

**AMENDED MINUTES
BOARD OF DIRECTORS REGULAR MEETING
KEN-CARYL RANCH METROPOLITAN DISTRICT**

A regular meeting of the Ken-Caryl Ranch Metropolitan District Board of Directors was held on Tuesday, June 25, 2019 at the Ranch House, 7676 South Continental Divide Road, Littleton, CO 80127.

ATTENDANCE

Board Members Present:

Lauri Lehan-Milano, President/Chairperson
Jami Jensen, Vice President
Jeff Esbenshade, Treasurer
John Huggins, Assistant Treasurer
Kayla Kirkpatrick, Secretary

Others Present:

Amy Lear, Recreation Director
Pat Malloy, Parks Director/interim Co-District Manager
Jeff Leniger, Controller/interim Co-District Manager
Emily Powell, Attorney

I. CALL TO ORDER

Director Lehan-Milano called the meeting to order at 6:02 p.m.

II. APPROVAL OF AGENDA

Director Lehan-Milano made a motion to approve the agenda, amended to change Section IV to 2018 Audit Review and Section V to Business & Reports. Director Kirkpatrick seconded. The motion passed unanimously.

III. CONFLICT OF INTEREST

There were no new conflicts.

IV. 2018 AUDIT REVIEW

- a. Audit presentation: External auditor Neil Schilling with Schilling & Company presented the prepared 2018 financial audit. The audit resulted in an unmodified (“clean”) opinion of the financial statements.
 - i. The Board discussed potential improvements to internal controls and segregation of duties, including District Manager review of transactions, once the District Manager position is filled.
- b. **Director Jensen made a motion to open the Public Hearing on the Proposed 2018 Supplemental Budget for Ken-Caryl Ranch Metropolitan District. Director Huggins seconded. The motion passed unanimously.**
- c. No public comments were noted during the public hearing.
- d. **Director Jensen made a motion to close the Public Hearing on the Proposed 2018 Supplemental Budget for Ken-Caryl Ranch Metropolitan District. Director**

Huggins seconded. The motion passed unanimously.

V. BUSINESS & REPORTS

A. Approval of the Minutes of the April 2, 2019 Special Meeting

Director Lehan-Milano made a motion to approve the minutes of the April 2, 2019 Special Meeting. Director Kirkpatrick seconded. The motion passed unanimously.

B. Approval of the Minutes of the May 7, 2019 Special Meeting

Director Lehan-Milano made a motion to approve the minutes of the May 7, 2019 Special Meeting. Director Kirkpatrick seconded. The motion passed unanimously.

C. Approval of the Minutes of the May 21, 2019 Regular Business Meeting

Director Lehan-Milano made a motion to approve the minutes of the May 21, 2019 Regular Business Meeting. Director Huggins seconded. The motion passed unanimously.

D. Monthly Report

The District has had several major delays due to IT issues and old infrastructure.

Staff reviewed updates in the parks and recreation departments. Recreation Director Lear noted that the increase in price on nonrefundable summer camp deposits drove a much lower cancellation rate this summer.

Revenue from resident swim passes has exceeded the \$50,000 budget by approximately \$4,000 as of April 2019.

The Board reviewed the monthly financial statements for the period through May 2019.

E. Open Space Committee Report

The Board reviewed the Open Space Committee Report with no additional comment.

F. Meeting Minutes of Neighboring Districts

The Board reviewed Meeting Minutes of neighboring Districts. Director Esbenshade noted that Foothills PRD is putting a significant amount of funding into splash pads.

VI. COMMUNICATION & DISCUSSION TOPICS

a. District Manager Search Committee Updates

The Committee has received applications from 12 applicants to date. The posted closing date is July 12. The Committee met and identified candidates with which the Committee wishes to conduct preliminary phone interviews. Since the Hiring Committee timeline adopted in the previous Business Committee meeting did not contemplate preliminary phone interviews, the timeline needed amended - see Motion V.

b. Results of ERO South Hogback Cultural and Historical Survey

The Board reviewed a draft of the ERO South Hogback Cultural and Historical Survey. MA Open Space Manager Sean Warren presented a detailed analysis of the findings. Mr.

Warren also recommends a pit survey be conducted on the Cathy Johnson trail. The Board recommended no action until receiving the South Hogback Biological Survey results.

c. Revised Open Space Management Plan

MA Open Space Manager Sean Warren presented a detailed analysis of the Revised Open Space Management Plan. The Board appreciates receiving a copy and will review it in the context of its own parks and open space management efforts. The MD Board supports the MA Board in its efforts to improve the management plan.

d. Wildfire Hazard Mitigation Plan

MA Open Space Manager Sean Warren presented a detailed analysis of the Wildfire Hazard Mitigation Plan. The Board appreciates receiving a copy and will review it in the context of its own hazardous fuels mitigation efforts. The MD Board supports the MA Board in its efforts to reduce wildfire hazards in the community.

e. Liquor License for new Special Event

Co-Interim District Manager Malloy presented a request to the Board to sign for a liquor license for a new event hosted by the Master Association called Boots & BBQ, event date August 10, 2019.

f. Discuss Board decision process for items not noted in the meeting agenda

Staff noted that a last-minute change to the pool pass fee for grandchildren was difficult on the staff team and community and requested that future known Board decisions, as appropriate, be listed as separate agenda item(s).

g. Discuss contract review process

The Board discussed the various contracts that the District enters into without Board-level review, including but not limited to baseball clubs, swim clubs, and contract recreation leagues and classes. These contracts will be reviewed by staff during the next budget cycle and by the Board based on contextual judgment.

h. Review facility use as an employee benefit

For informational purposes, Attorney Powell presented a summary of the District's 2009 Policy Directive 10, regarding employee use of the District facilities. Following discussion, the Board determined that it would consider revisions to its facility use benefits as part of a broader update of its Employee Handbook in 2020.

i. Financial Sustainability Committee update

Director Lehan-Milano gave a brief update from the Financial Sustainability Committee. The Committee plans to present a long-term financial sustainability plan of action at the August 2019 Joint Study Session.

