



Special Meeting Minutes
October 10, 2018

1. **Call to Order**

The Carbon Valley Parks and Recreation District (CVPRD) Board of Directors meeting was held on Wednesday, October 10, 2018 at the Carbon Valley Recreation Center Administrative Building. Vice President Grinstead called the meeting to order at 6:32 PM.

2. **Pledge of Allegiance**

The Pledge of Allegiance led by Vice President Grinstead.

3. **Roll Call**

Directors: Tina Cunningham – Secretary
Duane Day
Raymond Gilmore
Kevin Grinstead – Vice President
Gary Mares
Tracy McBee – Treasurer

Excused: Cody Childers – President

Also Present: Dean Rummel, Executive Director
Abbigail Hebert, Executive Administrative Assistant
Finance Manager, Jacquelyn Trampler

4. **Public Comment**

Fred Skates – Mr. Skates commented he understands that there will be a discussion later concerning the Administration Building. Mr. Skates informed the Board of Directors he represents the Carbon Valley Help Center and with the growth that they have had over the last five (5) + years, they have a lot of services that they have expanded on since they first opened as an emergency food center and now they have expanded to case by case management as well as financial help. Mr. Skates commented they know that they need to expand their services too because they need to have additional space and better parking. They looked at this [Administrative] building before CVPRD bought it and talked with the County hoping that they [would give them an incentive or maybe even offer the building to the Carbon Valley Help Center since they are a non-profit, but they would not give any incentives on anything. They did not have any funds at that point in time to make an offer on this building. In 2019, they are hoping that their significant requests for funding will help them to go out and look for additional space. However, there is very little available in this area. They would like to add new services for their clients, but with the limited space that they currently operate from, there is not any room for them to do that. They are also wanting to add perishable foods, but as of right now, they can only do non-perishable food. They are only open two (2) days a week, but they know that if they get into perishable food, they would have to increase that to five (5) days a week.

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Mr. Skates commented the Carbon Valley Help Center requests that if CVPRD will be selling the building, that we should give the Carbon Valley Help Center some consideration to purchase or lease the property. Mr. Skates thanked the Board of Directors for listening to him speak and hopefully considers the Carbon Valley Help Center when it comes to purchasing or leasing the building.

The Board of Directors thanked Mr. Skates for coming out and speaking during the Board of Directors meeting.

5. Consent of Agenda

Vice President Grinstead asked the Board of Directors if there were any additions/deletions or changes to the Agenda.

There were no additions/deletions to the agenda.

a. Approval of September 19, 2018 Regular Meeting Minutes – Vice President Grinstead asked the Board members if anyone had any changes, additions or deletions to the September 19, 2018 Regular Meeting Minutes. There were no changes, additions or deletions to the September 19, 2018 Regular Meeting minutes.

A motion was made to approve the August 15, 2018 Regular Meeting Minutes by Secretary Cunningham; seconded by Director Mares. A vote was taken:

President Childers – excused, Secretary Cunningham – yes, Director Day – yes, Director Gilmore – yes, Vice President Grinstead – yes, Director Mares – yes, Treasurer McBee – yes; the motion was carried.

6. Public Hearing

A motion was made to leave Regular Meeting and go into Public Hearing by Secretary Cunningham; seconded Director McBee. A vote was taken:

President Childers – excused, Secretary Cunningham – yes, Director Day – yes, Director Gilmore – yes, Vice President Grinstead – yes, Director Mares – yes, Treasurer McBee – yes; the motion was carried.

a. Draft 2019 Budget – Executive Director, Dean Rummel informed the Board of Directors about the major impacts of the 2019 Budget. Dean Rummel commented the draft budget is currently live and ready for public inspection and comments to the budget. We have placed the draft budget at the Administrative Building, Recreation Center, Gymnastics/Senior Centers, as well as online. The purpose of tonight is not to get everyone's comment, it is to take and review and between now and the next meeting to have those comments in and questions as well.

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Vice President Grinstead commented then the final budget will need to be turned in December. Dean Rummel commented yes, the reason why it is pushed back so late is because we still need the official numbers from Weld County on property taxes.

