

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, May 26, 2020. In order to protect the public health and safety, the meeting was held electronically at <https://zoom.us/j/94841794701>.

ATTENDANCE

Board Members Present:

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

Others Present:

Traci Wieland, District Manager
Lauren Feeney, Finance Director
Pat Malloy, Parks Director
Amy Lear, Recreation Director
Scott Babich, Facilities Director
Emily Powell, Attorney
Joe Levy, Incoming Board Member
Jack Sawatzski, Incoming Board Member
Bruce Tugman, Incoming Board Member

I. Call to Order

Chairperson Huggins called the meeting to order at 5:20 p.m.

II. Executive Session pursuant to C.R.S. § 24-6-402(4)(b) and (e) to receive advice of legal counsel regarding matters subject to negotiation related to the Ranch House pool and related funding

Director Kirkpatrick made a motion to go into executive session pursuant to C.R.S. § 24-6-402(4)(b) and (e) to receive advice of legal counsel regarding matters subject to negotiation related to the Ranch House pool and related funding. Director Jensen seconded. The motion passed unanimously, and the Board entered executive session at 5:20 p.m. Attorney Powell certified for the record that the executive session constitutes privileged attorney-client communications and would not be recorded. District Manager Wieland and Attorney Powell attended the executive session. Director Kirkpatrick made a motion to come out of executive session at 5:57 p.m. Director Jensen seconded. The motion passed unanimously.

III. Approval of the Agenda

Inadvertently skipped over.

IV. Conflict of Interest

There were no new conflicts.

V. Business & Reports

- a. Director Kirkpatrick moved to approve the minutes from the May 12, 2020 Special Board Meeting. Director Lehan-Milano seconded. The motion passed unanimously.
- b. Finance Director Feeney indicated that the financials would be reviewed in total during the COVID Response and Update later in the agenda.
- c. There was no Open Space Committee meeting since the last regular Board meeting, so there was no update. District Manager Wieland advised the Board that at the last Open Space Committee meeting, there was concern that the South Hogback was not being made a priority; however, staff has assured the group that the topic was only delayed due to COVID and will be back on the agenda when appropriate for discussion.
- d. There was no update from the Joint Financial Sustainability Workgroup.

VI. Communication & Discussion Topics

a. Garden Club Discussion

President Huggins provided some background information concerning repairs and improvements to the north fence and walkway at the Ken-Caryl Ranch Community Garden. The improvements were paid from the Garden Fund, although the Board previously had approved paying for the improvements from the general fund. Parks Director Malloy provided information regarding the Garden Club's request for reimbursement from the general fund of this \$3,660 expense.

The Garden Club is aware of the financial struggles the District is facing so a suggestion was made to defer payments of the amount owed to the Garden Club until the District's budget was able to recover. The Garden Club has indicated there is no major project that is planned in the near future, so this would not be a hardship. District Manager Wieland indicated the District's current agreement with the Garden Club expires in October, so staff will bring the agreement back to the Board this summer for review, at which time the timeline for the payable to the Garden Fund can be determined.

b. Volunteer Program

Parks Director Malloy provided an update on a potential volunteer program that could help address some of the potential production shortfalls due to the financial crisis surrounding COVID 19. An online tool showing volunteer opportunities could be used to schedule dates, times, and locations for interested residents to select. Depending on interest and feedback, this program can be expanded into other Parks

activities. All volunteers will be required to sign a liability waiver. Director Jensen thanked Parks Director Malloy for exploring this option.

c. COVID 19 Response and Update

District Manager Wieland provided the Board with a comprehensive COVID 19 update. She indicated that the Governor held a press conference over the weekend providing details on the State's current safer at home status; however, no additional detail was provided with regard to parks and recreation amenities.

Operational updates include the opening of the Ranch House for limited hours. Facility rentals at all facilities are currently not allowed. The summer childcare program will begin on June 8 with significant changes in operations including a one per 10 staff to participant ratio, reduced hours, required social distancing, cleaning requirements, required temperature and symptom checks for staff and participants, required masks, elimination of activities including field trips, and other stringent operational procedures. Occupancy in previous years was 210 per week. Likely registration for 2020 will be approximately 75 per week.

