

**MINUTES OF THE BOARD OF DIRECTORS MEETING
PARACHUTE/BATTELEMENT MESA PARK AND RECREATION DISTRICT
Wednesday, June 12, 2018 6:00 p.m.**

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

ATTENDEES

Directors present: Adam Ford, Secretary
Dylan Lindauer, Vice President
Jerry Mohrlang, President
Ken Seidel, Treasurer
Lynn J. Shore, Director

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

Employees present: Samantha Smith, Director-Rec Center

Public present: None

**ADMINISTRATIVE
MATTERS**

Attendance and Agenda: The Regular meeting was called to order by President Mohrlang at 6:01 p.m. and a quorum was noted. Director Shore made a Motion to accept the Agenda, with Secretary Ford seconding said Motion. The Board unanimously approved the Agenda.

Minutes: VP Lindauer made a Motion to approve the Minutes from the May 9, 2018 Board meeting; with Director Shore seconding said Motion. The Minutes were unanimously approved.

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.

Meeting with Town of Parachute: The Manager stated that she had sent an email reply to Lucy Cordova and Stuart McArthur on May 22, 2018 requesting specific topics for the Town Trustee & PBMPRD Board meeting. The Manager also reminded the Town Manager that the Trustees had previously agreed to meet at a neutral location. Neither Ms. Cordova or Mr. McArthur have responded.

President Mohrlang stated that prior to scheduling another meeting with the Town Trustees that the Town should provide a solid agenda and agree to meeting at a location other than Town Hall. The Board agreed with this position. Secretary Ford stated he was not interested in applying for joint grants. Treasurer Seidel stated that we provide services to the District and not just to the Town residents. President Mohrlang said that our property tax revenues assist the Town by bringing people into the community. The Board requested that the Manager send Mr. McArthur a final email about the meeting.

Signatures for Bank Accounts: The Manager obtained signatures from Director Shore and Secretary Ford for the ColoTrust and Alpine Bank accounts. Treasurer Seidel also signed a form that Alpine Bank had requested.

Questionnaire and Board Vision: Secretary Ford was the only one to have completed the 2018 Questionnaire. The Manager provided the 2016 Questionnaires completed by President Mohrlang, VP Lindauer and Treasurer Seidel; as well as the 2016 and 2018 Questionnaires completed by the Directors. Director Shore had stated he had not been on the Board long enough to answer the questions. The Questionnaire and Board Vision was tabled until the July Board meeting.

Chain of Command: President Mohrlang discussed the Chain of Command and instructed the Board that the District Manager, Judy Bertrand was the person the Board should contact with questions. He requested that the Board not bring up issues with the Directors or employees; as the chain of command flowed from the Board to the Manager; to the Directors; to the employees.

PUBLIC COMMENT

None

FINANCIAL MATTERS

Claims/Accounts Payable: The District Manager presented the claims paid outside of the Board meeting. The Manager noted that \$83,565.09 was an Alpine Bank internal transfer from the Golf Course fund to the General Fund for URSA gas royalties. Ms. Bertrand also noted that she had signed the Agreement with Rifle Insurance for 2018-2019 and the payment of \$11,767 was the first quarterly payment. VP Lindauer made a Motion to approve the payments; with Treasurer Seidel seconding said Motion. These payments were unanimously approved.

The Manager presented the Check Detail for June and noted that Eric Schmela's legal fees for the PBM Trail easement were \$1,625 and not the \$500 speculated. Ms. Bertrand stated she is in discussion with Western Heritage regarding the balance they claim is due. Director Shore made a Motion to approve these payments; with Treasurer Seidel seconding said Motion. They were unanimously approved.

The Manager stated that Alpine Bank did not allow for ACH transfers over \$75,000 and that she would like to request authorization to prepare a check for \$350,000 from Alpine Bank General Fund to ColoTrust, as the rates of return are better. Ms. Bertrand mentioned that Alpine Bank provided rate of return of \$6.11 for the month vs. ColoTrust at around \$1,400. Director Shore made a Motion to authorize the Manager to prepare and sign the check and deposit into the ColoTrust account; with Secretary Ford seconding said Motion. It was unanimously approved.

