

VAIL PARK AND RECREATION DISTRICT
d/b/a VAIL RECREATION DISTRICT
BOARD OF DIRECTORS

Beginning at 8:30 a.m.
Thursday, April 27, 2017

Vail Golf Clubhouse
AGENDA
WORK SESSION MEETING

1. Vail Recreation District Capital Planning-Mill Levy Consideration- Mr. Mike Ortiz and Mr. Eric Weaver (9:00-11:00 a.m.)
2. Vail Nordic Center Operation-Mr. Mike Ortiz (11:00 a.m.-Noon)
3. Lunch-Pickleball (Noon-1:30 p.m.)
4. Vail Nature Center Report-Mr. Mike Ortiz (1:30 p.m.-2:30 p.m.)

VRD CAPITAL PLANNING

- Total VRD capital for the next 10 years (2018 – 2027) is \$12.5M
 1. This is broken down as \$6.5M in 2018-2020 and \$6M from 2021-2027. \$9M of this comes from Borne and another \$3.5M for items not included in Borne (15% contingency, hole #13, golf carts, vehicles)
 2. VRD can only afford to cover \$4M of this cost, which is slightly less than just the equipment portion of the capital costs
 3. Equipment includes: vehicles, golf carts, Zamboni, backhoe, skid steer, golf maintenance fleet, snow cat, computers, phones, etc.
 4. The mill levy required to make up this difference would be 0.89 mills, which even if approved would require deferral of multiple projects since the costs are so front loaded.
 5. Assumes that VRD does not have to pay increased rent or percentage rent on the banquet room.

- Total TOV capital per Borne for the next 10 years (2018 – 2027) is \$3.5M - see 2 attached. This although assumes that they spend \$1.1M in 2017 on projects they have been deferring so the 10 year costs is probably closer to \$4.5M
 1. These costs do not include some major items including: reconstruction of Athletic Field restrooms, Dobson enhancements/long-term solutions to aging facility, Nature Center master plan enhancements, and Clubhouse costs are included but only at a very high level estimate.

- Thoughts to consider:
 1. Original leases and mill levy of 2.76 mills wasn't intended to address capital
 2. Decline in the golf industry changed financials significantly
 3. TOV and VRD not getting along for a number of years led to deferring maintenance until 2009
 4. Annual lease payment

5. TOV exterior of buildings and HVAC
6. VRD Interior of buildings
7. VRD substantial annual maintenance as well
8. VRD golf course except for 50/50 on irrigation and bridges
9. Several projects completed- Irrigation system, 2 bridges, failing retaining walls, plus clubhouse and Ford Park.
10. Clubhouse- VRD put in \$150K for interior items no longer required, plus another \$1M
11. VRD facing decline in residential assessment rate= loss of \$350K annually (increase would be \$250K from new valuation but actually going to decline \$100k)

