

**MINUTES OF THE BOARD OF DIRECTORS MEETING
PARACHUTE/BATTELEMENT MESA PARK AND RECREATION DISTRICT
Monday, October 14, 2019 6:00 p.m.**

Grand Valley Recreation Center, 398 Arroyo Drive
Battlement Mesa, CO 81635

ATTENDEES

Directors present: Adam Ford, Secretary
Chuck Hall, Vice President
Jerry Mohrlang, President
Amber Palcer, Asst VP
Ken Seidel, Treasurer

Others present: Judy Bertrand, MDM (PBMPRD District Manager)

Employees present: Doug Choate, Director Golf Superintendent & Parks Mgr.
Chuck Curtis, Director Golf Course
Samantha Smith, Director Rec Center& Programs

Public present: Sara McCurdy

**ADMINISTRATIVE
MATTERS**

Attendance and Agenda: The meeting was called to order by President Mohrlang at 6:00 p.m. and a quorum was noted.

Secretary Ford made a Motion to accept the Agenda; with Treasurer Seidel seconding. The Agenda was unanimously approved.

Public Comments: N/A

Minutes: The Manager provided the Minutes from the September 16, 2019 Regular Board Meeting. VP Hall made a Motion to approve, with Secretary Ford seconding said Motion. The Minutes were unanimously approved.

The Manager confirmed that the Open House Public meeting to discuss 2019 Financials and achievements, as well as a potential request for a mill levy increase, was scheduled for January 23, 2020. The Board members are all available to attend.

Disclosure of Conflicts of Interest: The Board had previously been informed of the Colorado Revised Statutes to disclose potential conflicts of interest to the Board of Directors and Secretary of State. No Board member stated they had a conflict of interest in any discussion.

2020 Budget: The Manager presented the 2020 budget and informed the Board that she was concerned as URSA has not paid \$3 million in property taxes and per the County is having 'cash flow' problems. She mentioned that the County Assessor informed her that URSA and the other oil and gas companies have cut production by around 50%. For this reason, she has advised the Board to raise rates; especially Rec Center rates and programs. The Rec Center would have a loss of around \$700,000-\$800,000 in 2020 if rates remained the same. In the past property

taxes have been used to offset this loss, but in order to ensure viability in the future, the Manager provided updated rates for Rec Center membership that would equate to \$120 per year vs. the current rate of \$50 per year. President Mohrlang requested that the Manager determine what rate increases would be needed to cover expenses. He felt that prior to approving a budget that the Manager provide what was actually needed.

VP Hall mentioned that Halliburton had laid off 170 people. The Board discussed their concern that oil and gas might also further cut production in the area. Secretary Ford mentioned that in Glenwood Springs he pays \$49 per month for membership at a rec center.

The Manager stated she will perform an analysis on adult, youth and family rates. She said that she is encouraging the Rec Center and programs to get contributions to cover more of the discounted scholarships provided for economically disadvantaged patrons.

The Manager had prepared several work papers showing that since 2016 GVRC and programs only brought in 23-27% of the revenue needed to cover expenses. The 2020 Budget presented only increased Rec Center in-district memberships to \$120 per year and showed that this increase only covered 39% of expenses. Ms. Bertrand noted that without the increase to at least \$120/year that the Rec Center would be projected to lose close to \$700,000 in 2020. She also noted that payroll expense was projected to be \$1.065M in 2020 and that operating income only covered 82% of that, without all the actual operating expenses.

The Manager expressed concern that URSA was having 'cash flow' problems per the County Assessor and they had not paid \$3M in property taxes which equates to around \$225,000 property tax revenue due PBMPRD. She informed the Board that this would not affect the District next year but could be a problem in 2021-2022. Ms. Bertrand stated that this was the reason for acting now to offset potential property tax revenue losses in the future.

