



HIGHLANDS RANCH METROPOLITAN DISTRICT  
STUDY SESSION ADDENDA

August 21, 2019

- Memo: August 21, 2019 – Tanks Park Amenities
- Capital Project Delivery
- Parkway Renovations
- Financial Report as of July 31, 2019



**MEMO**

**Date:** August 21, 2019  
**To:** Metro District Board of Directors  
**From:** Ken Standen  
**Subject:** Tanks Park - Amenities

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**Background**

An agreement was reached between Centennial Water and Sanitation District and the Metro District in 1998 allowing the Metro District use of the property for recreational uses including the water storage tank lids. Skate equipment and an in-line hockey rink were installed on the lids in 2001, pickleball courts were added inside the in-line rink in 2014.

In 2018 staff identified the need to replace the skate ramps on the east tank. The equipment is over 17 years old and has deteriorated creating unsafe skating conditions which require frequent maintenance and repairs. As we reviewed options for replacing the skate ramps we identified the opportunity to move the pickleball courts to the east tank which would allow us to make improvements to the courts. We would then replace the skate ramps and move them to the west tank. Changes to the pickleball courts and skate ramp area require review and approval by Centennial staff.

The 2019 budget anticipated use of Conservation Trust Funds (CTF) for pickleball improvements and use of Major Repair Funds (MRF) to replace the skate park equipment. In April 2019, the Board approved an appropriation of \$75,000 from CTF for the pickleball court improvements. A neighborhood meeting was held on May 14, 2019 to get resident and user feedback on the proposed changes.

**Pickleball Improvements**

Improvements will include relocating the four pickleball courts plus an additional two courts to the east tank, installing a chain link perimeter fence with wind screens, fencing to separate the courts, and a cantilevered shade structure in the turf to the east of the courts. The current setup on the west tank lid will not accommodate adequate fencing for court separation. The east tank lid was originally designed and built with steel plates embedded, anticipating fencing for tennis courts, which will allow us to install a perimeter fence with windscreens.

**Skate Park Improvements**

The current skating ramps will be removed and new ramps may be installed on the west tank. Staff found manufacturers of skate park equipment that could provide suitable replacement equipment. Staff held a bid opening on June 25, 2019 receiving the following proposals:

American Ramp Company	\$144,928.97
Rhino Skate Ramps (Kraftsman Comm Playgrounds)*	\$149,990.98
Spohn Ranch Skateparks	No bid

\*No bid bond with proposal

Staff feels that American Ramp Company had the best design for beginner/intermediate level riders with best flow and use of space. The importance of designing good flow between the skate ramps and the desire for a “fun box” and half pipe was expressed by several residents and riders at the neighborhood meeting.

### **Next Steps**



Public Works has been assisting with this project to assure the safety of the water storage tank lids. Centennial Water and Sanitation District drafted a scope of work for Bates Engineering and the Metro District has contracted with Bates to ensure the appropriate guidelines are followed during construction. The proposed changes were presented to the Centennial Water and Sanitation District Board on March 19<sup>th</sup>. They consented to the changes to the pickleball courts and skate ramp area contingent upon final plans being reviewed and approved by Centennial Staff.

Staff was recently informed of a new federal requirement for Centennial to execute a risk and resiliency assessment for all of its water facilities. The American Water Infrastructure Act of 2018 requires Centennial to perform and certify this assessment by March 2020. Centennial is in the process of hiring a consultant to assist with the assessment. Through the process of understanding this new requirement Centennial staff is concerned that the assessment will result in a recommendation to remove recreational facilities from the water tanks.

Staff recommends putting all improvements on hold until Centennial is able to make a determination regarding recreational amenities on the water tanks.

## Capital Project Delivery

August 2019

### Service Center Project Goals

- Renovate and expand the PROS Service Center complex
- Provide a modern and efficient operations facility
- Maintain full operational activities throughout construction
- Make design decisions based on constructability and cost considerations
- Identify opportunities to reduce overall project duration and minimize impact to operations
- Control overall project budget to provide best value to District

### Project Delivery Options

Design – Bid – Build (DBB)

Construction Manager/General Contractor (CM/GC)

### Design- Bid - Build

**Most Common Method for Public Projects**

- Process
  - Identify project parameters
  - Complete design and bid documents
  - Advertise & bid
  - Determine lowest qualified bidder
  - Award and construction



### Design- Bid - Build

**Typical Projects**

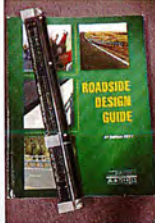
- Roadway construction
- Parkway landscaping
- Storm sewer
- Traffic signals
- Parks