VALL RECREATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED

DRAFT

	Total										
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	10 Years 2018-2027
COMBINED REVENUES											
PROPERTY AND OTHER TAXES, NET	3,002,116	2,989,223	3,164,454	2,887,191	3,060,360	3,060,424	3,243,974	3,244,053	3,438,614	3,438,697	
OTHER NON-DEPARTMENTALIZED F	37,641	38,771	39,934	41,132	42,366	43,637	44,946	46,294	47,683	49,113	
SPORTS	410,286	422,595	435,273	448,331	461,781	475,634	489,903	504,600	519,738	535,330	
GYMNASTICS	222,810	229,494	236,379	243,470	250,774	258,298	266,047	274,028	282,249	290,716	
COMMUNITY PROGRAMMING	411,827	424,182	436,908	450,015	463,515	477,421	491,744	506,496	521,691	537,341	
NATURE CENTER & NORDIC	112,631	116,009	119,490	123,074	126,767	130,570	134,487	138,521	142,677	146,957	
GOLF COURSE	1,344,095	1,384,418	1,425,951	1,468,729	1,512,791	1,558,175	1,604,920	1,653,068	1,702,660	1,753,740	
TENNIS	44,172	45,497	46,862	48,268	49,716	51,207	52,743	54,325	55,955	57,634	
DOBSON	667,109	687,123	707,736	728,968	750,837	773,363	796,563	820,460	845,074	870,426	
GOLF F&B / BANQUET ROOM, NET O	466,859	566,179	583,164	600,659	618,679	637,239	656,356	676,047	697,009	718,759	
TOTAL REVENUES	6,718,546	6,913,491	7,196,150	7,039,837	7,337,576	7,465,966	7,781,683	7,917,893	8,253,350	8,398,715	
OPERATING EXPENSES											
ADMINISTRATION	(702,449)	(723,523)	(745,226)	(767,585)	(790,613)	(814,331)	(838,761)	(863,924)	(889,841)	(916,537)	
PUBLIC RELATIONS/MARKETING	(281,626)	(290,075)	(298,777)	(307,741)	(316,973)	(326,482)	(336,276)	(346,365)	(356,756)	(367,458)	
PARK MAINTENANCE	(223,678)	(230,388)	(237,300)	(244,418)	(251,751)	(259,304)	(267,083)	(275,095)	(283,348)	(291,848)	
FACILITIES MAINTENANCE	(140,437)	(144,287)	(148,253)	(152,337)	(156,544)	(160,877)	(165,340)	(169,937)	(174,672)	(179,549)	
SPORTS	(560,014)	(576,814)	(594,118)	(611,942)	(630,300)	(649,209)	(668,686)	(688,746)	(709,408)	(730,691)	
GYMNASTICS	(274,840)	(283,085)	(291,577)	(300,325)	(309,334)	(318,614)	(328,173)	(338,016)	(348,158)	(358,603)	
COMMUNITY PROGRAMMING	(536,096)	(552,179)	(568,745)	(585,807)	(603,381)	(621,483)	(640,127)	(659,331)	(679,111)	(699,484)	
NATURE CENTER & NORDIC	(77,734)	(80,086)	(82,468)	(84,942)	(87,490)	(90,115)	(92,819)	(95,603)	(98,471)	(101,425)	
GOLF OPERATIONS	(715,605)	(736,961)	(758,957)	(781,613)	(804,949)	(828,985)	(853,742)	(879,242)	(905,507)	(932,580)	
GOLF MAINTENANCE	(886,192)	(911,594)	(937,758)	(964,707)	(992,465)	(1,021,055)	(1,050,503)	(1,080,834)	(1,112,076)	(1,144,254)	
TENNIS	(100,810)	(103,788)	(106,856)	(110,016)	(113,271)	(116,623)	(120,076)	(123,633)	(127,296)	(131,069)	
DOBSON	(817,733)	(842,205)	(867,411)	(893,374)	(920,115)	(947,658)	(976,026)	(1,005,249)	(1,035,346)	(1,066,347)	
GOLF F&B / BANQUET ROOM	(536,381)	(588,360)	(606,011)	(624,191)	(642,917)	(662,204)	(682,071)	(702,533)	(723,624)	(745,351)	
ADDITIONAL OPERATING COSTS	(268,830)	(276,895)	(285,202)	(293,758)	(302,571)	(311,648)	(320,987)	(330,627)	(340,546)	(350,762)	
TOTAL EXPENSES	(6,122,426)	(6,340,220)	(6,528,662)	(6,722,756)	(6,922,674)	(7,128,589)	(7,340,681)	(7,558,137)	(7,784,160)	(8,015,938)	
NGE IN FUND BAL. BEFORE DS & CAP	596,120	573,270	667,488	317,081	414,902	337,378	441,002	358,756	469,190	382,777	
DEBT SERVICE	(273,838)	(270,975)	(272,456)	-	-	-	-	-	-	-	
DONATIONS, LOANS, & SALE OF AS:											
CAPITAL EXPENDITURES	(4,235,835)	(914,271)	(1,428,128)	(494,987)	(884,318)	(595,785)	(1,232,280)	(633,378)	(1,261,393)	(819,379)	
LESS UNFUNDED CAPITAL PROJECT	3,050,000	700,000	850,000	300,000	550,000	375,000	925,000	375,000	925,000	550,000	8,600,000
CONTINGENCY	(103,000)	(106,090)	(109,273)	(112,551)	(115,927)	(119,405)	(122,987)	(126,677)	(130,477)	(134,392)	
TOTAL NET CAPITAL EXPENSES	(1,288,835)	(320,361)	(687,401)	(307,548)	(450,245)	(340,190)	(430,277)	(385,055)	(466,870)	(403,770)	
BEGINNING FUND BALANCES	2,970,888	2,004,335	1,986,269	1,693,900	1,703,433	1,668,090	1,665,277	1,676,002	1,649,703	1,652,022	
ENDING FUND BALANCES	2,004,335	1,986,269	1,693,900	1,703,433	1,668,090	1,665,277	1,676,002	1,649,703	1,652,022	1,631,029	

No assurance is provided on these financial statements;
substantially all disclosures required by GAAP omitted.

VAIL RECREATION DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED

DRAFT

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	10 Years
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	2018-2027
TOTAL CAPITAL COSTS BY CATEGORY:											
Vehicles & Equipment	623,519	460,589	687,085	265,325	314,288	341,833	733,810	256,809	560,722	321,786	4,565,756
Buildings- Other	348,864	51,700	104,002	68,563	158,261	84,908	95,504	69,016	131,939	199,798	1,312,554
Starter House	900,000	-	-	-	-	-	-	-	-	-	900,000
Dobson Event Stage & Flooring	139,031	-	-	-	-	-	-	11,786	206,735	-	357,532
Dobson Rink Chilling System	140,889	-	23,881	-	-	-	-	-	-	-	164,570
Dobson Seating	131,127	-	-	-	-	-	-	-	-	-	131,127
Bridges	407,091	13,692	-	-	31,670	-	-	-	-	7,343	459,795
15th Tee Box	150,000	-	-	-	-	-	-	-	-	-	150,000
Tees, Greens & Bunkers	507,335	-	192,102	-	-	-	-	-	-	-	699,437
Hole 13 Expansion	-	151,683	-	-	-	-	-	-	-	-	151,683
Trees & Weather Shelters	163,910	-	-	-	31,669	-	-	-	-	36,713	232,292
Driving Range Renovation	-	-	-	-	-	-	-	-	92,674	-	92,674
Cart Paths & Other	162,220	81,149	83,584	92,240	88,674	91,334	200,244	113,507	99,803	146,853	1,159,607
Ford Park & Other Grounds	8,549	36,227	151,196	4,305	144,412	-	41,998	99,665	4,980	-	492,342
15% For Soft Costs & Contingency	552,500	119,253	186,278	64,565	115,346	77,711	160,733	82,615	164,529	108,875	1,630,405
Total Capital Costs By Category	4,236,836	914,271	1,428,128	494,997	884,318	695,786	1,232,290	633,378	1,261,393	819,379	12,499,774

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 substantially all disclosures required by GAAP omitted.

