,539,010 IN 2015, OR BY SUCH AN AMOUNT AS MAY BE RAISED ANNUALLY THEREAFTER FOR A TEN YEAR PERIOD ONLY, ENDING IN COLLECTION YEAR 2024 BY THE IMPOSITION OF AN ADDITIONAL AD VALOREM PROPERTY TAX RATE OF 2 MILLS, FOR GENERAL OPERATING AND OTHER PURPOSES, INCLUDING:

- **PROTECT AND ENHANCE THE HIGH LINE CANAL TRAIL, THE SOUTH PLATTE RIVER TRAIL (MARY CARTER GREENWAY) AND OTHER LOCAL TRAILS;**
- **REPAIR, MAINTAIN AND IMPROVE EXISTING PARKS, RECREATION FACILITIES AND PLAYGROUNDS;**
- **REPLACE OUTDATED MECHANICAL EQUIPMENT WITH NEW ENERGY SAVING SYSTEMS INCLUDING SOLAR ENERGY; AND**
- **SAVE WATER BY REPLACING AGING AND INEFFICIENT IRRIGATION SYSTEMS IN PARKS AND USING NON-TREATED WATER WHERE FEASIBLE;**

AND SHALL SUCH REVENUES BE COLLECTED, RETAINED AND SPENT NOTWITHSTANDING ANY OTHER REVENUE LIMITS PROVIDED BY LAW?

Mrs. Rosser seconded the motion. The motion to approve the ballot language was approved unanimously (5-0).

(Note to the minutes: **Since this meeting, the counties’ election staffs (Arapahoe, Douglas, and Jefferson) have directed that the ballot issue number will be 4C.** D Shephard, September 5)

Election Resolution

Members then turned to review the proposed Resolution. Mr. Collins recommended approval with the amended ballot language attached as Exhibit A to Election Resolution.

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Mr. Ostermiller asked if the individual Boardmembers are ready to go to voters and request approval of a 2-mill tax increase.

Mr. LaBrash reported he has delved in this at length, and it's a big battle for him. He attributes this to a situation with his 21-year-old: Every time they need more money, they ask Dad. It's would be selfish of him not to allow voters to say whether or not they will support this ballot question. It will be easier for staff to development the budget. But, the current District Board is kicking the can down the road: The District will get used to having more money. A current or future Board will have to make hard decisions if money stops flowing. He concluded, it's not an easy decision for him, but he will leave it up to the voters.

Mr. Anderson stated: The timing is right, and he's not sure it will get any better. This Board, for a number of years, has worked through difficult budgeting processes, declining reserves, and deferred maintenance. We have a problem we should not kick down the road. The election question should be put forward at this time if at all possible. The Gold Medal Citizens committee recommended it. It's timely to move forward and ask citizens if they want to support it.

Mrs. Eller stated, she finds it very difficult to talk about increasing taxes. At the same time, she's been on the Board for five years; she's seen what the citizens came up with. She's learned about the District every week. As a whole, the District is very frugal and conscientious about spending. While individuals have some fantastic ideas, the Board and staff have been smart and frugal enough "not to go there." What the pro- committee needs to sell is, that the District has been very conscientious about spending the dollars. Research and experience have proven this is what we have to have, just to maintain what the District has now.

Mrs. Rosser explained her own process for evaluating a ballot question and what value she will get. She has concluded that the voters will be paying about \$16 per year, per \$100,000 value of their homes, or on average \$45-65 per year with this two-mill increase. Voters need to think about the value they will get back from the parks and trails. Residents can walk out their doors and use the parks and trails. It's so much better, and healthier, for children and all residents to have recreation areas that are in good shape and safe. And the well maintained facilities are a primary sale point (asset to the house) when homeowners are ready to sell their homes. The pro- committee will try to convey that this is an easy "Yes." However, she wishes we didn't have to do it. Responding to Mr. LaBrash's analogy, she suggested that if a child is working and doing a good job and just needs a little extra money, that's a different situation, and she hopes the voters will see it this way.

Mr. Ostermiller stated, the Board and staff have seen this coming. Four years ago, they started working with Arapahoe County, with a plea to include South Suburban in the distribution of the open space tax program. The County Commissioners didn't see fit to include park and recreation districts in that distribution. The District asked the County to increase the percentage of open space tax funds that could be used for maintenance purposes; the percentage was increased slightly, probably mainly to take care of the Arapahoe County Fairgrounds maintenance. Not much else came out of those meetings. Currently, the District is asking the cities to share some of their open space shareback funds; but the cities have their own projects and priorities for the money, not all in the best of interest of South Suburban's providing park and recreation services. He concluded, we've turned over every stone.