VII. COMMUNITY CONNECTIVITY

- a. Audience Participation

VIII. ACTION ITEMS

- a. RESOLUTIONS:

- I. MD 19-103 A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET SUMMARIZING APPROPRIATIONS, REVENUES AND EXPENDITURES FOR FISCAL YEAR 2018 FOR THE KEN-CARYL RANCH METROPOLITAN DISTRICT

Director Jensen made a motion to adopt A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET SUMMARIZING APPROPRIATIONS, REVENUES AND EXPENDITURES FOR FISCAL YEAR 2018 FOR THE KEN-CARYL RANCH METROPOLITAN DISTRICT. Director Huggins seconded. The motion passed unanimously.

b. MOTIONS:

- I. A MOTION TO ACCEPT THE 2018 ANNUAL AUDIT AS PREPARED BY SCHILLING & COMPANY AND DIRECTING SCHILLING & COMPANY TO SUBMIT SUCH AUDIT TO THE COLORADO STATE AUDITOR PURSUANT TO C.R.S. 29-1-601.

Director Jensen made a motion to accept the 2018 annual Audit as prepared by Schilling & Company and directing Schilling & Company to submit such audit to the Colorado State Auditor pursuant to C.R.S. 29-1-601. Director Kirkpatrick seconded. The motion passed unanimously.

- II. A MOTION TO APPROVE THE AMENDED OPEN SPACE MANAGEMENT PLAN.

Director Lehan-Milano made a motion to strike and rescind the motion from the May 21, 2019 Regular Business Meeting to approve the Amended Open Space Management Plan. Director Kirkpatrick seconded. The motion passed unanimously.

- III. A MOTION TO APPROVE WILDFIRE HAZARD MITIGATION PLAN.

Director Lehan-Milano made a motion to strike and rescind the motion from the May 21, 2019 Regular Business Meeting to approve the Wildfire Hazard Mitigation Plan. Director Kirkpatrick seconded. The motion passed unanimously.

- IV. A MOTION TO APPROVE SPECIAL EVENT LIQUOR LICENSE FOR NEW EVENT BOOTS & BBQ COUNTRY WESTERN DANCE.

Director Esbenshade made a motion to approve a special event liquor license for the new event Boots & BBQ Country Western Dance, amended to change the date of the event to August 10, 2019. Director Lehan-Milano seconded. The motion passed unanimously.

- V. A MOTION TO AMEND THE DISTRICT MANAGER HIRING PROCESS TO ADD A NEW PARAGRAPH 4(B)(5) AUTHORIZING THE HIRING COMMITTEE TO CONDUCT PRELIMINARY PHONE INTERVIEWS PRIOR TO THE

APPLICATION DEADLINE DATE OF THOSE INDIVIDUALS WHO HAVE SUBMITTED COMPLETED APPLICATION PACKETS, AS THE HIRING COMMITTEE MAY SELECT, AND TO REVISE THE TIMELINE FOR HIRING DISTRICT MANAGER ACCORDINGLY.

Director Kirkpatrick made a motion to amend the District Manager hiring process to add a new paragraph 4(b)(5) authorizing the Hiring Committee to conduct preliminary phone interviews prior to the application deadline date of those individuals who have submitted completed application packets, as the Hiring Committee may select, and to revise the Timeline for Hiring District Manager accordingly. Director Huggins seconded. The motion passed unanimously.

IX. BOARD & STAFF COMMENTS

Co-Interim District Manager Malloy explained that the parks department would be much more effective with an additional two mowing crew staff so that there could be individuals dedicated to edging. The parks department has run short staffed all summer, as in prior years.

Director Esbenshade updated the Board on Jefferson County's treatment of e-bikes in County open space.

X. EXECUTIVE SESSION

At 10:09 p.m., Director Kirkpatrick made a motion to go into executive session pursuant to C.R.S. § 24-6-402(4)(b) and (e) to receive the advice of legal counsel and discuss matters subject to negotiation regarding a contract negotiation related to proposed accounting system with Sage Intacct. Director Esbenshade seconded. The motion passed unanimously. Attorney Powell stated for the record that the executive session constitutes privileged attorney-client communications and will not be recorded.

At 10:31 p.m., Director Lehan-Milano made a motion to come out of executive session. Director Kirkpatrick seconded. The motion passed unanimously.

At 10:31 p.m., Director Lehan-Milano made a motion to go into executive session pursuant to C.R.S. § 24-6-402(4)(e) to discuss matters subject to negotiation related to the PMD settlement. Director Kirkpatrick seconded. The motion passed unanimously. Attorney Powell did not attend the executive session.

At 10:44 p.m., Director Lehan-Milano made a motion to come out of executive session and adjourn the regular meeting. Director Jensen seconded. The motion passed unanimously.

XI. ADJOURN

The meeting was adjourned at 10:44 p.m.

These are the correct minutes for the meeting held on the above date and were approved by the Board on this _____ day of _____ 2019.

Kayla Kirkpatrick, Secretary

I hereby attest that the information communicated during the first executive session, which was not recorded, constituted privileged attorney-client communications.

Emily Powell, Esq.

I hereby attest that the first executive session, which was not recorded, was confined to topics authorized for discussion in executive session pursuant to C.R.S. 24-6-402(4)(b).

Lauri Lehan-Milano, President