TOWN OF VAIL AND VAIL RECRETION DISTRICT

COST SHARING OF ESTIMATED FACILITIES CAPITAL MAINTENANCE AND REPLACEMENT COSTS

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total 10 Years
Town of Vail											
Vail Recreation District											
Ford Park & Tennis Center- TOV	11,256	-	4,179	-	16,468	17,614	-	40,766	1,068,679	10,280	1,169,242
Ford Park & Tennis Center-VRD	46,736	58,842	71,643	-	-	-	55,437	96,898	-	23,496	353,050
Total Costs	57,992	58,842	75,822	-	16,468	17,614	55,437	137,662	1,068,679	33,776	1,522,292
Community Programming- TOV	-	-	-	-	-	-	-	-	-	-	-
Community Programming- VRD	19,669	-	88,034	9,741	54,472	-	13,439	-	96,838	55,070	337,263
Total Costs	19,669	-	88,034	9,741	54,472	-	13,439	-	96,838	55,070	337,263
Dobson- TOV	68,206	103,175	38,807	2,460	-	44,885	13,439	89,422	81,981	88,112	530,487
Dobson- VRD	524,480	11,013	88,360	3,936	84,874	19,572	6,720	11,766	420,600	80,035	1,251,366
Total Costs	592,686	114,188	127,167	6,396	84,874	64,457	20,159	101,188	502,581	168,147	1,781,843
Athletic Field- TOV	6,078	-	-	9,716	123,510	-	7,257	74,749	-	18,944	240,254
Athletic Field- VRD	36,539	-	25,075	-	144,412	-	-	-	-	-	208,028
Total Costs	42,617	-	25,075	9,716	267,921	-	7,257	74,749	-	18,944	448,279
Nature Center- TOV	55,803	-	-	-	20,649	-	-	9,690	-	-	86,142
Nature Center- VRD	218,545	5,796	54,478	4,305	-	-	6,720	16,611	4,990	14,098	325,543
Total Costs	274,348	5,796	54,478	4,305	20,649	-	6,720	26,301	4,990	14,098	411,685
Gymnastics- TOV	-	-	-	-	35,470	-	-	106,726	-	-	142,196
Gymnastics- VRD	40,350	17,389	24,001	42,185	36,863	57,149	28,625	27,962	68,864	22,028	365,416
Total Costs	40,350	17,389	24,001	42,185	72,333	57,149	28,625	134,688	68,864	22,028	507,612
Golf- TOV	11,255	2,493	157,663	95,684	32,724	35,000	42,070	55,066	223,657	58,671	714,282
Golf- VRD	2,035,552	434,831	462,854	295,571	330,415	309,003	435,113	338,665	442,083	451,504	5,636,590
Golf- Split 50/50	1,114,182	27,383	26,866	-	63,339	29,357	-	33,222	32,080	14,686	1,341,115
Total Costs	3,160,989	464,706	647,383	391,255	426,477	373,360	477,183	426,953	697,820	524,861	7,590,988
Total All Facilities- TOV	709,689	119,359	214,082	107,860	260,490	112,178	62,766	393,030	1,390,357	183,350	3,563,160
Total All Facilities- VRD	3,478,962	541,562	827,878	355,738	682,705	400,403	546,054	508,511	1,049,415	653,574	9,044,801
Total Capital	4,188,651	660,921	1,041,960	463,598	943,194	512,580	608,820	901,541	2,439,772	836,924	12,607,962

Other Costs Included in Financial Plan

One-Time Costs:

Online Registration & Database	40,000
Family Expo Exhibits	50,000
Marketing Technology Audit	-
Branding Study	10,000
Chip Timing System	40,000
Wedding Island Expansion	TBD
Total Items NOT in Long-Range Plan	140,000

Annual Costs:

Re-filling staff positions (Including Benefits)

Community Prog- Programmer	60,000
Gymnastics- Head Coach	
Golf/Nordic- Pro/Operator	60,000
Dobson- F&B Supervisor	
Marketing- Social Media	-
Sports- Program Coordinator	-
Sports- Event Staff	20,000
Golf Maint- 2nd Superintendent	-
Golf Maint- 3 Add'l Seasonal	41,000
Community Programming (Events)	10,000
Total Staffing NOT in Long-Range Plan	191,000

Other Annual Costs

Imagination Station Exhibits	-
Marketing & Branding (District Wide)	40,000
Intercept Studies	30,000
Total Other NOT in Long-Range Plan	70,000



VAIL RECREATION
D I S T R I C T

VRD/TOV Joint Session

February 21, 2017



VAIL RECREATION
D I S T R I C T

- Historical Background
 - 1966- VMRD formed (Prior to the Town)
 - VMRD developed the golf course and tennis courts
 - 1976- TOV formed a recreation department
 - 1989- Recreation program management transferred to VMRD
 - 1991- VRMD name changed to VRD
 - 1993- TOV & VRD entered into lease of town-owned facilities
 - 1994- Election to transfer 2.76 mills from TOV to VRD for operations
 - 2001- VRD issues bonds for Dobson improvements
 - 2003- Vail Gymnastics Center constructed
 - 2004- Golf industry declines & VRD obtains Dobson bond mill levy
 - 2005- Lionshead TIF collections start, ending in 2030
 - 2007- Borne Engineering hired to assess capital needs
 - 2008- TOV & VRD enter into new leases of town-owned facilities
 - 2016- Borne Engineering capital plan updated