District Manager Wieland provided the Board with an aquatic facility update. The Ranch House Pool is now set to be complete sometime mid-July. Staff clarified that the Colorado Department of Public Health and Environment and Jefferson County govern the opening of pools. District Manager Wieland reviewed the results of the aquatic survey. Over 1,300 residents completed the survey. Highlights of the feedback include:

- 77% used the Community Center Pool most often in 2019
- 61% support opening the pools given the reduced attendance and operating costs for doing so
- 60% will swim given the anticipated restrictions
- 81% anticipate using the Community Center pool the most often

The Board discussed the opening of the Community Center Pool as its highest priority followed by the Ranch House Pool when it is completed. The Board also offered feedback regarding a per person, daily fee as opposed to a season pass because of the inability to predict frequency of availability. President Huggins requested information on transaction costs and the assurance those would be accounted for.

District Manager Wieland briefly reviewed feedback from the fitness survey. Results indicate the need for a modified reopening schedule until restrictions loosen further.

Finance Director Feeney reviewed the updated cash flow projections and fund balance worksheets noting the two figures have been separated. In addition, she clarified the unaudited figure of \$1.2 million in fund balance from 2019. Director Jensen reminded the Board the difference between cash flow and reserves and indicated her comfort level with the work that had been done thus far. Projections

only include June and July net revenues and do not include any other revenues for the remainder of the year.

District Manager Wieland provided a final update on staffing indicating that there was a need for a COVID 19 policy manual that would be provided to the Board at the next meeting.

VII. Community Connectivity

a. Audience Participation – Public Feedback

Information was included on the agenda and the website informing the community of how to submit public comments to be read during the meeting. Emailed comments were accepted until noon the day of the meeting. The following is a list of those emails read aloud during the meeting:

Email #1

Please, please, please open the pool! We bought a house here for the trials and option to keep cool with the pool. Summer will be hot without a way to cool down! I will pay anything and follow any rules. Please do Not Take this opportunity away from my family! Mindy Platte

Email #2

In light of the new information shared by the CDC that one is unlikely to catch COVID by touching surfaces due to poor survivability of the virus, plus the fact that UV rays and fresh air kill the virus, it no longer seems necessary, logical or realistic to remove all pool furniture. These same facts and requests should also open playgrounds!

Lastly, wearing masks in high heat can lead to increased health risk! I implore you to not require mask wearing as we will be outdoors. As advised by the president, those who feel they are at high risk can simply choose to not come to the pool. Please allow the rest of us to regain a sense of normalcy! Sharon Richmond, 8 Blue Sage

Email #4

Please open the pools this summer, whatever the stipulations are, they will be worth it! Jen Zinevich

Email #5

I wanted to reach out and share how much my family hopes the pools will open this summer. We understand and will respect the new rules and restrictions. We will be willing to pay any fee to swim. I swam division 1 college and have been a lifeguard/pool manager prior to having a family. Every summer we spend our time around water whenever we can. We moved here last summer in July. We got a taste of the amenities Ken Caryl has to offer and we were so looking forward to having the whole summer to enjoy these. We know times are different, but with respect for the new guidelines and willingness to pay, I

strongly encourage you to open the pools. Thank you for your time. Emily Dritz,
34 Dawn Heath Circle

Email #6

If the pools are allowed to open, we would like the pools to open and we will follow the rules. We will also pay for this privilege. Thank you. Sarah Lein,43
Dawn Heath Circle

Email #7

Please open all pools this summer! What a shame to lose one of the amenities our family enjoys most! There should not be a fee for the pools period, we were not happy to have to buy a pass last year. Let swim team operate. Scheduling blocks of time would be ok I suppose - at least TWO hour blocks. One hour time frame is not really worth the effort to pack up and get there with kids. Online or call in system of some type would be ok. There are many high school and college students looking for work, lifeguard staffing should not be a problem. If your only worry is liability just have everyone sign a waiver that wants to use the pool. Thanks. Allison Ingalls, 1 Mountain Alder

Email #8

A couple of questions for the board meeting tonight...