The Manager provided a chart showing that residential properties only pay \$116,771 in property tax revenue, which equates to an average of \$27 per year/per home. Ms. Bertrand presented the increase in property tax by \$100,000 in home value if the District requested a mill levy increase. President Mohrlang asked if it was possible to hold a TABOR election to ask taxpayers to increase the mill levy in May. Ms. Bertrand said it would be tight, but possible. She reminded them that this could also be done in November.

No decisions on the budget will be made until November when the Manager will present more detail on the Rec Center and programs rates needed to insure financial viability.

FINANCIAL MATTERS

Claims/Accounts Payable: The District Manager presented the claims paid outside of the Board meeting and the Check Detail for checks to be signed at the meeting. Secretary Ford made a Motion to approve the payments; with VP Hall seconding said Motion. The payments were unanimously approved.

Financial Reports: The District Manager presented the Statement of Revenue, Expenditures & Net and Statement of Net Position. VP Hall made a Motion to accept the financials; with Treasurer Seidel seconding. The Financial Reports were unanimously accepted.

The District Manager had the bank statements and reconciliations for the bank accounts available for review.

OPERATIONS- DIRECTORS REPORTS

Golf Course and Parks: Director Curtis stated the concrete on #5 came out great. He said that they brought in \$13,000 for the 2-man tournament. He is wrapping up the season.

Director Choate stated that four solar lights for the Community Park have been ordered and should be installed by the end of the season.

Director Choate stated that part of the issue with the mucking of the ponds was that #8 was twice as deep as expected and contained older sediment, which was harder to remove. U.S. Aqua Vac will need to come back next year to finish #8 and possibly schedule #5 removal depending on the cost.

Salgado Concrete has completed around 50% of the cart path work. Director Choate mentioned that many patrons had commented on the new path.

Rec Center & Programs: Director Smith stated that the first flag football game had been held. She noted that the game was dedicated to Caden after his football injury during a game.

Work on the HVAC system is ongoing, and it is anticipated to be complete in six weeks.

They are gearing up for the Halloween events.

MANAGER'S REPORT

Authorize Manager to sign documents for Water Transfer and Court documents: The Manager stated that Water Attorney Ryan Jarvis needed authorization for Judy Bertrand to sign the documents. Asst VP Palcer made a Motion to authorize the Manager to sign the forms, with Secretary Ford seconding. The Board unanimously authorized her to sign documents for the District. The Manager stated she would keep them informed of documents signed.

RRR: The Board discussed that the Town had made the decision on the logo for the event and were concerned that PBMPRD had not been given notice of deadlines for these decisions. When Stuart McArthur prepared the initial spreadsheet, he was unaware that law enforcement would not be available due to the County Fair. For this reason, it was recommended that the RRR event be held on August 15, 2020. The Board asked if anyone knew when Grand Valley Days was scheduled. The Manager will contact Dusty Richards to find out but noted that the events would draw different people.

The Manager will prepare and provide the Work Breakdown schedule to the Town for review and list estimated deadlines and costs.

The Manager was instructed to obtain JPEG, Adobe, PDF, etc. of the logo for marketing the event. The Manager expressed concerns at the potential cost for the medals with the design selected.

Land Exchange with Town: The Manager stated she had talked with the Town Manager about the exchange and Mr. McArthur informed her if the 11 acres was not included that the Town was not interested. Ms. Bertrand stated that for now the Town was not interested in any exchange of property.

Mucking: The Manager stated that although the Board had approved more for mucking that the total cost this year is at \$42,249. She reminded them that this was for #8 only and that they had not cleared all debris from that site and #5 would not be done this year.

Parking Signs at Rec Center lower entry: Director Smith stated that the new 1-hour parking signs had been posted at the lower level.

GVPA Property: The Manager stated that Secretary Ford had spoken with Dusty Richards and she was amenable to discussion of purchasing the arena property. However, the Manager asked if this could be tabled until the 2020 budget was approved as there were not going to be funds available in 2020 for an acquisition. The Board agreed to table this issue.