VAIL RECREATION
D I S T R I C T

- Leased Facilities
 - Golf Course, Starter House and Clubhouse
 - Golf Maintenance
 - Nature Center
 - Tennis Center
 - Gymnastics Center
 - Ford Park Athletic Fields
 - Red Sandstone Athletic Field
 - Donovan Athletic Field
 - Dobson Ice Arena
 - Lionshead Community Programming
 - Golden Peak Pickleball Center



Responsibilities Under The Current Leases

TOV Responsibilities

- Building exteriors
- Building mechanical
- Tennis fencing & retaining walls
- 50% of:
 - Irrigation system
 - Tee box retaining walls
 - Bridges

VRD Responsibilities

- Building interiors
- Golf holes & driving range
- Starter house
- 50% of:
 - Irrigation system
 - Tee box retaining walls
 - Bridges
- Annual lease payment of \$122K (now up to \$137K)



VAIL RECREATION
D I S T R I C T

- Projects Completed Since 2008
 - Dobson, Golf Club and Tennis Center ADA compliance
 - Golf hole #3 tee box retaining walls
 - Golf hole #7 tee box retaining walls
 - Golf course irrigation system
 - Two golf course bridge replacements
 - Tennis court retaining walls and fencing
 - Lionshead Community Programming facility
 - Driving range net expansion
 - Ford Park fields and concessions/restrooms
 - Zeke M. Pierce Skatepark
 - Golden Peak Pickleball Center
 - Golf clubhouse and hole #18



Upcoming Capital Projects

TOV Responsibilities

- Tennis Center roof, mechanical and restrooms
- Dobson doors, windows electrical and mechanical
- Golf Maintenance roof and exterior
- Golf Maintenance storage facility
- Gymnastics A/C system
- Golf course bridges and tee boxes (50%)

TOTAL \$4M over 10 years

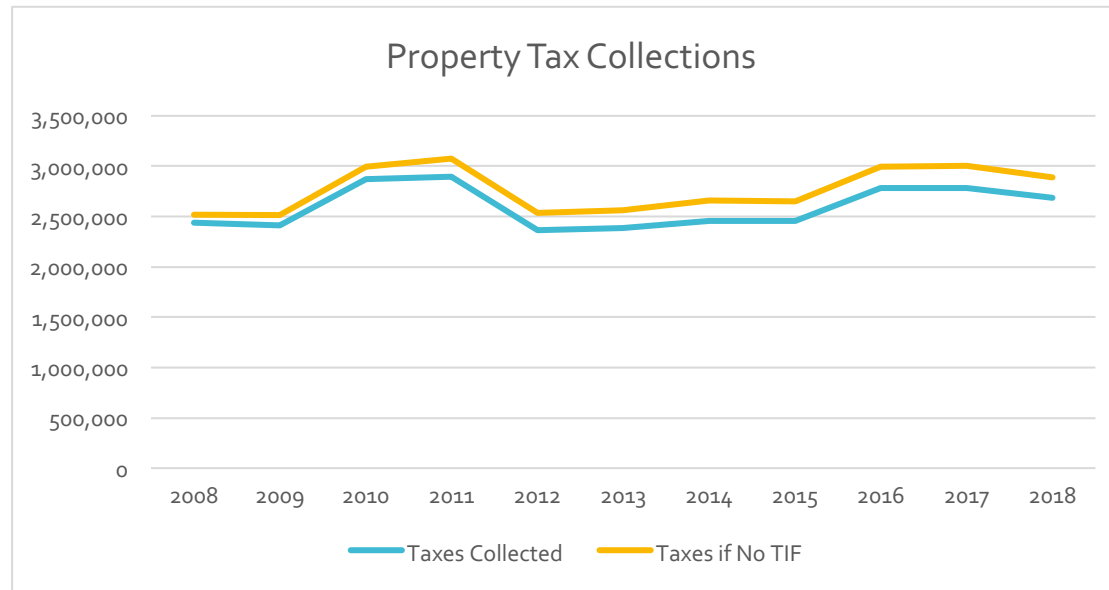
VRD Responsibilities

- Tennis Center, Golf Maintenance and other facility interiors
- Tennis court screens and releveling
- Imagination Station exhibits
- Dobson rink chiller system, bleachers, scoreboards, sound system, concessions, stage, flooring and other
- Golf starter house, kitchen/event equipment
- Golf driving range, weather shelter, cart path overlays, bunkers, tees and trees
- Golf course bridges and tee boxes (50%)
- **TOTAL \$8M over 10 years**



- VRD Financial Challenges

- Decline in property taxes after real estate downturn
- \$1.15M contribution towards clubhouse project
- Increased operations costs from expanded programming, affordable care act and inflation
- Golf course construction (irrigation, bridges, hole #18, clubhouse)
- Gallagher adjustment to residential assessment rate





VAIL RECREATION
D I S T R I C T

- VRD Financial Challenges
 - Over next 10 years, VRD expects to only have \$1.5M of the \$8M needed for town-owned facility responsibilities.
- Possible Solutions:
 - Reduction in programs offered
 - Increase in user fees
 - TOV takes on additional responsibilities in the leases
 - Ask voters for a mill levy increase (roughly 1 mill)
 - VRD need a definitive answer from the town so that we know how much to ask for from the voters and what it will be used for

Mike Ortiz

From: Eric Weaver <Eric@mwcpaa.com>
Sent: Thursday, April 13, 2017 3:20 PM
To: David Greher
Cc: Mike Ortiz
Subject: RE: VRD Mill Levy Question - Updated Response

David, we are currently contemplating the idea of asking two questions (unless you think we can combine them).