1) Until last year the swimming pools were considered a core service of the Metro District and access was provided free of charge to residents in exchange for the \$3.2 million we pay in property taxes annually. Why was resident pool access singled out of the budget as the one line item to try and get additional revenue to offset the pool expenses, when there are far bigger line items with little or no associated revenue (Recreation Management-\$467,000, Parks \$1,700,000, General & Administrative \$882,000, and Facilities \$467,000) where we could have cut \$80-100,000 and ended up in the same place from a budget perspective? Why was raising additional revenue from residents preferred over cutting expenses? 2) In the board documents, we compare ourselves to Water World, The City of Boulder, Foothills Park and Rec District, etc. when talking about who is closing their pools and who is not. Why? Those are large cities or municipalities. We are a neighborhood pool. The board's job is to open the pools with as few restrictions as are required by law and the residents should decide whether they are comfortable taking their families swimming. Thomas Hadley

Exhibit #9

The diversion of PMD reserves is misguided if future taxation revenue will not be allocated to replenishing the funds. The original intent of the lawsuit, twenty years ago, was to compel the PMD to build recreational facilities in KC Plains. The Plains is facing growth, 2022-2030, due to development by NAD, approximately 2,000 homes and 5,000 additional residents. There are insufficient recreational amenities on KCR to accommodate such growth. Moreover, new development will not be subject to KCRMD taxation. Remaining PMD funds, currently and

apparently, only Accounts Receivables, are earmarked for the development of ball fields. The Lehan-Milano led board supported and defended the field reserves allocation: and deserves praise. KCR may never again have such a large sum available to develop ball fields. The KCRMD is now potentially establishing a pattern of diverting the available PMD funds. For example, two years ago, approximately \$60,000 of PMD funds were spent to replace lighting at Community Center tennis courts in the Ken-Caryl Valley, on the heels of six-figure sums for tennis court resurfacing. Now, the discussion is of using \$25,000 to maintain the Community Center Pool, and another \$25,000 to cover cost overruns in the new Ranch House pool construction. The remaining PMD funds are deemed a ball field capital improvement fund, not maintenance funds. If the KCRMD needs more money for Operations and pool maintenance, then it must seek it elsewhere through raising taxes, budget cuts or fee increases. Notably, no PMD monies were made available to fund the recent KCLL Ranch House baseball field resurfacing request---KCLL paid half. It would be inconsistent policy to not fully fund a \$5,000 ball field renovation using PMD funds, but then use \$25,000 of the PMD funds to maintain a pool. Please do not divert existing PMD funds, or accounts receivables, earmarked for ball fields without a plan for guaranteed future replenishment. It would be well-advised to establish firm policy on the matter immediately, as the intentions and actions of future board members are unknown. Respectfully, Jerry Sullivan

VIII. Action Items

a. Resolutions: No Resolutions.

b. Motions:

Director Kirkpatrick motioned to ratify and affirm the decision of the prior Board of Directors to pay the \$3,660 garden expense incurred in connection with the sidewalk installation at the Community Center pool from the General Fund, and to repay such amount to the Garden Fund in accordance with such repayment agreement as may be reached with the Garden Club prior to 2021. Director Jensen seconded. The motion passed unanimously.

Director Lehan-Milano motioned to amend the Cooperative Agreement with the MA for the Ranch House Pool Replacement and Renovation in order to increase the District's contribution by \$25,000, and to clarify that interest income earned on the PMD settlement funds principal does not have to be used on the Ranch House Pool project and can be used by the District for other purposes. Director Jensen seconded. The motion passed unanimously.

c. Oaths of Office for Newly Elected Directors

District Manager Wieland recognized the outgoing Board members, Lauri Lehan-Milano, Jami Jensen, and Jeff Esbenshade for their service to the community. They were instrumental in several large-scale projects including the successful bond measure and completion of projects, the successful outcome of the Plains

Metropolitan District settlement, the completion of the Veteran’s Monument, and the development of a reserve and improved financial sustainability. District Manager Wieland administered the Oaths of Office to new Board members Bruce Tugman, Jack Sawatzki, and Joe Levy. Director Kirkpatrick motioned to designate Traci Wieland as the individual authorized to administer the 2020 Director Oaths of Office and to ratify the administration of the same. The Oaths of Office will be submitted to the appropriate governmental entities as required. The new Board members will be officially seated at the June 23 meeting.

IX. Board & Staff Comments

Staff thanked the outgoing Board members for their service. District Manager Wieland indicated the Master Association would like to cancel the June Joint Study Session and the Board agreed. She also let the Board know that officer appointments and committee assignments would be included on the June 23 agenda.

X. Adjourn

Director Kirkpatrick made a motion to adjourn the meeting at 9:19 p.m. Director Esbenshade seconded. The motion passed unanimously.

These are the correct minutes for the meeting held on the above date and were approved by the Board on this _____ day of _____ 2020.

Jeff Esbenshade, Secretary

John Huggins, President

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

Emily Powell, Esq.

I hereby attest that the 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) and (e).

John Huggins, Chairperson