Financial Reports: The District Manager presented the Statement of Revenue, Expenditures & Net and Statement of Net Position. Director Shore made a Motion to accept the Financial Reports; with Secretary Ford seconding said Motion. The Financial Reports were unanimously accepted.

Director Shore and Secretary Ford requested to continue receiving financial reports by fund. The Manager will email these out prior to the Board meetings.

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

OPERATIONS- DIRECTORS REPORTS

Golf Course and Parks: The Manager provided Director Curtis's report and updated tournament schedule.

The Manager presented Director Choate's report. The concrete work for the restroom should begin this week and R&R will be providing a quote for construction of the handrail and partial wall around the dumpster. President Mohrlang wanted to confirm that the cinder blocks were on the west side of the restroom. Via a call to Director Choate, he confirmed this.

President Mohrlang mentioned the weeds in the islands of the Community Park. Director Choate will contact Lush Green regarding better maintenance of the park.

President Mohrlang mentioned that there may be funds available from the Department of Agriculture.

Director Choate requested authorization to purchase 2 Toro greens mowers. The CIP had included 1 greens mower in 2018 and another in 2019. The reason for the request to purchase 2 now is that Jacobson has gone out of business and 2 are needed due to (1) the need to mow with 2 mowers so as not to impact the players-mowing is started from the end and beginning of the course and takes 2 hours vs. 4 with one mower; (2) mowers cut differently depending on the brand and the course needs to look symmetrical; (3) if one mower quit working they would need a backup mower and (4) the current greens mowers are 8 years old and have exceeded the estimated life of 4,000-5,000 hours. The Manager provided the estimate from LL Johnson showing Toro Greensmaster 3320 TriFlex at a cost of \$36,064 each.

- Director Ford made a Motion to purchase 1 mower. There was no second. President Mohrlang stated that 1 mower wasn't sufficient.
- Treasurer Seidel made a Motion to purchase 2 mowers; with VP Lindauer seconding. All were in favor except for Director Ford.

Director Choate obtained a bid of \$1,088 from Broome Closet Wood Working for repairing the chuck wagons to make them sturdier. Director Shore made a Motion to approve the repair; with Treasurer Seidel seconding said Motion. It was unanimously approved.

The Manager discussed the Pond Relocation project. Director Shore expressed concern that the cost for relocation could cost \$800,000 or more without knowing the savings associated with the relocation. The Manager responded that there would be savings in electrical costs as the pond would allow for gravity feed vs. electrical pumps, saving on staff time, and provide additional storage. The current pond allows for 1,000,000 of storage and that is used in one day. Ms. Bertrand also mentioned that there was a chance that water could be routed to the

Rec Center and that the cost of water in the summer months exceeded \$7,000 per month. Director Shore asked the Manager what the maximum expected savings was. The Manager stated that if the Rec Center could utilize water that it could be around \$40,000 per year. Director Shore questioned the payback of 20 years. Director Shore stated he wanted more information on the pond relocation project and requested 'everything available on the project'.

Secretary Ford stated that the project should be stopped and also requested contracts and background information. He stated that he wanted to 'stop the bleeding'.

VP Lindauer stated that the District has the water rights and should use them. He also discussed the conservation advantages of the pond relocation and increased size.

Treasurer Seidel said that the pond relocation has been a priority for 25 years and by upgrading the pump water would be saved; staff time would be reduced, and the course would move toward an efficient irrigation system.

The Manager will request that Director Choate attend the July meeting and present the background and details behind the project. The Manager will pull all information since the project was first discussed in 2016. The Manager did note that the project was approved by the Board in November 2017 and a contract signed in April 2018 for additional engineering work. The Board requested this as an agenda item for the July 2018 board meeting.

Rec Center & Programs: Director Smith has advertised and promoted the trial opening hours of 5:00 a.m. beginning on July 2, 2018. She will have data on the number of patrons who utilized the Rec Center at the July Board meeting.

MANAGER'S REPORT

Abatements: The Manager stated the oil and gas abatements should be paid off.

2017 Audit: The Audit is close to being completed and is anticipated to be presented to the Board at the next meeting.

PBM Trail: The Manager noted that the previous PBM Trail Easement signed on May 9, 2018 was replaced with a new signature page from President Mohrlang on May 22, 2018 and notarized by Anne Kellerby.