Question 1 would be simply to ask can we gallagherize the current 2.76 operating mill levy.

Question 2 we are thinking might read something to the effect, if we eliminate the Special Levy (max of 0.527 mills, currently levying 0.271) that we were discussing below and replaced it with an operating mill levy, gallagherized. If we were to continue to cap this new operating mill levy at 0.527 mills, gallagherized, would this still be a "tax Increase" under TABOR?

If you can provide some very rough ballot language for these it would be helpful for our Board retreat, for which we are putting packets out a week from tomorrow.

*Eric Weaver, CPA
Marchetti & Weaver, LLC*

From: David Greher [mailto:DGreher@CCCFIRM.COM]
Sent: Friday, February 17, 2017 5:23 PM
To: Eric Weaver <Eric@mwcpaa.com>
Cc: Linda Glesne <lglesne@CCCFIRM.COM>; Jim Collins <jcollins@CCCFIRM.COM>
Subject: RE: VRD Mill Levy Question - Updated Response

Eric,

I've thought about it some more today and think there are two wrinkles here that I need further explanation.

1. The TABOR Question says the tax increase's use is "RESTRICTED TO THE DEBT SERVICE ON THE DISTRICT'S ENTERPRISE REVENUE BOND, SERIES 2001, PAYABLE THROUGH THE DISTRICT'S 2020 FISCAL YEAR AT WHICH TIME THIS ADDITIONAL MILL LEVY AUTHORIZATION SHALL TERMINATE".

The DSRF has about one year's debt service pledged to the Bonds. As I noted below, the DSRF is frequently (usually(?)) liquidated in the last year in lieu of a property taxes. There is a colorable argument that the TABOR Question effectively incorporated this expectation about the use of the DSRF, meaning that 2019 would be the last year to collect taxes. I think it is relatively unlikely that the District would take a TABOR claim and I think that the District would have a good argument against such a claim, but there is a risk here that the Board should understand when it considers options in 2019.

Unless, that is, the District uses this expiring levy as an opportunity as described below.

2. Although I've never done this before, I've now come across three examples post-TABOR where Districts have converted expiring debt service levies into general operating levies. Rather than focus on a one-time \$280k boost to capital spending, perhaps the Board should take this opportunity to ask a TABOR Question that does not have to start "SHALL DISTRICT TAXES BE INCREASED..."

The possible text *might* look something like:

WITHOUT INCREASING TAXES, SHALL VAIL PARK AND RECREATION DISTRICT BE AUTHORIZED TO CONTINUE TO IMPOSE THE 0.527 MILLS APPROVED BY VOTERS IN MAY 2004 FOR DEBT SERVICE ON BONDS MATURING IN 2020, WITH REVENUES TO BE USED FOR GENERAL OPERATING PURPOSES IN 2020 AND ANNUALLY THEREAFTER?

I might want to do a little more researching, but I think that the District can avoid the "tax increase" language as long as it (a) references the 2004 Question and (b) contents itself to the limits of the lesser of 0.572 mills and \$282,000. If the District wants to increase either the mill levy rate or dollar amount, the Question would have to be asked as an increase, but with the potentially offsetting information that voters have been already paying a *similar* tax. We could also discuss whether abbreviated "protective" de-Brucing language should be added at the end of the Question, but given the broad 1996 de-Brucing approved by voters, we don't believe it's needed.

If approved, the District would get a permanent \$282,000 revenue boost without limitations as to use and concern #1 becomes academic.

Let me know if you'd like to discuss.

Sincerely,

David A. Greher
Collins Cockrel & Cole
390 Union Boulevard, Suite 400
Denver, Colorado 80228-1556
303.218.7201 (Telephone)
800.354.5941, Ext. 111 (Toll Free)
303.986.1755 (Facsimile)
dgreher@cccfirm.com

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From: David Greher
Sent: Thursday, February 16, 2017 11:39 AM
To: 'Eric Weaver' <Eric@mwcpaa.com>
Cc: Jim Collins <jcollins@CCCFIRM.COM>
Subject: RE: VRD Mill Levy Question

Eric,

Here's my analysis:

1. The Bonds mature in 2020. The TABOR Question authorizes collection of the mill levy through 2020. So there is no TABOR issue with collecting taxes for debt service due in 2020.

2. The Bond Documents appear to be silent on the issue of what happens to the DSRF in 2020. Certainly, there is a normal expectation of depleting the DSRF for debt service in the final year, and we now try to include Bond language that expressly allows such usage.

Bottom line: I could not find any contractual prohibition on your plan below (using the DSRF moneys for capital improvements after final maturity).

3. My understanding of tax law leaves me to believe that the IRS likely won't care about the use of the balance of the DSRF, and agree with your instincts that using the DRSF balance for capital improvements would be a very good fact if they were to inquire. I have a call in to bond counsel to see if they concur.

Let me know of any questions.

Sincerely,

David A. Greher
Collins Cockrel & Cole
390 Union Boulevard, Suite 400
Denver, Colorado 80228-1556
303.218.7201 (Telephone)
800.354.5941, Ext. 111 (Toll Free)
303.986.1755 (Facsimile)
dgreher@cccfirm.com

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From: Eric Weaver [<mailto:Eric@mwcpaa.com>]
Sent: Tuesday, February 14, 2017 3:44 PM
To: David Greher <DGreher@CCCFIRM.COM>
Cc: Jim Collins <jcollins@CCCFIRM.COM>
Subject: VRD Mill Levy Question

David, as a refresher, the Vail Rec District issued revenues bonds in 2001. It then got the attached levy approved a few years later. My question is, in 2020 which is the final year of payment on the bonds, can the District levy a tax to pay the debt service and use the funds in the reserve fund for capital projects or will the District be required to fund the costs through the reserve fund and lower the mill levy? We talked shortly with Jim and he brought up that since the reserve fund was funded through bond proceeds along with the wording in the election question we might be able to but wanted to have you take a deeper look. Feel free to give me a call if you want me to fill you in with some more background.