The Gold Medal Citizens Committee concluded this year that the District has to maintain what we have, and to preserve our parks. He referred to reports prepared recently by Mr. Shipley, documenting increases in maintenance and acreage of irrigated and non-irrigated properties, as well as the decrease in full-time equivalent staff over 10 years, from 513 in 2004 to 469 in 2013. They've cut, tightened up, delayed projects, and worked to balance priorities to available funds.

Mr. Ostermiller concluded his remarks. For the last four years, the Board has seen this coming—the need for additional funds. He hopes the voters will see it this way. We are a very well managed district, with four Boardmembers having served a number of years. The District has been a finalist in the national Gold Medal program three times in five years. The District is offering a lot of benefits to the public, and they expect us to

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continue doing so. He doesn't see we have any other choice; the District has to go to the voters and ask for their support.

There were no further questions or comments.

MRS. ELLER MOVED TO APPROVE THE RESOLUTION CALLING FOR THE NOVEMBER 4, 2014 SPECIAL ELECTION. Mr. Anderson seconded the motion. Mr. Collins clarified, the amended ballot is included with the resolution; and appointing Mrs. Heyn as Designated Election Official. There was no further discussion, and **the motion was approved unanimously (5-0).** (A copy of the Resolution with the approved ballot language is attached hereto and made part of the permanent record.) Mr. Ostermiller directed Mrs. Heyn and Mr. Collins to move forward and ensure that the question would be on the three counties ballots.

Mr. Ostermiller thanked Board and staff for their work, noting their efforts in support of the work of the Gold Medal Citizens Committee.

For the record, Mr. Ostermiller noted that District staff could no longer work on any pro-committee activities as employees, though they can volunteer on their own time if they so desire. The volunteers will not look to District staff (on the clock) to provide information other than factual information.

Energy savings performance contract (EPC). Award of contract to McKinstry Essention, LLC

Mr. Lorenz explained the difficulty of the task of preparing for this contract, which involved a year of work for District management and supervisory employees. McKinstry staff visited facilities across the District, performing testing and monitoring. McKinstry staff has been very good working with us, and the District appreciates their responsiveness. Mr. Lorenz thanked Brett Collins particularly, for all his work.

Brett Collins introduced Kevin Morse with the Clean Energy Collective and Stacy Simms and Alex Mondana with McKinstry. He asked the Board to take advantage of this opportunity to save energy and water and to update equipment through the District. The award of contract to McKinstry would be for facility improvements throughout the District.

“Going green” has been one of the District’s 2013 and 2014 goals. He noted the work of the District employees’ Sustainability Committee, which is supporting McKinstry’s project. The District entered into an EPC in 2001 and so is entering into the current contract with a little experience. Improvements in upgraded facilities as well as energy and water savings will pay for the improvements over time.

Brett reviewed the development process, including technical energy audits for about twenty District facilities: monitoring, reviewing, and figuring out what will and won’t work and yield the necessary payback. McKinstry found solutions they could guarantee and prepared a list of recommendations. District staff reviewed the list and made changes, and have arrived at a contract they think that can go forward. Staff is proposing that the Board approve the EPC. Replacements and improvements will begin September 2014 and will be scheduled around facilities’ programs and events.

Results verification will be overseen by the Colorado Energy Office for a minimum of three years, with the option to extend it after three years if the District chooses. If the project is not working, McKinstry is on the hook for three years for the energy savings that District doesn’t get; sometimes it will be difficult to measure results; however, the Colorado Energy Office has a better verification system in place since the first District project in 2001.

A major project across the District will be to replace current fluorescent lighting systems with LED lights; and putting energy management systems (software) in place to turn systems on and off, and allow certain staff the ability to control systems at a facility or District-wide level. Other projects will include new boilers and heat recovery units.

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Acquisition of the solar array is wrapped into the EPC, and the array is paramount to getting equipment. (See the contract approval below.)

The simple payback period is about 13.7 years, based on a Guaranteed Maximum Price of \$5,732,325. Any additional savings will be wrapped back into the project or used to pay off debt. If the project has cost overruns, then McKinstry covers it. The cash flows also include some incentives from Xcel Energy and others, estimated (conservatively) at \$215K; the incentives are not guaranteed, and if they don't total \$215K, a project may be deleted.

Tim Flynn, Esq. with Collins, Cockrel and Cole has reviewed the contract.

Brett praised Mr. Flynn and the District staff for all their help with this project.