The District is awaiting the signature from John Martin for the \$200,000 IGA grant for the PBM Trail. President Mohrlang asked about the status of the project and the Manager stated that she would obtain more detail from Steve Rippy, but that the County Commission only met once a month to sign documents.

Dependent Health Insurance coverage: The Manager presented an analysis on the cost to cover employee dependents for medical coverage. The analysis showed an increase of 64% over current health insurance expenses and with the potential decrease in property taxes, that it may not be the best time to consider this.

Out of Scope per Contract: The Manager stated that the majority of projects requested by Secretary Ford for analysis and comparisons would be out-of-scope and wanted to insure that the Board approved that additional expenditure. President Mohrlang stated that any additional or added work should be approved by the entire Board and not performed for one Board member.

MDM Contract vs. District Manager Employees: The Manager presented an analysis regarding her compensation. She stated she believed that new Board members may be trying to compare other District Manager's compensation (who have 3-5 staff of accountants, financial analysis, HR, payroll) to her contract amount; which includes all these services. She also noted that as an independent contractor, there are no benefits; thus, saving around 40% more. Her analysis showed that the District is saving between \$261,000 and \$317,800 as all work is done by MDM and there are no administrative support staff employees needed by the District.

Secretary Ford stated that he wanted to put the District Management service out for bid. The Manager stated that perhaps he did not understand that the District would need to hire a full time Accountant, financial analysis, part time HR person, project manager and payroll staff; along with a District Manager. Secretary Ford stated he understood this. Secretary Ford said he felt that he worked for the District Manager and not that the Manager worked for him. The previous serving Board members stated they did not agree with this statement.

VP Lindauer discussed all the work performed by MDM that would require additional staff and legal services. He stated that there is work that goes on behind the scenes that is handled by MDM. VP Lindauer said that he was on the Board when MDM took over and that it took a year just to get things corrected from previous management. He said the Board would be in shambles if MDM left.

Treasurer Seidel stated he agreed with VP Lindauer and did not see the need, nor have the desire, to put the management services out for bid.

President Mohrlang agreed with VP Lindauer and Treasurer Seidel.

Director Shore stated he had no opinion.

Boiler: The Manager presented 3 bids obtained by Director Smith for replacement of the Rec Center boiler. A-1 Heating's bid was for \$148,725 but it was noted that they normally work on residential properties. They would require the Rec Center to be shut down for 10 business days.

Fortney Refrigeration provided the other 2 bids and it was mentioned that they have performed work at the Rec Center in the past and actually came up with a temporary repair in order to keep the boiler functioning temporarily. Fortney's bid for a new Thermal Solutions High Efficiency Condensing boiler was \$59,362 and was the most environmentally efficient. The second Fortney bid was a new Weill McLain gravity vent boiler for \$38,905. The Weill McLain was not as efficient. Both had 1 year parts and labor warranty, but the Thermal Solutions had a 10 year heat exchanger warranty. The Thermal Solutions also provides a feeder filter which will continually work on cleaning the system and lines. Director Smith will check on possible rebates from Xcel Energy for this boiler. The Manager stated that this could probably be covered by a grant but that the installation needed to be performed as soon as possible.

Secretary Ford made a Motion to approve the contract for installation of the Thermal Solutions High Efficiency Condensing boiler, not to exceed \$60,000. VP Lindauer seconded said Motion and it was unanimously approved.

Fortney's bid provided for 3 days of installation, which would mean no heat to the Rec Center for showers, bathrooms, pool or hot tub. There is no effect on air conditioning during this time.

Western Heritage: The Manager discussed that Western Heritage had overbilled approximately \$7,000 per their contract and she was discussing this with them.

Pay scale Analysis: The Manager asked if the Board wanted to approve the out of scope work to do another pay scale analysis, which was requested by Secretary Ford. Ms. Bertrand stated one was performed in 2016 and it was difficult to obtain pay scales on the western slope and also that different Districts had varying job descriptions, so it was hard to make valid comparisons. The Manager also noted that the majority of employees were paid minimum wage. She stated that she had contacted SDA and Colorado Park and Rec Association and neither had pay scale data. She stated the best option would be to join Mountain States Employers Council, but the cost was around \$1,800. The Board determined that the out of scope work was not necessary for another pay scale analysis at this time.