Thanks,

Eric

SIMPLE GALLAGHERIZATION

SHALL VAIL PARK AND RECREATION DISTRICT'S TAXES BE INCREASED BY \$ _____ IN 2018, AND BY SUCH AMOUNTS AS MAY BE COLLECTED ANNUALLY THEREAFTER BY THE IMPOSITION OF AN ADDITIONAL MILL LEVY AT A RATE SUFFICIENT TO GENERATE AN AMOUNT EQUAL TO THE 2017 OPERATING MILL LEVY REVENUES, ADJUSTED ANNUALLY FOR INFLATION AND LOCAL GROWTH (AS DEFINED IN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION) TO PAY DISTRICT EXPENSES?

DRAFT

CONTINUATION TABOR

WITHOUT INCREASING TAXES, SHALL VAIL PARK AND RECREATION DISTRICT BE AUTHORIZED TO CONTINUE TO IMPOSE THE 0.527 MILLS APPROVED BY VOTERS IN MAY 2004 FOR DEBT SERVICE ON BONDS MATURING IN 2020, TO BE USED FOR GENERAL OPERATING PURPOSES IN 2020 AND ANNUALLY THEREAFTER?

DRAFT

COMBINED

SHALL VAIL PARK AND RECREATION DISTRICT TAXES BE INCREASED BY \$ _____ IN 2018, AND BY SUCH AMOUNTS AS MAY BE COLLECTED ANNUALLY THEREAFTER BY THE IMPOSITION OF A TOTAL OPERATING LEVY OF 3.031 MILLS (BEING THE TOTAL MILL LEVY RATE COLLECTED BY THE DISTRICT IN 2017) TO PAY DISTRICT OPERATING AND OTHER EXPENSES; PROVIDED THAT SUCH MILL LEVY MAY BE ADJUSTED TO OFFSET REFUNDS, ABATEMENTS AND CHANGES TO THE PERCENTAGE OF ACTUAL VALUATION USED TO DETERMINE ASSESSED VALUATION; AND PROVIDED THAT SUCH RATE SHALL BE REDUCED TO THE EXTENT IT IS IMPOSED TO PAY DEBT SERVICE ON BONDS MATURING IN 2020?

DRAFT

**Vail Recreation District Nordic Synopsis
2017-18 Pre Orders**

Vendor	Amount	Contact
Skida	\$4,470.00	Andrea Sleeper
Darn Tough	\$946.00	Steve
Atlas	\$3,024.75	John Dixon
Craft	\$4,920.53	Robyn Coats
Buff	\$450.80	Ellen Brown
Kari Traa	\$1,448.35	Rita Davis/Katie Boone
Bjorn Daehlie	\$5,490.93	Reed Powers
Bliz	\$2,592.00	Andrew Gerlach
Fischer-skis	\$20,333.00	Polly
Swix-skis	\$7,528.83	Polly
Swix-clothing	\$25,976.00	Polly
Swix/Toko-gloves	\$817.00	Polly
Patagonia	\$8,526.50	Jay Alter
Rossignol	\$16,990.94	Scott McDill
Rossignol	\$15,043.84	Scott McDill
Salomon-skis (AMER)	\$19,375.00	Pete Swenson/Brenton Knight
AMER Apparel	\$9,762.00	Pete Swenson/Brenton Knight
Pre Order Total	\$147,696.47	
Inventory Purchased	\$156,771.00	
Grand Total	\$304,467.47	



MEMORANDUM

To: Mike Ortiz
From: Tom Braun
Date: March 22, 2017
RE: Ford Park Master Plan/Vail Nature Center

The purpose of this memo is to provide an analysis of the Vail Nature Center Interpretive Master Plan (the Nature Center Plan) with respect to how the main improvements proposed by the Nature Center Plan relate to the Ford Park Master Plan (FPMP). This is an overview level analysis based on a relatively brief review of both documents. No communication specific to how the town plans relate has taken place with either Town staff or the preparer of the Nature Center Plan. Information below should be considered a starting point for discussion.

The FPMP is the Town's main tool for guiding future decision making on improvements proposed for Ford Park. In some cases the FPMP flies at pretty high level, in other cases it gets fairly explicit. FPMP is the primary tool to be used by the town to evaluate any proposal within the Park. To this end, the Plan states *"The goals, objectives and policies of this Plan will be considered during the review process for any new development, changes or improvements proposed for the Park. Only those proposals deemed to be in compliance with these statements (and other applicable elements of this Plan) will gain approvals. Project proposals deemed to not comply with these statements and other applicable elements of this Plan will be denied."*

This memo includes the following: 1) a summary of the major improvements that are proposed by the Nature Center Plan; 2) for each major improvement relevant goals, objectives, policies and Action Items of the Ford Park Master Plan relevant are identified along with observations as to how the Town may respond; 3) relevant recommendations from the Gore Creek Preservation Sub-Area and the Ford Park Illustrative Plan sections of the FPMP and observations as to how these recommendations relate to the Nature Center Plan.