### Design - Bid - Build

- Pros
  - Final approved design (100%) required to confirm physics and/or code compliance
  - More experienced Design Team can expedite process
  - Best opportunity for competitive bid from multiple contractors
- Cons
  - Input only from design team on market impacts on subcontractors and materials cost/availability
  - May extend overall project schedule
  - Subject to availability of contractors



### Construction Manager/General Contractor CM/GC

**Utilized when it best fits project demands**

- **Process**
  - Publicly advertise for general contractor qualification statements
  - Evaluate submittals based on qualifications, request proposals from best qualified contractors
  - Select Best Overall Value for the District
  - Board approval for award of preconstruction services
  - Complete design (with contractor value engineering recommendations)
  - Negotiate Guaranteed Maximum Price (GMP)

### Construction Manager/General Contractor

**Examples**

- Highlands Ranch Mansion Renovation
  - Project used combination of DBB and CM/GC for different components
- Dad Clark Channel Stabilization Project
  - UDFCD managed, utilizes their Project Partners Delivery system
- I-25 GAP Project

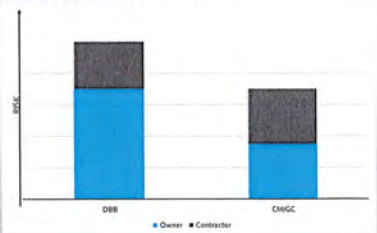



### Construction Manager/General Contractor

- **Pros**
  - Most collaborative environment with owner, designer and contractor
  - Allows contractor input on methods and materials for design decisions to reduce costs and increase efficiency
  - Works well for renovation projects as team works through design decisions
  - Can save time on projects that have separate phases/components
  - Guaranteed Maximum Price (GMP) at 70+% design helps decisions with budget constraints
- **Cons**
  - Least amount of subcontractor competition
  - Higher contractor overhead costs than design-bid-build
  - Contractual relations based on mutual trust and respect

### CM/GC – Shared Risk

- What is the difference between DBB and CM/GC?
  - Risk Allocation – CM/GC is a shared risk approach



### Project Delivery Option Process

- **Both options need to be publicly advertised**
  - Request for Qualifications (RFQ)
  - Request for Proposals (RFP)
  - Project bids
- **Board resolution to authorize alternative delivery method before proceeding with selection process**
- **Once pricing obtained, Board must approve appropriation of funds**

### Parks, Recreation and Open Space Service Center

- Project has multiple components/phases
  - Site Improvements
  - New Fleet Building
  - Three New Storage Buildings
  - Existing Building - Major Renovation
- CM/GC proposed for building renovation
- Other improvements being evaluated for best delivery method
  - DBB or CM/GC – schedule, cost, impacts to operations and phasing are all part of the evaluation



### Parks, Recreation and Open Space Service Center

- CM/GC will assist in achieving goals by providing input to team to :
  - Develop realistic schedule
  - Be cost effective for renovation
  - Determine phasing
  - Minimize impact to staff and ongoing operations
  - Evaluate design options for cost and timing