Finance Manager, Jacquelyn Tramper commented last year, the Board members adopted it [the budget] in November. The property tax just changes the revenue. Any increased revenue from that, would just go to our General Fund balance and it should not change other than that. Last year, the approval happened before that occurred and that should happen again this year if the Board members did not want to have a December meeting and then we can always push it to November. She has to certify the mill levies prior to December 15 to the County and she has to file the final budget that is adopted by the Board members and signed to DOLA by January 30, 2019. As long as the budget is adopted in December, we are good to go.

Dean Rummel commented what he is excited about, the staff is as well and hopefully the community is the Capital Improvements that will be happening next year. There are projects that have been identified and will need to be addressed as Capital Improvements for deferred maintenance and the building. The building is 18 years old and it is time to bring things up to date. The locker rooms, the pool, etc. There is a golden opportunity to do those two (2) things together instead of separately because they effect each other hand in hand in closures. This is an add on in this budget and would love to get the Board members feedback on.

Vice President Grinstead asked what the time line was to get contractors because we have a short time line to get these things completed. Dean Rummel commented the good things is that we are already looking into contractors, so we are ahead of the process of getting bids now in anticipation that this meeting approved and nothing will be signed until it is approved. We are collecting up to three (3) to four (4) bids for all of those projects. The only project that we have in the book that we will not have a lot of bids for will be the HVAC system because there are not a lot of companies that do it. We have a bid that is coming from Texas, but it has been proven to be a lot more expensive than the one local bid, based on it is coming from Texas. We are starting in good faith that these projects will be approved and will happen. He does not want us to be behaving the ball with some of the project contractors.

Director Day asked if there any glaring differences in any of the funds for next year from last year. Jacquelyn Tramper commented no so much glaring differences. The General Fund is very comparable to what it was [last year]. The expenditures are almost the same as they were last year. Revenues increased a little bit in the General Fund. The debt payoff in December 2019

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would be the most glaring thing with the expense coming out to pay that off. The Capital Improvement projects will be happening this next year and all the Capital Improvement projects are listed in the budget book.

Vice President Grinstead commented the budget might be confusing in how everything was rearranged, but you [Jacquelyn Trampler] did a great job of explaining how and why. He really appreciates it and thought that it was very clear.

Dean Rummel commented to be clear on the debt service. It is a big expense but there will be a drop in revenue based on the past years revenues. By adjusting those mills means that we are not going to get hefty taxes coming in when we pay that debt off because we essentially have the money collected to pay it off.

A motion was made to leave Public Hearing and go back into Regular Meeting by Treasurer Cunningham; seconded by Director Day. A vote was taken:

President Childers – excused, Secretary Cunningham – yes, Director Day – yes, Director Gilmore – yes, Vice President Grinstead – yes, Director Mares – yes, Treasurer McBee – yes; the motion was carried.

7. Discussion

- a. Update on Insurance for Fleet** – Dean Rummel informed the Board of Directors he was researching the District insurance policy. While researching, he was able to find out that our policy in the past was not managed that well. The insurance was off of individual values instead of depreciation values. We were paying a good premium for vehicles that were not worth as much as we were saying that they were. This will help to benefit us by changing this. Our deductible was very low on all of our fleet and that makes it very expensive. The usage and the radius in which we use those vehicles are not in high risk usage areas. Adjusting this will also help benefit us. With this and the adjustments, we will be saving +/- \$700 to \$800 per year.

Secretary Cunningham asked when they can anticipate having the new fleet. Dean Rummel commented he is still working on that. The bus will be here sooner than the rest of the fleet. He will email the Board members when the bus arrives. Right now, we are working on what the bus will look like with graphics. Marketing & Communications Manager, Heather Hammarstrom is working with the Davey Coach Graphic Designers on what that will look like to brand the bus.

- b. Update on Sponsorship Negotiations** – Dean Rummel informed the Board of Directors there was a counter offer sent back from the contractor as to what she is looking for. He was hoping to get more comments back from the Board members about going back for a follow up. Vice President Grinstead also

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provided him a contact who might be interested in this similar type of work. He would love to hear more comments and feedback as he continues finding out more information about the contractor and her needs as well as follow up with this gentleman that was forwarded on by Vice President Grinstead.

- c. Comments on 18 month Action Plan** – Dean Rummel informed the Board of Directors since last month, the Leadership team has dissected that a bit and worked on who will be leading which projects through that. There will be staff volunteers throughout and going to individuals throughout to volunteer with these projects. Last week and this week the teams have been meeting and going through the action plan to make sure that it makes sense. When they are printed or presented, people who will come to look at the action plan will understand how it works and what we are going to do in 2019. He has been a part of a few of them, which is more exciting because it is really putting staff in those leadership roles, to own those initiatives and get with their teams to go through I staff. This provides the opportunity to lead groups and the staff that are within those groups.

