



**2018 Visioning Workshop
Minutes
June 22, 2018**

The Highlands Ranch Metro District Board of Directors (“Board”) met at the Metro District offices boardroom on Friday, June 22, 2018 at 1:00 p.m.

The following Board members were present:

Renee Anderson, Allen Dreher, Carolyn Schierholz, Nancy Smith, Vicky Starkey and Mark Dickerson.

The following staff members were present:

Terry Nolan, Jeff Case, Carrie Ward, Stephanie Stanley, Sherry Eppers, Tom Rose, Carolyn Peters, Camille Mitchell.

Introduction/Agenda

Terry Nolan presented the agenda and a review of the Service Plan with a focus on the powers of the District and how they relate to the vision of the Board. Terry also reviewed the mission, vision and guiding principles of the District. He pointed out that the key to future success is in partnering with other organizations and agencies.

In January 2019, the District will no longer be providing fire protection as outlined in Section II, part B, number 7 of the Service Plan (“Plan”). According to legal counsel the District has three options for amending this plan. They are:

1. Do nothing.
2. Formal amendment of the Plan, which is relatively expensive.
3. Post a 45-day notice that the District will drop this service from the Plan. This option is inexpensive.

Priority Based Budgeting (PBB)

Stephanie Stanley reviewed the PBB result areas, the basic program attributes and the four quartiles. She then guided the Board through exercises in scoring samples of existing programs, new or expanded programs and capital projects. The District currently has 350 programs which are scored by staff. The results then go through a peer review.

Using an interactive forecast model, the Board was able to see the current and future financial impact of facilities and programs envisioned. The Board expressed an interest in seeing an increase in the transfer from General Fund to the Major Repair Fund to support maintenance of our assets. Staff will include a recommended increase amount in the 2019 budget.

Vision for Future Programs/Capital Fund Use

During this portion of the workshop, staff presented opportunities for future programs and capital projects.

1. Senior services and possible facility solutions:
 - a. Interim facility
 - b. Facility attached to a recreation center
 - c. Standalone facility

Carrie Ward presented a very conceptual plan for an attached facility at the Eastridge Recreation Center. Carrie explained that this was prepared by the architect on a very high level to identify what might be possible and what attributes the facility could contain. A majority of the Board

members would like to hear the Highlands Ranch Community Association staff and board of directors' response on the possibility of an attached facility at Eastridge. Metro District Staff should identify possible programming opportunities and associated costs of a seniors' facility attached to a recreation center.

Nancy Smith would like to see the facility with an event room at least 5,000 square feet and have an area that will seat at least 300 people for meals and provide ample, accessible parking near the entry. Nancy is concerned that the space shown on the concept plan for an attached facility to Eastridge Recreation Center is too small with no opportunity for future expansion and that a partnership with HRCA would be difficult to manage.

Renee would like a covered, drop off area for low mobility seniors at the entry.

Allen asked if the parking lot could be reconfigured to allow more space for the attached facility.

2. Ice Arena
 - a. South Suburban Parks and Recreation (SSPR) owns property at County Line and Holly between their maintenance facility and the sports fields at Dave Lorenz Park. They have determined that a new facility which includes three sheets of ice, a field house and adequate parking will fit on the site.
 - b. If the District partners with SSPR for a third sheet of ice, the cost to the District is estimated at \$10 million. The benefits to the District include in-district rates for the ice arena for Highlands Ranch residents and a new facility in close proximity to Highlands Ranch.
3. Historic Park Phase II - Conveyance in 2026 will include the remaining 200 acres and ranch buildings. A master plan for the historic park has not been developed since 2002, when the Mansion was still under the ownership of Shea Homes. Terry indicated that starting the process for a new master plan will not occur until 2023. A conceptual cost estimate for improving the buildings in response to programming decisions made during the master plan update and developing the park is between \$5 - \$9 million. Operating costs have not been determined and will be driven by the programs that are planned for the park.
4. Parkway Landscape Conversion Study will be completed in August 2018 and results presented to the Board in October. The landscape conversion study is a joint effort with Centennial Water and Sanitation District in an effort to conserve water and maintenance costs.
5. In Track Line Replacement – With aging infrastructure, the Metro District will be facing the likelihood that there will be some water lines within the subdivisions that may require replacement. The amount of replacement in relation to the total amount of pipeline within the community will be small. The potential exists that replacement costs in the next 3-5 years could range as high as \$2.5 million. These costs are the responsibility of the Metro District. CWSD and the Metro District have been developing an amendment to the existing Service Agreement which will require the Metro District to reserve funds. These funds will come from a surcharge to the Service Availability charge applied to all water bills.
6. Service Center Improvements: Staff is in the process of studying the needs for improvements to the Service Center. At this time, we do not have an estimate from the architect but a preliminary guess for the cost of improvements might be between 2.5 million and 3 million dollars. Cost estimates will be prepared as part of the assessment. Some Board members indicated an interest in earmarking 3 million dollars in future capital expenditures for the improvements.

Next Steps

Terry Nolan concluded with an outline of the next steps. At the July study session, the Board will hear the Capital Improvement Plan update. The 2019 budget process will begin in July with the proposed budget made available October 15th. There will be a Board workshop in November and the 2019 budget will be adopted in December.

Terry also presented the opportunity for a citizen survey to be conducted in 2019. The Board majority did not feel a survey was necessary for the vision projects in 2019.

(Addendum – Board Visioning Workshop PowerPoint)

Concluding Remarks

Board directed staff to:

- Continue to study the feasibility of attaching a senior center to Eastridge Recreation Center by conducting a series of meetings with HRCA staff, HRCA General Manager and a Board to Board meeting in August.
- Based on outcome of these meetings, determine if it is feasible to attach the facility to the recreation center. At that time the Board can decide if they want to pursue constructing a senior center which may be an attached facility or a standalone facility. The next step for either option would be to hire an architect to refine the concept plan and cost estimates.
- Report back to the Board on costs associated with the service center improvements when the assessment is completed, in-tract water & sewer lines, and parkway landscape conversion costs when the study is completed later this year.

Carolyn Schierholz reported on the South Metro Fire Rescue (SMFR) June Board meeting. SMFR has decided to expand their Board to include two representatives from Cunningham Fire and one representative each from Highlands Ranch, Littleton Fire Protection District and the City of Littleton. The Board agreed that they would like representation on the SMFR Board.

The workshop concluded at 4:34 p.m.