### Questions ?



# Parkway Renovations

Current Conditions

Lucent Boulevard



Northridge Road



Northridge Road



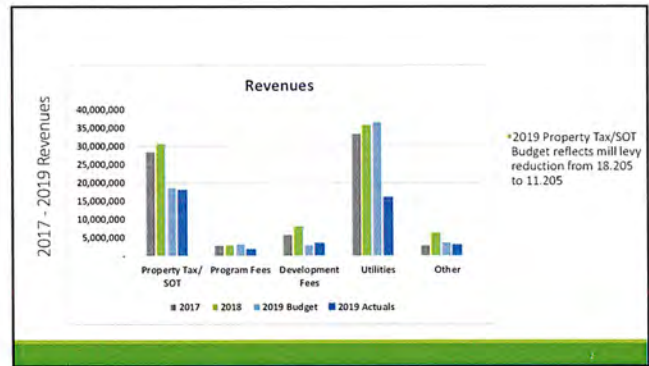
Northridge Road



**HIGHLANDS RANCH Metro District**

Financial Report as of July 31, 2019

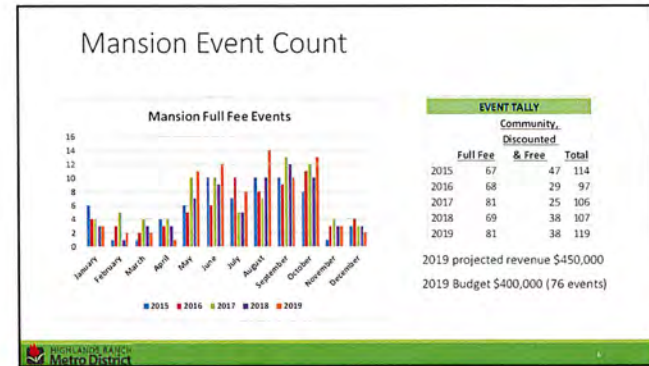
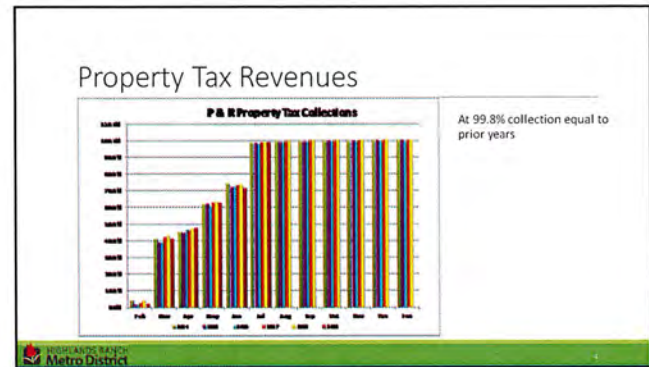
August 21, 2019



### Revenues

	2017	2018	2019 REVISED	2019 YTD
Property Tax	\$ 25,555,431	\$ 27,797,316	\$ 17,058,035	\$ 17,126,140
Specific Ownership	2,843,395	2,988,598	1,592,330	804,375
System Development Fees	2,294,481	4,234,723	1,030,200	964,438
Tap Fees	1,581,285	837,880	1,814,125	2,548,150
Recreation Revenue	1,373,820	1,317,131	1,549,283	879,399
Mansion Revenue	646,715	551,487	567,753	323,881
Water & Wastewater	31,950,804	34,884,092	35,150,000	15,143,699
Stormwater	784,678	829,140	865,000	451,828
Streetlight	1,432,171	1,456,018	1,438,000	732,059
Conservation Trust Fund	502,912	524,645	470,000	330,611
Contributed Capital	160,250	998,699	695,000	85,000
Other	789,140	881,195	838,500	884,183
Intra-governmental	83,168	2,807,354	708,000	422,941
Interest Income	472,219	1,161,434	705,800	1,436,864
<b>TOTAL</b>	<b>73,222,462</b>	<b>83,373,942</b>	<b>66,331,146</b>	<b>45,808,659</b>

- \*Program based revenues
  - Mansion =
    - ✓ Events held through July
    - ✓ Slightly above 2018 through July
  - Recreation
    - ✓ At 58% slightly lower than prior years through July
- \*Tap Fees ahead of budget
- \*Other
  - Cell Site leases, insurance proceeds, grants
- \*Interest Income ahead of budget





Mansion

	2017	2018	2019	2019	YTD
<b>REVENUES</b>					
Revenue					
Investment	\$ 422,136	\$ 374,776	\$ 460,555	\$ 450,000	\$ 256,488
Programs	1,613	1,880			
Other	251,048	288,876	181,228	187,228	111,189
Other - Insurance Premium			96,400	96,700	
Net Investment Income	13,000	45,600	96,400	96,700	
	679,797	691,132	644,173	643,428	367,677
<b>EXPENDITURES</b>					
Operations Budget	441,200	447,700	564,300	522,000	278,300
Cost of sale	9,777	43,123	42,900	42,900	31,125
Use of reserve	28,182	30,200	30,000	42,900	36,750
Budget Request - various			1,800		
Budget Request - various			11,000		
	519,159	521,023	649,000	607,800	346,175
Revenue from outside organizations	161,476	9,211	9,211	9,855	96
<b>OTHER FINANCIAL STATEMENTS (LINES)</b>					
Operating transfers					
In or from other divisions			148,940	148,940	
Other - Various			128,212	128,212	
<b>REVENUE AND OTHER FINANCIAL STATEMENTS FROM OTHER DEPARTMENTS AND OTHER FINANCIAL STATEMENTS</b>					
	161,476	9,211	158,151	158,795	96
FUND BALANCE - BEGINNING	4,388,650	4,461,770	4,461,770	4,461,770	4,461,770
FUND BALANCE - ENDING	4,400,198	4,570,242	4,570,242	4,402,120	4,612,612
UNASSIGNED FUNDS	1,131,483	1,243,943	1,243,943	1,243,943	1,131,483
"COMMODITIES"	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000
FUND BALANCE - AVAILABLE	\$ 1,254,615	\$ 1,326,299	\$ 1,326,299	\$ 1,158,177	\$ 1,511,129