P&L Insurance comparisons: The Manager told the Board that she would spend 8 hours in trying to obtain more property and liability bids for insurance, which was requested by Secretary Ford. However, if the analysis exceeded that, that it would be out of scope. Ms. Bertrand obtained the asset list from Rifle Insurance and was ready to move forward if approved by the Board. However, she noted that she had just signed the annual agreement with Rifle Insurance for 2018-2019. The Manager explained that she had performed comparisons of P&L insurance in 2016-2017 and that Rifle provided the best service at the best price and was local; which was suggested by the previous Board. She mentioned Jack Sours and his service to the District. Mr. Sours spends hours each renewal period in meeting with the Directors and understanding the asset coverage involved. The Manager mentioned all the additional services he provides to insure coverage of all the special events and activities held on PBMPRD property. The Manager stated she would seek more bids if the Board requested. The Board did not believe it was necessary to obtain additional bids of P&L coverage at this time.

Community Park Pavilion: President Mohrlang asked the Manager to see if obtaining architectural or engineer plans for a pavilion was possible at this time. The Manager stated that there was still around \$100,000 from the \$125,000 URSA CP donation and that they could probably fund this. Ms. Bertrand did note that there were maintenance expenses for the Park and that the canopies would cost around \$15,000-\$16,000.

President Mohrlang mentioned remaining capital projects at the Community Park, which included: bricks, path, exercise equipment, splash pad, and additional landscaping (especially when entering from the parking lot). The Manager mentioned that she believed FMLD had a \$25,000 planning grant, but would like a few weeks to get the audit finished prior to investigating.

Kitchen Remodel at Golf Course: President Mohrlang asked about whether there were funds for a kitchen remodel this year. He mentioned installing gas in the kitchen, equipment needed and that a restaurant designer might be required. The Manager stated that with the pond relocation in process and the potential for a reduction in property taxes, that this may not be the best use of funds this year.

New Year's Eve Party at the Rec Center: Director Smith had met with the Town Manager regarding holding a joint New Year's Eve Party at the Rec Center. If the Town received a discount to rent the Rec Center (except for the pool and weight room) they would provide all staff, food, beverages and advertising. Director Smith negotiated for a rate of \$1,800 for the evening. The concern was that All Social Matters holds the liquor license and it expires in October 2018. If there is no liquor served, the Town is not interested in holding the event. Director Shore and Treasurer Seidel stated that it is possible to obtain a one day liquor license from Garfield County. Director Smith is going to investigate. Director Shore stated he liked the idea. VP Lindauer stated he believed this type of event would be good for the community. Secretary Ford stated that Garfield County would provide deputies.

Director Shore made a Motion to approve the rental of the Rec Center at the discounted price of \$1,800; with VP Lindauer seconding said Motion. It was unanimously approved.

NEW BUSINESS

Secretary Ford stated that the back handicapped parking area at the Rec Center needed better lighting. He also said that the flags needed to be raised on the back 9 of the golf course. The Board stated that they were put up on Memorial Day. The Manager stated that the invoice for the purchase of flags was sent to BMSA.

ADJOURNMENT

There being no further business to come before the Board at this time, Director Shore made a Motion to adjourn the meeting at 8:25 p.m. with Secretary Ford seconding said Motion. The meeting was adjourned.

The next Regular Meeting is scheduled for **Tuesday July 10, 2018 at 6:00 p.m. at the Grand Valley Recreation Center, 398 Arroyo, Parachute, CO.**

Respectfully submitted,
Judy Bertrand, District Oversight Manager

THESE MINUTES APPROVED AS THE OFFICIAL JUNE 12, 2018 MINUTES OF PARACHUTE/BATTLEMENT MESA PARK AND RECREATION DISTRICT BY THE BOARD OF DIRECTORS.

(Signed copy in possession of the District Oversight Manager)

Adam Ford, Secretary

Dylan Lindauer, VP

Jerry Mohrlang, President

Ken Seidel, Treasurer

Lynn Shore, Director