Referring to the recommended motion included in the packet, Brett explained that he is providing a revision. Since the comments were drafted last week, District Planning staff found that Accounting staff changed Xcel account numbers on some of the meters, which would impact tracking past meter readings. The project is contingent on Xcel billing credits based on District use history. Therefore, legal counsel has requested a contingency phrase in the motion (See below).

Mrs. Eller requested explanation regarding the discussion about controllers in different facilities. Brett explained this is the computerized system to control the HVAC systems. District staff will be able to program set points for heating and cooling, monitor use from a distance, and overall will have a lot more control over the HVAC systems. McKinstry will train key staff and will give the staff as much help as they need to master the computer system. The EPC project also includes dampers and different zones, which will enhance the controls and savings.

To Mr. LaBrash's question, Brett explained that the EPC and solar garden purchases involves award of contracts to two different companies. If the Board would decide not to approve the solar garden later this evening, then staff will need to return to McKinstry and reevaluate the EPC, probably with a reduction of District equipment replacements.

To Mr. Anderson's and Mrs. Rosser's questions, staff assured them that McKinstry has a detailed implementation schedule at this time, to complete facility installations and upgrades at the end of 2015. Plans for the facilities have been delineated in detail, and projects at one facility are not dependent on completion of another project.

Mr. Shipley reported that the annual savings per year should be a dollar more than the debt service payment, for 14.5 years, at the direction of the State requirements.

Mr. LaBrash asked why the Family Sports Center's ice arenas compressor is a higher priority than South Suburban Ice Arena's. McKinstry representatives agreed that both need to be replaced, but the Family Sports unit is in need of immediate replacement.

Mr. Ostermiller asked Jim Collins if this arrangement has any TABOR implications, and Mr. Collins reported it doesn't, because the financing is through the annual appropriation method.

Mrs. Rosser asked why the only window replacement project is slated for the Administration Building. Brett explained that windows would supplement the fewer improvements being made to the building's HVAC system. Window replacements projects are not a substantial payback candidate.

There were no further questions. **MRS. ELLER MOVED TO AWARD AN ENERGY SAVINGS PERFORMANCE CONTRACT TO MCKINSTRY ESSENTION, LLC AT A GUARANTEED MAXIMUM PRICE OF \$5,732,325 FOR FACILITY IMPROVEMENT MEASURES TO BUILDINGS THROUGHOUT THE DISTRICT TO SAVE ENERGY AND WATER AND APPROVE A RESOLUTION FOR FINANCING THE PROJECT WITH ALL AMERICAN INVESTMENT GROUP, LLC THROUGH A CAPITAL LEASE IN THE AMOUNT OF \$5,760,987 INCLUDING INTEREST AT**

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A 2.57% INTEREST RATE FOR 14.5 YEARS: CONTINGENT UPON FINAL APPROVAL FROM XCEL ENERGY FOR BILL CREDIT RATE REIMBURSEMENTS FOR THE CLEAN ENERGY COLLECTIVE SOLAR GARDEN PURCHASE. Mrs. Rosser seconded the motion. There were no further comments, and the motion was approved unanimously (5-0). (A copy of the Resolution is attached hereto and made part of the permanent record.)

Mr. Ostermiller thanked Brett for all his work.

Mr. Shipley explained that McKinstry would sign the contract on Thursday. Mr. Ostermiller and Mrs. Eller will be asked to come to the office and sign lease documents, probably next week.

Mr. Ostermiller concluded, he thinks this is a good deal for the District. The District is getting some much-needed improvements and energy savings in place, without really affecting its cash flows.

Solar garden project. Award of contract to Clean Energy Collective (CEC)

Brett Collins presented. He noted again that the EPC project was approved dependent on this award. The gardens are in Aurora (Tower Road and 6th Avenue) and Denver County (Pena Boulevard and Green Valley Ranch Road). Mrs. Eller noted that four of the meters are for Arapahoe County solar garden and one for the Denver garden.

CEC has set up the gardens and will operate, maintain, and repair the solar panels; the District won't incur any maintenance. It's anticipated the panels will produce a 170,375 kilowatt system.

The District will receive monthly billing credits from Xcel Energy. The District will receive a clean energy credit for the panels as well. project payback is estimated to be between 6 to 7 years, a pretty phenomenal increase over other solar projects considered in previous years. McKinstry was impressed with the payback, and the Colorado Energy Office thought it was good too. In order to move forward, staff requested a total of \$630,388 to pay for the panels (less the 10% down payment—\$63K—previously approved. See July 9 minutes. /ds). They recommended a transfer from the Cherry Hills reserve fund.