Christmas Party: The Manager stated that the Directors and staff did not feel they had time to prepare the party. Director Smith has been responsible for the last 3 years and Directors Choate and Curtis have very few staff during the winter that would attend. President Mohrlang asked if the employees look forward to it. Director Smith said a few were, but that the Rec Center held a potluck in December and her employees enjoyed that at no cost. The Manager stated that instead of a party she would like to give \$50 bonuses to the full-time employees and \$100 to the Directors. The cost of this would be \$800 vs. around \$2,500 for a party.

Winterfest: The Manager asked what the Board wanted to do about the request to have the Park and Rec organize and fund Winterfest. The Board stated that PBMPRD would not assume responsibility for Winterfest in 2020, as the District had too many events scheduled and did not have the staff to oversee the event.

Garfield County Commissioners not responding to request for compensation due to flood: The Manager sent the letter to the County Commissioners on August 30, 2019 and emailed them on September 12, 2019 asking for mucking compensation due to the flooding of County roads. She stated they have not responded. The Manager asked if she should try and get on the Commissioners agenda and the consensus was that they would probably not reimburse PBMPRD for this damage.

BMMD assessment liens: The Manager emailed Steve Rippy on October 6th asking if they had collected on any liens for assessments for the Rec Center. He has not responded.

Fiber Optics: The Manager stated that fiber had been installed in only 3 locations at the Rec Center vs. the 8 agreed to. She also said that Cedar Networks had billed the District for \$4,127.50 and per the Agreement installation was supposed to be \$2,900. She has contacted Cedar Networks about the overbilling, failure to install at all locations at the Rec Center and

failure to start work on BMGC. The Manager stated that the contract with Cedar Networks was signed on April 18, 2019 and installation was projected to be around 6 weeks total. The Board asked the Manager to request Gretchen’s attendance at the next board meeting to discuss the status of installation.

URSA: The Manager stated that the District still has not received around \$228,000 in property taxes from URSA. She expressed concern that with 87% of property tax income derived from oil and gas that this could be a problem in the future.

Cash Flow: The Manager informed the Board that currently there was only \$103,000 in the Alpine Bank General Fund and that approximately \$30,000 is needed every two weeks to make payroll. Ms. Bertrand speculated that around \$500,000 would need to be transferred from ColoTrust to Alpine to cover operations until property taxes come in between March and July of 2020.

NEW BUSINESS

1. President Mohrlang informed the Board that KSUN would be providing 30-minute time slots to Districts so that they could provide updates on events, projects, etc. There is no charge for this.
2. President Mohrlang also mentioned that the PBM Trail Committee is considering additional trails. Several Board members discussed why BMMD did not want to be in charge of the additional trails. The Manager reminded them that the PBM Trail Committee was under the PBMPRD umbrella, but that she was concerned that the last project cost the District around \$75,000 and was not part of the Capital Improvement Plan approved by the Board. Ms. Bertrand stated that financially the District could not afford another overage like this. She also expressed concern about future maintenance of the trails.

ADJOURNMENT

There being no further business to come before the Board at this time, President Mohrlang adjourned the meeting at 8:14 p.m.

The next Regular Meeting is scheduled for **Monday, November 18, 2019 at 6:00 p.m. at the Grand Valley Recreation Center, 398 Arroyo, Battlement Mesa, CO.**

Respectfully submitted,
Judy Bertrand, District Oversight Manager

THESE MINUTES APPROVED AS THE OFFICIAL OCTOBER 14, 2019 MINUTES OF PARACHUTE BATLEMENT MESA PARK AND RECREATION DISTRICT BY THE BOARD OF DIRECTORS.

(Signed copy in possession of the District Oversight Manager)

Adam L. Ford, Secretary

Chuck Hall, Vice President

Jerry Mohrlang, President

Amber Palcer, Asst VP

Ken Seidel, Treasurer