- Projected Rental Revenue based on contracted events - higher than budget
- Budget Amendment adopted in July approved use of reserves

Recreation Revenues through July 2019

	2015	2016	2017	2018	2019	2019
	Actual	Actual	Actual	Actual	Budget	YTD
<b>REVENUES</b>						
REC SVC - OTHER	\$ 5,812	\$ 35,646	\$ 9,798	\$ 6,363	\$ 12,700	\$ 5,352
<b>SENIOR SERVICES</b>						
REC SVC - OUTDOOR ED	19,786	22,813	58,156	13,393	24,216	16,128
PARK SVC - PARK FIELDS INCOME	240,613	238,154	327,562	247,670	226,645	145,900
PARK SVC - WATERIAL FIELDS INCOME	279,813	197,538	198,504	196,817	197,812	-
PARK SVC - SCHOOL FIELDS INC	77,299	53,663	79,171	97,014	93,246	21,615
PARK SVC - SHELTER FIELDS INC	78,945	73,214	76,433	75,031	91,741	58,887
TOTAL PARK SERVICES	626,460	562,469	680,026	576,122	584,961	226,401
REC SVC - BATTING CAGES USE	35,831	37,237	47,049	49,917	51,723	38,252
REC PRG - TENNIS PRG INCOME	29,179	33,891	38,709	21,000	20,500	25,397
REC PRG - 17M BASEBALL	381,132	351,262	345,466	368,436	371,480	249,961
REC PRG - 17M FLAG FBALL	148,277	122,800	128,131	100,118	154,855	55,315
REC PRG - MVSC YOUTH	18,399	15,964	27,509	30,414	33,793	29,634
REC PRG - 17M CAMP	88,208	75,383	96,251	89,403	112,066	60,047
REC PRG - LACROSSE	17,120	11,073	15,589	15,855	24,285	3,865
REC PRG - TRACK & FIELD	22,698	20,046	20,496	17,723	24,245	19,158
REC PRG - ADULT PRG - SOFTBALL	178,317	180,554	171,043	167,000	184,700	136,000
REC PRG - ADULT FLAG FBALL	8,610	-	175	-	-	-
REC PRG - MVSC ADULT SPORTS	5,302	7,831	6,967	8,582	13,852	5,790
CREDIT CARD FEES	(72,707)	(26,426)	(25,572)	(24,609)	(31,000)	(17,960)
Total Revenues	\$ 1,559,888	\$ 1,486,037	\$ 1,571,624	\$ 1,473,398	\$ 1,570,083	\$ 879,399

- Unusually cold and snowy spring led to field rental cancellations
- Summer sports still posting collectors in early August

General Fund Expenditures by Object

	2018 YTD	2018 ACTUAL	2019 REVISED	2019 YTD		
<b>BOARD DIRECTED BUDGET</b>						
Personal Services	3,602,473	6,912,046	6,710,252	3,482,604		
Contracted Services	4,883,623	9,179,432	385,700	279,879		
Miscellaneous Capital	144,971	144,418	172,265	150,795		
Total Board Directed Cost	8,631,067	15,635,896	55%	7,268,217	3,913,278	54%
<b>DEPT. DIRECTED NONVARIABLE</b>						
Materials and Supplies	347,411	692,717	789,555	321,566		
Purchased Services	521,462	1,099,290	1,388,915	591,754		
Contracted Services	471,893	890,236	1,024,937	429,103		
Total Dept Dir Nonvariable	1,340,766	2,682,243	50%	3,203,407	1,342,423	42%
<b>DEPT DIRECTED VARIABLE</b>						
Fuel and Chemical Services	73,658	143,401	175,000	69,930		
Utilities	709,505	1,503,356	1,557,815	557,053		
Total Dept dir variable	783,163	1,646,757	48%	1,732,815	626,983	36%
TOTAL DEPARTMENTS	10,754,996	19,964,896	54%	12,204,439	5,882,681	48%

- Miscellaneous Capital - new equipment approved in the budget process
- Expenses overall are slightly under normal - driven by late start to summer irrigation season as a result of the unusually wet spring

## Internal Control

**Accounts Payable / Purchasing**

- Review all Purchase Orders
  - ✓ Compliance for obtaining quotes on purchases over \$1,000
    - No quote memos sent in Q2
    - No meal memos sent in Q2
  - ✓ Compliance with SOPP's