Mrs. Eller asked for an explanation of low use and high demand. Kevin Morse, CEC explained that this is the classification for equipment which is used infrequently but requires a lot of energy when running.

To Mr. LaBrash's question, staff and Mr. Morse reported that the online monitoring system will provide energy reports by the month and year. The Xcel Energy billing will reflect the credits. Funds will be paid to and tracked in a separate District line item account. Mr. LaBrash and Mrs. Rosser requested a quarterly update to the Board.

To Mr. Ostermiller's question, the consultants and staff explained that the payback would be used for the entire EPC contract.

Mr. Ostermiller asked if other agencies than the City of Englewood are looking into this program. Mr. Morse reported Arapahoe, Summit, and San Miguel counties; and the municipalities of Lakewood, Breckenridge, Silverthorne, Louisville, and Telluride.

Brett presented a revision to the recommended motion for this item as well, to stipulate the agreement is approved contingent on Xcel billing credits.

MRS. ROSSER MOVED TO AWARD FIVE CONTRACTS FOR THE TOTAL AMOUNT OF \$630,388, LESS THE PREVIOUSLY-APPROVED \$63,000 DEPOSIT, FROM THE CHERRY HILLS VILLAGE RESERVE FUNDS, TO CLEAN ENERGY COLLECTIVE: FOR THE PURCHASE OF 725 SOLAR PANELS IN THE ARAPAHOE COUNTY AND DENVER COUNTY SOLAR ARRAYS, CONTINGENT UPON FINAL APPROVAL FROM XCEL ENERGY FOR BILL CREDIT RATE REIMBURSEMENTS. Mr. LaBrash seconded the motion. There was no further discussion, and the motion was approved unanimously (5-0).

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Mr. Ostermiller thanked the group for their work, and he looks forward to getting the projects off the ground. Members returned to other items on the Study Session agenda.

Monthly department reports

- Golf: To Mr. LaBrash's question, Bill Ramsey reported on a new sport, foot golf, which has been receiving media attention. The District was approached by an organization trying to start a club (leagues). The first District foot golf event was in August at Family Sports Center, and it attracted a wide range of ages. Staff doesn't know yet if they'll offer events just to this group (the leagues), or open them informally to the wider public. Mr. Dikeman added, the organization negotiated with Hospitality staff for an after-event in the Avalanche Grille.

Mrs. Eller asked for an update following the meeting with the neighborhood about neighbors walking their dogs on the South Suburban Golf Course, and other non-golf uses. Mr. Ramsey reported that none present admitted they were walking their dogs. At this neighborhood meeting, District staff shared a golf policy (long in place) directing which non-golf uses are allowed on courses, and when. Dogs must be on leash.

Mrs. Eller reported that Littleton Golf Course was in excellent shape for a ladies' league event recently.

Mr. Ostermiller noted the announcement that Dick's Sports retailer is cutting their current golf equipment floor space to 10% due to low sales. Mr. Ramsey responded, it can only help their pro shop sales, as their main competitors are the local superstores. The pro shops sales are fairly steady, but down slightly from 5 to 10 years ago. Sales of golf clubs have dropped off, and most sales are for accessories and soft items. The Family Sports pro shop is doing the best in terms of sales; and most of its sales are for hockey equipment. The District has a 25% markup on sales inventory.

- Parks: Mrs. Eller requested another copy of the Emerald Ash Borer article, prepared by Greg Howe, Forestry & Horticulture Supervisor to forward to her HOA newsletter editor for publication. Copies of the article have been forwarded to local HOAs in the last few weeks for publication. Members relayed positive comments about the article.

Mr. LaBrash reported on the Powell Middle School lockdown because of a mountain lion sighting in the last week. To his question, Mr. Priddy reported that the District wasn't notified directly; he heard about it on the local news media. There was a second lockdown in the last week because a situation at Mineral and Broadway.

Mr. Ostermiller again noted the recent increase in homeless camps on District parks and trails. He asked staff to provide the Board some numbers showing the trends, and if criminal activity on trails have increased, with the goal of making sure that people feel the trails are safe to use. Mr. Lorenz reported on staff activity since the discussion on August 13 meeting. They're still thinking about the process of talking to and working with the cities. They want to prepare a very comprehensive report first.

Mrs. Rosser asked about the location of a recent sewage spill. It was in the Willow Spring Open Space by the pump house, northwest of the Mill Creek area.