Observations provided below are an indication of how the Town may react to proposed improvements; they are based on our having been involved in the preparation of the FPMP and with many years of experience in working on development projects in the Town of Vail.

Improvements Proposed by the Nature Center Plan

Below is a brief summary of the major improvements proposed by the Nature Center Plan that may be influenced by the FPMP and relevant goals, objectives, policies and action steps from the FPMP:

Operation/Program of Nature Center

- Expand to year-around operation

Relevant Sections of the FPMP

The FPMP includes statements in support of the role of the Nature Center. While these statements are very general in nature, they do provide some basis for improvements to the Nature Center.

Goal #2, Objective 2.3, Policy Statement 3:

Support the educational programs provided at the Nature Center and the programs provided by the Betty Ford Alpine Gardens.

Goal #2, Objective 2.3 Action Step 3:

Promote and support the use of the Nature Center and surrounding area as a center for environmental education programs.

The FPMP also speaks to limiting uses and activities in this area of Ford Park.

Goal #2, Objective 2.1, Policy Statement 1: Preserve the "delight of the natural earth forms and mature tree growth adjacent to Gore Creek" (The Vail Plan, 1974) found within Gore Creek Preservation Sub-area and limit uses and activities within this area.

Goal #2, Objective 2.5, Policy Statement 2: Uses proximate to the Nature Center should be limited and shall be consistent with the Gore Creek Preservation Sub-Area.

Observations

Statements about limiting uses and activities in this area are as vague as the statements in support of the Nature Center. Discussion during the town's review process regarding what "support" means and what "limited" means will ultimately be judgement calls, highly subjective. That said, it is anticipated that winter programming and the overall intensity of programs and uses contemplated by the Nature Center Plan will be a topic of conversation during the Town's review process

Renovation and Expansion of Nature Center Building

- Renovation to existing building
- Expanding footprint of building (extent of expansion not defined)
- Incorporate solarium element and/or floor to ceiling windows
- Add heat to building
- Extend water service to building

Relevant Sections of the FPMP

The FPMP acknowledges the condition of the building and includes statements in support of building restoration -

Goal #2, Objective 2.5: Enhance and restore the Nature Center building and the landscape surrounding the building.

Goal #2, Objective 2.5, Policy Statement 3: Restore the architectural and historical character of the Nature Center building.

Goal #2, Objective 2.5, Action Step 2.5.2: Complete an architectural inventory of the Nature Center building to define steps that could be taken to restore the historic character of the building.

By the same token, the underlying message in the FPMP is that buildings in Ford Park in general and specifically in the Gore Creek Preservation Sub Area should be limited.

Goal #1, Objective 1.3: Preserve and protect the environmentally sensitive areas along the Gore Creek Corridor.

Goal #1, Objective 1.3, Policy Statement 1: Uses and improvements within the Gore Creek Corridor shall be limited to only those prescribed in the Gore Creek Preservation Sub-area.

Goal #1, Objective 1.3, Policy Statement 2: No new buildings should be permitted within the Gore Creek Preservation Sub-area.

Goal #1, Objective 1.5: Limit the number and scale of buildings and structures within the Park to no more than necessary to meet the needs of park operations and to provide appropriate services and facilities to park users.

Goal #1, Objective 1.5, Policy Statement 1: As an alternative to new buildings, encourage shared or joint-use buildings and/or facilities among Park lease-holders.

Goal #1, Objective 1.5, Policy Statement 2: The design of new buildings or structures shall be integrated with the land with a subtle, understated, low-profile in appearance so as to not dominate the Park's landscape.

Goal #2, Objective 2.5, Policy Statement 2: Uses proximate to the Nature Center should be limited and shall be consistent with the Gore Creek Preservation Sub-Area.

Observations

It is difficult to opine on how plans for the building may relate to the FMPM given the very general nature in which plans for the building are described. It is clear that the FMPM supports the restoration of the existing building, but there is no indication that the FMPM supports expansion of the building. More specifically, the FMPM speaks to restoring the historic character of the existing building. Some building improvements described in the Nature Center Plan, particularly the floor to ceiling windows (and the canvas cover over the amphitheater), would not likely be deemed consistent with the buildings historic character.

Access Road to the Nature Center

- Re-design, re-grade, improve access road to building

Relevant Sections of the FMPM

Limiting vehicular access is one of the main objectives in how the Park is managed –

Goal 2, Objective 2.5, Policy Statement 1: Limit vehicular access to only those vehicles necessary for the operation of the building and educational programs.

Goal #2, Objective 2.5, Action Step 2.5.3: Eliminate the parking areas around the Nature Center building and reclaim these areas to a natural landscape condition.

Goal #3:

Reduce vehicular intrusions into the interior of the Park and minimize to the greatest extent feasible the impact of vehicular activity on users of the Park, particularly on the passive use areas of the Lower Bench and along pedestrian walkways.

Goal 3, Objective 3.1: Reduce the presence and frequency of vehicular trips into the Lower Bench (the Lower Commons, Gardens, Amphitheater and the Gore Creek Preservation Sub-Areas) of the Park.

Observations

Re-designing the road to the Nature Center could be considered an improvement that may encourage an increase of vehicular traffic into the Park. Improvements to this road would also conflict with the Action Step that recommends elimination of parking around the Nature Center.

Parking

- Dedicated, controlled, easily accessed parking spaces for staff and visitors, preferably at Soccer Field lot or via construction of parking lot adjacent to Vail Valley Drive.