He would like to have feedback from the Board members. The staff has begun to work on and implement those plan initiatives that the Board members saw in those grids last meeting. In his opinion, staff seems to be excited to getting the work started and more importantly being involved with the work that we are doing.

Secretary Cunningham asked when the staff will be able to produce deliverables. Dean Rummel commented it depends on the project. Secretary Cunningham commented it would be exciting for the staff to come to the Board Meeting and present what the groups are working on/completed. Dean Rummel commented he loves that idea. Secretary Cunningham commented it would be nice to break down those pieces and have them in the minutes for the constituents to read and understand what it is going on. It will give the staff ownership, pride in what they are doing and some accountability. Dean Rummel commented in every initiative, there are huge milestones that we will be accomplishing and also celebrating. You will be hearing updates throughout.

Director Day commented he likes the idea of big poster boards. Dean Rummel commented that is why we are cleaning it up and people who are not in our weekly meetings about this work, he wants them to understand the work that we are doing.

- d. Admin Building Discussion** – Dean Rummel informed the Board of Directors he would like to hear what their thought are on this building.

Secretary Cunningham commented she would like to know if we can buy the building outright. In her opinion, she thinks it would be better to buy it outright and flipping it and getting another space that is more appropriate for four (4) full

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time individuals. Dean Rummel commented per the contract, we are able to buy it out whenever we are able to or desire to. We owe about +/- \$170,000. Secretary Cunningham asked if he have enough in this year's budget to do that. Dean Rummel commented we might hold off for 2019 because we need to identify what we are going to do with staff that are in this building, what we are going to do with the conference room, etc. might take some time. Planning for that purchase this year, if there are those available funds still, we can move those and transfer them into next year and identify them for this purchase. We don't have to rush and make sure that it happens in 2018. The important thing is, we cannot sell this building until we own this building.

Secretary Cunningham commented can we go ahead and start the buying process and set a drop date and make plans in the mean time to get that ball in motion so that in early first quarter we can sell it. Dean Rummel commented if that is the direction that the Board members would like to go, we will start moving on it.

Vice President Grinstead commented the thing that we need to understand in general is that we will, regardless of when we want to sell, the normal real-estate contract for a commercial building such as this will be six (6) to eight (8) months to get the sale completely done. What tends to happen in commercial real-estate compared to residential, commercial real-estate is when you have someone that has a building and someone that wants the building and then you have to figure out how to fund it. Which is a lot more complicated than the other way around where in residential you have a buyer that has funds and then you go and find someone that wants to sell. This can take time. The difference that he saw when it comes to paying it off monthly or whether we pay it off all at once, is a maximum of \$9,000 that we would save regardless of when we pay it over the next four (4) years.

Secretary Cunningham commented if we could get the ball rolling, we could do the buy and put it on the market early next year. Dean Rummel commented in addition to that \$9,000 that is just for the interest. That is not taking in the consideration of what we are putting into this building daily. The maintenance of it, the utilities and the space typically sits empty most of the time, but we are still heating it, cooling it, etc.

Director Gilmore commented he is not sure why it would take up to six (6) months to sell a commercial building. Vice President Grinstead commented it is not that simple. Lenders for commercial real-estate will never lend the full amount of the building. Second reason, there are zoning requirements, city requirements and other pieces outside of the actual building itself have to be approved, the lender has to be approved, what you are doing in the building is appropriate for that building, etc. There are steps that are involved for it to be approved. Unless you are buying it with cash and you can have a good portfolio,

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but it has to go through the right processes to be approved. A lot of the time, the building inspections can cost upwards of +/- \$10,000 or more.

Dean Rummel asked the Board of Directors if they are just speaking of the building and parking lot because a piece of this also includes the grass area. Director Day asked if they are two (2) separate parcels. Dean Rummel commented yes, they can be two (2) separate parcels. Director Day commented is there anything that we can do with the grass area eventually? Secretary Cunningham commented the thing about the grass property is that it has two (2) mature trees on it and the community does not want to do anything with those trees, but we can keep it and hold that grass area. Dean Rummel commented it might be worth separating those two (2) parcels and seeing what interests are even there. There is not a lot of space to develop that area for our needs in the future and it is not desirable. We cannot put a field there. He agrees with Secretary Cunningham that there might be a lot of push back by taking down trees and putting a ballfield there. Is it as much as an asset to the District, he does not believe that it is. Will that increase the value, it might depend who is looking for what.