Mr. Lorenz asked for the Board input regarding the Ridgeview Park pond situation, based on Mr. Dergance's requests to the Board (See August 13 minutes. /ds). Mr. Dergance requested some very specific timelines for resolution, and Mr. Lorenz was not supportive. He summarized staff's previous reports to the Board: When the High Line Canal runs, the pond gets water.

There isn't a reasonable way to fill Ridgeview pond at other times, given the cost, the same situation as for Ketring Park lake. The City of Littleton is considering putting \$0.5 million into a wells project, to irrigate public properties near Ketring Park as well as fill the Park lake.

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Mr. Dergance's petition was addressed to Littleton, but the City senior management had not seen it before Mr. Lorenz shared his copy; Mr. Dergance hasn't presented the petition to the Littleton City Council. The City has no plans to fund a project for Ridgeview Park pond.

Mr. Lorenz wants to continue discussion with Jim Collins. Following the Board's input tonight and Mr. Collins' review, he wants to respond to Mr. Dergance. He stated he did not want to try to involve the Ridgeview neighborhood in a meeting with Denver Water.

Mr. Ostermiller added, there is no money in the 2014 District budget for this project; and he doesn't know if it will be a priority for the 2015 Budget. He doesn't know what water rights we can get.

The group discussed if there are any water rights available to acquire. Mr. Lorenz doesn't think there are, and probably wouldn't resolve the issue: If the High Line Canal flows, then the pond gets water; if it doesn't, then purchased High Line Canal rights wouldn't produce any water. He added, the ballpark cost of drilling a well is \$700K. Denver Water has a claim on the runoff water.

Mr. Collins reported from his conversations with Evan Ela, water attorney, who is a little more optimistic that Denver Water may be willing to work on the situation. He agreed that the District should not encourage the Ridgeview neighbors to assume that the situation will be resolved, however. Denver Water may be willing to allow some water rights to fill the pond, but the issue will be how to transport the water to the pond. To Mrs. Rosser's question, he agreed there would be costs of delivering the water as well as obtaining some rights to it.

Boardmembers gave Mr. Lorenz direction to work on a response to the neighborhood, with the assistance of Ms. Cope: 1) The potential project will be evaluated with other potential capital demands in the next-year budget, and implementation will depend on the District's priorities. 2) Right now, the Canal is still running and the pond is full.

To Mrs. Eller's question, Mr. Priddy reported: There are three homeowners upstream of Ridgeview with some High Line Canal rights, privately owned. Ridgeview Park pond receives water that trickles down. There is another privately-owned pond downstream of Ridgeview Park pond that receives its outflow. Eventually the water goes into the River. Mr. Priddy added, Mr. Dergance is focused on Watsons Pond and a spring on the property, which dried up a few years ago. Water is running again from Watson's Pond, but the spring is a very small part of the equation.

Mrs. Eller expressed concern that the District could have some liability (safety concerns), if Ridgeview Park pond dries up completely, and the neighbors could pursue a legal action against the District for a health hazard. Mr. Lorenz and Mr. Priddy reported Ridgeview pond has gone down, but it's never gone dry, and there are fish in the pond. Mr. Lorenz expressed some doubt that the pond would exist in the long run, due to the issues outlined above.

District staff reported that the cattails in the waterway leading to the pond have been cleaned out by the same service over the last 20 years, and in the same way. They haven't been doing anything different in the last few years. The cattails don't stop the water flow.

Mr. Priddy stated this situation is like all the ponds in the District during drought times: The local ponds go down, but they don't go dry. Mrs. Eller added, other neighborhoods aren't as adamant about their thoughts as this group.

Mr. Priddy added, the pond was in place before the District took the Park. It has no real source of water and goes down in dry years.

Mrs. Rosser suggested that telling a neighbor "there's no money" this year in response to their petition, may create a false hope for next year's budget.

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Mr. Lorenz reported staff has been talking to Denver Water 2–3 years. Staff can keep this situation on the agenda and let Mr. Dergance know staff is talking to Denver Water. Jim Collins agreed, and summarized, it's not just a matter of money. The District also has to acquire some water rights.

Mrs. Rosser asked if the City would answer the petition directly somehow. Mr. Lorenz relayed Mr. Penny's response, the he doesn't want to become involved with it.

Mr. Anderson stated he supports a reasonable response, as factual as possible, explaining there is an open window with Denver Water, but we won't be able to solve the problem in the short run.

Mr. Ostermiller also believes that Denver Water won't be willing to meet with a citizens committee.

- Recreation: To Mr. LaBrash's question, Ms. Gould reported the rented chiller for the Family Sports Ice Arena, and repairs are underway, probably for the next week.