Relevant Sections of the FPMP

Goal #2, Objective 2.5, Action Step 2.5.3: Eliminate the parking areas around the Nature Center building and reclaim these areas to a natural landscape condition.

Goal #3, Objective 3.2, Policy Statement 2: There shall be a "no-net loss" of the +/-200 parking spaces within the Parking/Transit Sub-Area and the +/-65 spaces at the Soccer Field Sub-area. Any net loss of parking spaces shall only be considered when off-set by a demonstrated improvement or enhancement of public transit use or alternate means of transportation to the Park.

Observations

This Action Step is quite direct in recommending elimination of parking around the Nature Center. Given this, it would seem very unlikely that the creation of any new parking would be deemed to be consistent with the FPMP. The Nature Centers exclusive use of up to 10 spaces at the Soccer Field parking lot could be deemed a loss of overall parking for the Park. A point of reference is the newly constructed Betty Ford Alpine Garden building. While this should be confirmed, I do not think that this building has dedicated parking within Ford Park.

Trail Development and Bridge of Gore Creek

- Pedestrian bridge over Gore Creek

Relevant Sections of the FPMP

There are no goals, objectives, policies or action steps that directly address trail development or a new bridge. See sections below on the Gore Creek Preservation Sub-Area and the Ford Park Illustrative Plan.

Gore Creek Preservation Sub-area

The FPMP defines seven sub-areas. The Nature Center is located in the Gore Creek Preservation Sub-Area. The section below from the FPMP is relevant to the Nature Center Plan:

It is intended that existing uses and improvements within the Gore Creek Preservation Sub-Area be maintained and in keeping with the goals of preserving

this area no new buildings are to be constructed within the sub-area. Any other new uses or improvements should be limited to those that will complement the natural character of the creek corridor and will minimize impacts to this sensitive environment.

Resolution No. 27 of 1987 designated the seven acres around the Nature Center as an area "to be preserved as an example of the Gore Valley's natural history." The resolution stipulated that "vehicular traffic is to be restricted and certain policies and procedures for preservation and maintenance of the grounds and facilities" should be enacted. It is acknowledged that the Nature Center will bring a certain level of activity to this sub-area. Nature Center activity should be concentrated on the "upland" portions of the Nature Center in order to minimize impacts to the creek corridor.

Improvements within the sub-area should be limited to low-impact improvements such as soft surface walking paths, creek enhancements to improve fish habitat, fishing access, re-vegetation and creek/stream bank restoration projects. In all cases such improvements should be designed and constructed in a manner that minimizes environmental impacts (i.e. avoid wetland habitat and wetland, maintain existing natural vegetation, use of "best management practices", etc.). The underlying goal of any new trail development and/or bridge crossing should be to improve access in order to enhance awareness of this important natural environment.

Utility improvements should not be located within this sub-area unless no other practical alternative is available.

The existing condition of the Nature Center Building and the surrounding area has been a point of discussion. Potential improvements to the Nature Center are further discussion in Chapter 6 – Ford Park Illustrative Plan.

Observations

The section above would further re-inforce the idea of upgrading the building. That said, given the goals, objectives and policies the type and extent of building upgrades will be a point of discussion. This section also opens the door for additional trail development and a bridge over Gore Creek. The comment about utilities is interesting in that other sections of the FPMP suggest extension of utilities to the building.

Ford Park Illustrative Plan

The Ford Park Illustrative Plan provides a general description of eight future improvements contemplated for Ford Park. The Plan indicates the general location of the improvements, a summary of the proposed improvements and parameters or criteria to be considered in the design, development and operation of the improvement. Improvement #5 addresses the Nature Center.

Improvement #5 – Nature Center

Over the years a number of additions and modifications have been made to the nature center building. Many of these changes have altered the historic character of this building. An assessment of the building should be completed in order to understand steps that could be taken to restore the architectural integrity of this building and the surrounding area.

A current deficiency of the Nature Center is the lack of restroom facilities. If the building is to be renovated consideration should be given to how restrooms could be incorporated into the building. Other improvements to the Nature Center include, re-claiming the informal parking areas proximate to the building and taking steps to limit vehicular access to the site. These site improvements would most efficiently be designed in conjunction with the evaluation of the building.

Refer to Chapter 4, Goal #2, Objective 2.5, Action Step 2.5.1-2.4.3.

Observations

Comments above reinforce many points addressed in the goals, objectives and policies of the FPMP, specifically that historic character of the building be restored, existing parking be removed, vehicle access be limited.

Summary

Clearly the FPMP opens the door for improvements to the Nature Center and surrounding areas. The key questions with respect to what is "approvable" will center around the specific type and extent of improvements that are proposed. Based on the above, I would envision the following issues or points of discussion:

Overall Uses/Activity – Depending upon what is proposed, I suspect that this will be a point of discussion. Given the very general nature of comments in the FPMP, this ultimately will be a subjective conversation.

Building – Expansion of the footprint will likely be an issue. As per the FPMP, changes to the building should restore its historic character. Improvements described in the Nature Center Plan do not appear to be consistent with this goal.

Access Road – I suspect that this will be an issue. While some access is necessary (i.e. emergency access), there is a great deal of sensitivity with respect to vehicles in the Park.

Parking – The development of a new parking lot is clearly inconsistent with the FPMP. Dedicated use of spaces at the Soccer Field will ultimately be a political decision.

Trails and Bridge – The FPMP opens the door for this improvement. Key will be precisely what is proposed and how it will further the educational objectives of the Nature Center.