Vice President Grinstead commented he thinks that we could, at some point, having mobile recreation as a part of our District. That [the grass area] would be a great place to get different populations of people that we don't necessarily have in this area to be using our facilities as well, even if it is that small area vs. giving it up. Would we go from parks to park at that point? Dean Rummel commented that is something that he is going to find out next week.

Secretary Cunningham commented we could separate the parcels and see what we can get. Director Day commented he would like to see how big that park really is. Secretary Cunningham commented that if we do keep that parcel, we will still have to carry liability insurance on that property as well as maintain it. She commented that after knowing all the information that goes with the park, she does not see any reason to keep it.

Dean Rummel commented he would be interested to see the property assessed separately. Vice President Grinstead commented this property has already been assessed. Dean Rummel commented how far back that was done. Vice President Grinstead commented it was done last year. Administrative Assistant, Abigail Hebert commented she would find the assessment and provide a copy to Dean Rummel and the Board of Directors.

Secretary Cunningham commented if we separate it, we might have to separate the sprinkler system and that might be a minimal cost, but figure out how much it is going to cost us to hold onto it and what we will get on the return on investment in how long of a time frame.

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Vice President Grinstead commented he would like to get an estimate of what it would take to address the concerns that we have with this building, whether we are keeping it or not because it would be nice to have some of that alleviated. Dean Rummel commented the only major thing that needs to be addressed is the plumbing. We will have to be upfront and disclaim about the plumbing as well as let them know we have made several attempts to fix it.

The Board of Directors collectively agreed to give Dean Rummel, District Legal Counsel, Paul Rufien and Jacquelyn Tramper permission to pursue the recommendations for financial payoff of this building and what it would entail to sell the property.

8. Reports

a. CVPRD Monthly Report Q & A

i. September report

Vice President Grinstead asked if the Board members had any questions or comments. There were no questions or comments from the Board members on the September monthly report.

b. Employee Monthly Newsletter

i. October

Vice President Grinstead asked if the Board members had any questions or comments. The Board members did not have any questions or comments on the October Employee Newsletter.

Dean Rummel commented CVPRD received an award from SDA for being the Safety District of the Year in 2018. We received this award because we have increased the trainings that we have been doing as well as the creation of the Safety Committee. He believes that committee is the reason that helped pushed us getting this award over the edge. That group of staff have addressed and has continued to address a lot of things throughout the District.

Secretary Cunningham commented they have a Risk Management group with SDA and she asked what our practices were here and what is going to come out of that Safety Committee. The report that came back to her was that everything was fine. Dean Rummel commented the Safety Committee is not a part of the action plan because it is already up and running and having successes. We will try to share about the work that they are doing because it is definitely worth sharing. There are some big things that they are working on such as staff trainings, emergency trainings, working on new signage throughout the rec center, gymnastics and senior centers and working on not only our branding but also rules and regulations in safety.

Secretary Cunningham asked if we were going to have designated drivers for the bus. Dean Rummel commented that the drivers need to be on our insurance to drive the bus.



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Then we will implement the safe driving trainings and other trainings that come with driving the bus.

The Board of Directors congratulated the CVPRD staff on receiving the Safety District of the Year Award through SDA.

9. Board Comments

- a. **Revisions to Guiding Principles Document** – There were no revisions that needed to be made to the Guiding Principles Document.

Vice President Grinstead asked if the BMX season was over. Dean Rummel commented that the season will run into November. Vice President Grinstead asked if we have had a discussion with City of Dacono with the concerns that we have had with the track. Dean Rummel commented he has had those talks with City of Dacono and there was an assessment done on the track. They are willing to do Capital Improvements to the track next year and they are planning to budget \$30,000 towards BMX.

10. Adjournment

A motion was made to adjourn the Board of Directors meeting by Secretary Cunningham; seconded by Director Gilmore at 7:57 PM.

READ AND APPROVED THIS _____ DAY OF _____, 2018

Cody Childers, President

ATTEST:

Tina Cunningham, Secretary