To Mrs. Rosser's question, Ms. Gould reported the "Wag 'n' Romp" event at Cook Creek Pool is on September 6.

Mr. Ostermiller expressed appreciation for quality of the staff reporting, and the detail of the reports, and for keeping the Board in the loop, on department activities.

Board of Directors' items

- Mrs. Rosser walked the Willow Spring Open Space with Mr. Priddy and Shawn Wissel, District Grounds, Trails and Natural Open Space Supervisor. She believes the issues within the District's power, as reported by Deborah Gundling (August 13 Study Session) have been addressed, and she was appreciative of that.
- Referring to the South Suburban Park Foundation newsletter, Mrs. Rosser noted that some recreation properties are referred to with different names. For branding and cohesion, she suggested that the Foundation and District use the same names. Also, the maps don't include some new trails (or other recent improvements), including the loop trail in Willow Spring Open Space.
- Mr. Ostermiller reported on the presentation by the Stoneridge Homes developer before the Littleton Planning Commission last Monday night, regarding the proposed rezoning of the Jamison property. The Stoneridge representative didn't make an effective case and wasn't supportive of the District in some matters. Also, the representative didn't address some adjacent homeowner's concerns; five homeowners spoke, and their concerns were directed to the density of development. Mr. Ostermiller concluded, he was disappointed about the way it was handled. The rezoning was approved by a majority (4-3). The redevelopment project will go before the Littleton City Council next month.
- Mr. Ostermiller thanked the Boardmembers for working together on the ballot issue, starting years before the Gold Medal Citizens committee. Board members have been talking about options and what the District could do financially, e.g. with COPs and revenue bonds. They have been looking at the situation with a critical eye. They worked through a process with the Gold Medal members and determined what the priorities were. Working together, the Board has the ballot language and a Resolution, approved tonight.

He thanked the members for their efforts, input and consideration, and for joining together as a Board to present this question to the voters. Hopefully, individuals will get involved in the campaign. There's an intent to meet with a lot of various local groups, and there's a need for speakers.

Ms. Cope presented Board members with some election talking points, prepared earlier this week. The citizens group is working on a list of meeting presentations. Mrs. Rosser noted the short time frame: The counties will be mailing ballots around October 15.

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Announcements and emergency items

As reported on tonight's agenda, the following are upcoming special events and/or cancellations of Board sessions:

- Cancelling September 10, 2014 sessions.
- SDA Conference in Keystone, September 10-12 (quorum attending).
- Special meeting date: September 17, 5:30 pm, Goodson Recreation Center; and Regular sessions will be held on September 24, 5:30 pm, also at Goodson Recreation Center.
- Regular sessions will be held on October 8 and 22.
- October 23 Budget Retreat (study session), start time 8 am, at Lone Tree Golf Course Clubhouses, 9808 Sunningdale Boulevard

Adjournment

There was no executive session this evening.

There being no further business to come before the Board, the group adjourned for the evening at 8:40 pm.

Donna Shephard
Executive Assistant

/ds

EXHIBIT "A" TO ELECTION RESOLUTION

Approved August 27, 2014

SOUTH SUBURBAN PARK AND RECREATION DISTRICT BALLOT ISSUE # 4C:

SHALL SOUTH SUBURBAN PARK AND RECREATION DISTRICT TAXES BE INCREASED \$4,539,010 IN 2015, OR BY SUCH AN AMOUNT AS MAY BE RAISED ANNUALLY THEREAFTER FOR A TEN YEAR PERIOD ONLY, ENDING IN COLLECTION YEAR 2024 BY THE IMPOSITION OF AN ADDITIONAL AD VALOREM PROPERTY TAX RATE OF 2 MILLS, FOR GENERAL OPERATING AND OTHER PURPOSES, INCLUDING:

- PROTECT AND ENHANCE THE HIGH LINE CANAL TRAIL, THE SOUTH PLATTE RIVER TRAIL (MARY CARTER GREENWAY) AND OTHER LOCAL TRAILS;
- REPAIR, MAINTAIN AND IMPROVE EXISTING PARKS, RECREATION FACILITIES AND PLAYGROUNDS;
- REPLACE OUTDATED MECHANICAL EQUIPMENT WITH NEW ENERGY SAVING SYSTEMS INCLUDING SOLAR ENERGY; AND
- SAVE WATER BY REPLACING AGING AND INEFFICIENT IRRIGATION SYSTEMS IN PARKS AND USING NON-TREATED WATER WHERE FEASIBLE;

AND SHALL SUCH REVENUES BE COLLECTED, RETAINED AND SPENT NOTWITHSTANDING ANY OTHER REVENUE LIMITS PROVIDED BY LAW?

SOUTH SUBURBAN PARK AND RECREATION DISTRICT

**RESOLUTION CALLING FOR THE
NOVEMBER 4, 2014 SPECIAL ELECTION**

WHEREAS, the Board of Directors of the South Suburban Park and Recreation District (“District”) has determined and hereby determines and declares that the interest of the District and the public interest and necessity require that the District increase its property tax levy with regard to the provisions and restrictions set forth in Article X, Section 20 of the Colorado Constitution (“TABOR”) and Section 29-1-301, C.R.S., to carry out the objects and purposes of the District; and

WHEREAS, it is necessary to submit to the eligible electors of the District the question of increasing its tax levy, and the Board hereby determines that such question should be presented to the District's eligible electors at the election to be held on November 4, 2014 (“Election”), in accordance with the provisions of the Special District Act (“Act”), the Uniform Election Code of 1992 (“Code”), and TABOR; and

WHEREAS, the Election is required to be conducted as a coordinated election, and the Arapahoe County Clerk and Recorder, Douglas County Clerk and Recorder and Jefferson County Clerk and Recorder (“County Clerks”) are the Coordinated Election Officials for the Election and shall be responsible for mailing the notice required pursuant to Article X, Section 20 of the Colorado Constitution (“TABOR Notice”); and

WHEREAS, the District is required to enter into an Intergovernmental Agreement with each of the County Clerks regarding the conduct of the Election and mailing of the TABOR Notice on or before August 26, 2014; and

WHEREAS, the District intends to cooperate with the County Clerks to provide all necessary ballot titles and notices and various agreements with the County Clerks for the conduct of the Election and mailing of the TABOR Notice.

NOW, THEREFORE, be it resolved by the Board of Directors of the South Suburban Park and Recreation District in the Counties of Arapahoe, Douglas and Jefferson, State of Colorado that:

1. A special election of the eligible electors of the District shall be held on Tuesday, November 4, 2014, at which Election there shall be submitted to the eligible electors of the District the question as stated in the form of ballot title hereafter set forth.

2. The Board hereby designates Deanna Heyn the Designated Election Official for the conduct of the Election on behalf of the District, who is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Act, Code, TABOR or other applicable laws. The Election shall be conducted in accordance with the Act, Code, TABOR, and other applicable laws. Among other matters, the Designated Election Official shall arrange for the required notices of election, including the TABOR Notice, and direct that all other appropriate actions be accomplished.

3. The Board hereby approves and authorizes the Designated Election Official to execute and enter into the Intergovernmental Agreement with each of the Counties of Arapahoe, Douglas and Jefferson, Colorado, on behalf of the District, regarding the conduct of the Election and the mailing of the TABOR Notice. The Election and mailing of the District's TABOR Notice shall be in accordance with the provisions of such Intergovernmental Agreements.

4. The Election shall be conducted in coordination with the Arapahoe, Douglas and Jefferson County Clerk and Recorders in accordance with all relevant provisions of the Code. The County Clerks are the Coordinated Election Officials for the Election and shall be responsible for mailing the TABOR Notice.

5. The ballot title for the tax levy increase shall be in substantially the form shown on Exhibit A attached hereto and incorporated herein by this reference.

6. Pursuant to Section 1-11-203.5, C.R.S., any election contest arising out of a ballot issue or ballot question election concerning the order of the ballot or the form or content of the ballot title shall be commenced by petition filed with the proper court within five (5) days after the title of the ballot issue or ballot question is set.

7. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution, it being the Board's intention that the various provisions hereof are severable.

8. Any and all actions previously taken by the Designated Election Official or the Secretary of the Board of Directors or any other persons acting on their behalf pursuant to the Act, the Code or other applicable laws, are hereby ratified and confirmed.

9. All acts, orders, and resolutions, or parts thereof, of the Board which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

10. The provisions of this Resolution shall take effect immediately.

ADOPTED this 27th day of August, 2014.

SOUTH SUBURBAN PARK AND
RECREATION DISTRICT

By _____

John K. Ostermiller, Chairman

ATTEST:

SIGNED

Pamela M. Eller, Secretary

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
A RESOLUTION AUTHORIZING ENERGY EFFICIENCY PROJECT AND
RELATED LEASE-PURCHASE FINANCING

WHEREAS, the South Suburban Park and Recreation District (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado (the “**State**”) and a duly organized and existing special district pursuant to Title 32, Article 1, C.R.S.; and

WHEREAS, pursuant to applicable law, the District is authorized to acquire, dispose of and encumber real and personal property, including without limitation rights and interest in property and leases necessary to the functions and operation of the District; and

WHEREAS, the Board of Directors (the “**Board**”) of the District hereby finds that it is in the best interests of the District, its residents and taxpayers to enter into an Energy Performance Contract (the “**Contract**”) with McKinstry Essention, Inc. (“**McKinstry**”) to acquire and install certain energy and water saving equipment and to receive other related services in order to reduce the District’s utilities costs and to preserve natural resources (the “**Project**”); and

WHEREAS, to finance the Project, the District shall lease the equipment being acquired under the Contract (the “**Leased Property**”) from All American Investment Group, LLC. (the “**Lessor**”) pursuant to a Master Tax-Exempt Lease/Purchase Agreement and Property Schedule No. 1 (the “**Lease**”); and

WHEREAS, the District’s obligation to pay the annual charges under the Lease constitute a current expense of the District payable exclusively from its funds and shall not in any way be construed to be a general obligation indebtedness or other multiple-fiscal year financial obligation whatsoever of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the South Suburban Park and Recreation District as follows:

1. Authorization of the Project and the Contract. The Project is hereby authorized, approved, ratified and confirmed in all respects. The Contract in substantially the form and with substantially the content presented to the District, is in all respects approved, authorized and confirmed.

2. Authorization of Lease. The Lease, in substantially the form and with substantially the content presented to the District, is in all respects approved, authorized and confirmed. The Board hereby approves the leasing of the Leased Property by the District from the Lessor for an annual rental amount not to exceed \$575,000. The Board

hereby determines and declares: (a) the rental amount under the Lease is the fair value of the use of the Leased Property, (b) the fair purchase price of the Leased Property is not more than \$5.8 million and (c) the rental amount under the Lease, the purchase price of the Leased property and the other terms of the Lease do not place the District under an economic or practical compulsion to appropriate moneys to make payments under the Lease or to exercise its option to purchase the Leased Property pursuant to the Lease. In making such determinations, the Board has given consideration to the current market value of the Leased Property, the cost and use of the Project and the Leased Property, the Project's benefits to the residents and taxpayers of the District, the option of the District to purchase the Leased Property, and the expected eventual vesting of the full title to the Leased Property in the District.

3. Execution of Miscellaneous Documents. The President is authorized and directed to execute the Contract and the Lease in substantially the forms and with substantially the same content as presented to the District, for and on behalf of the District, and to execute all other additional certificates, documents and other papers associated with the Project and the transactions and other matters authorized by this Resolution (collectively, the "**Project Documents**") but with such changes therein as the President may deem necessary or appropriate, as evidenced by the execution thereof. The Secretary is hereby authorized and directed to attest all signatures and acts of any official of the Board or the District on the Project Documents.

4. Lease Subject to Annual Appropriation. No provisions of this Resolution or the Lease shall be construed as creating or constituting a general obligation or multiple-fiscal year direct or indirect indebtedness or other financial obligation whatsoever of the District nor a mandatory payment obligation of the District in any ensuing fiscal year during which the Lease shall be in effect. The term of the Lease shall not extend beyond one year, subject to annual renewal for an aggregate renewal period not to exceed 15 years, and the District shall have no obligation to make any payment except in connection with the payment of rent and other amounts due under the Lease in accordance with the provisions of the Lease. The Board hereby determines and declares that the duration of the Lease, including all optional renewal terms, does not exceed the weighted average useful life of the Leased Property.

5. Qualified Tax-Exempt Obligation. The District reasonably anticipates to issue, either directly or through subordinate entities, not more than \$10,000,000 of tax-exempt obligations (other than "private activity bonds" which are not "qualified 501(c)(3) bonds") during the fiscal year in which each such Lease is issued and hereby designates each Lease as a qualified tax-exempt obligation for purposes of Section 265(b) of the Internal Revenue Code of 1986, as amended.

6. Severability. If any part, section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.

7. Ratification of Prior Actions. All actions heretofore taken (not inconsistent with the provisions of this Resolution) by the Board or by the officers, employees and agents of the District directed toward the Project and its financing for the purposes herein set forth are hereby ratified, approved and confirmed.

8. Effective Date. This Resolution shall take effect and be enforced immediately upon its approval by the Board.

ADOPTED this 27th day of August, 2014.

South Suburban Park and Recreation District

By _____

John K. Ostermiller, Chairman

Attest:

SIGNED

Pamela M. Eller, Secretary