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## RECORD OF PROCEEDINGS

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### **Minutes of the Regular Meeting Of the Board of Directors**

### **Vail Park and Recreation District dba Vail Recreation District February 14, 2013**

A Regular Meeting of the Board of Directors of the Vail Recreation District, Town of Vail, Eagle County, Colorado, was held on February 14, 2013 at 5:00 p.m., at the Vail Town Council Chambers, Town of Vail, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado.

1. MEMBERS PRESENT
  - 1.1. Jeff Wiles, Joe Hanlon, Ken Wilson and Billy Suarez
2. MEMBERS ABSENT AND EXCUSED
  - 2.1. Rick Sackbauer
3. STAFF PRESENT
  - 3.1. Mike Ortiz, Jamie Gunion
4. OTHERS PRESENT
  - 4.1. John Dunn, Mountain Law Group, LLC
5. CONSULTANTS PRESENT
  - 5.1. Eric Weaver, Robertson & Marchetti, P.C.
6. CALL TO ORDER
  - 6.1. Director Hanlon called the meeting to order.
7. APPROVAL OF MEETING MINUTES
  - 7.1. By motion duly made and seconded it was unanimously RESOLVED to approve the minutes of the January 24, 2013 Regular Meeting as presented.
8. PUBLIC INPUT OF ITEMS NOT ON THE AGENDA
  - 8.1. None
9. VAIL RECREATION DISTRICT FINANCIAL OUTLOOK AND PLANNING
  - 9.1. Mr. Eric Weaver discussed the financial history and budget forecasting, program fee comparisons and a proposed capital funding analysis with the Board. Mr. Weaver explained in 2005 property tax revenues for operations were at \$1.5 million, \$3 million in 2008, just over \$3 million in 2010-11 and by 2012 were

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down to \$2.5 million. A \$500,000 decrease from peak collections in 2010. Even with new programs and a successful golf seasons, revenues have continued to decrease with the decline in property tax collections. User fees have not increased substantially over the past few years. Overall, rates have increased only minimally from 2005 to 2013.

- 9.2. Mr. Weaver explained the VRD will be short \$800,000 by 2014 and then \$400,000 to \$600,000 from 2015 to 2017. Most capital items are routine maintenance needs. To generate revenues for this, user fees could be increased 16 to 18 percent across all departments as a funding option in addition to researching a mill levy increase or not funding capital items.
  - 9.3. Capital is broken down by category including deferred and ongoing maintenance, life safety and ADA improvements, and vehicles and equipment (zamboni, snowcat, golf carts, mowers, utility vehicles, vehicles, etc). In 2014, the golf course is anticipated to replace its golf cart fleet. A large budget item for 2013 is the \$1.15 million contribution for the golf course clubhouse renovation. Mr. Weaver said staff reviewed the golf course master plan and broke it down to critical items, enhancements and maintenance. Starting in 2015, the budget does include some master plan items, but from 2013 to 2015 most budget items at the golf course are really routine upkeep needs.
  - 9.4. Director Suarez questioned programs and other revenues past 2013 and whether the revenues included concessions and operations?
    - 9.4.1. Mr. Weaver explained the 2014 budget does include estimates of Dobson and Ford Park concessions with golf course clubhouse concessions beginning in 2015. Mr. Weaver said revenues from food and beverage, as well as operations expenses escalate by 3 percent per year.
  - 9.5. Mr. Ortiz explained fees have not increased significantly without a drop in services and an increase in programming over the past seven years. Mr. Weaver said the average fee increase is in the range of 1 to 2 percent per year. In 2005, an 18 hole guest fee was \$99 dollars and it is now \$95 as an example of a significant fee that has actually declined over time. Some of the fees are driven by the market and projects taking place. Mr. Weaver explained the VRD is not just being conservative, but it is a goal of the VRD to keep fees reasonable.
  - 9.6. Director Hanlon agreed with Director Suarez, saying the board needs to keep reviewing fees and increase appropriately. There is a wow factor in how reasonable the fee increases have been over the past few years.
  - 9.7. Mr. Weaver explained this process is to create a one pager on where the VRD is, where it's headed and what needs to be done and to share this with the public.
10. FIRST QUARTER CAPITAL FUNDING REQUESTS FOR 2013
- 10.1. When looking at capital needs, Mr. Weaver explained if there were no mill levy increase or user fee increases project that could be funded in priority include: interior flooring and signage at the Nature Center; concessions and interior

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- components for the facilities at Ford Park; a telephone system renovation throughout the District that will reduce ongoing monthly bills; green tarps replacement, Toro Workman replacement and various equipment for golf course maintenance; a three-year project to level critical tee boxes, cart path replacement, and work on hole 19 and hole 13 planning at the golf course.
- 10.1.1. Director Suarez questioned the volleyball courts safety nets. Mr. Ortiz explained the safety nets between the golf course/athletic field and sand volleyball courts would be more permanent as compared to promoters bringing in nets for events.
- 10.2. Mr. Weaver also mentioned that because 2014 has so many capital needs, there is a need to roll some funds over from 2013.
- 10.2.1. Director Wiles questioned storage space for the Sports Department. Mr. Weaver explained this project is in the unfunded category at this point and goes alongside with renovation of the soccer field restrooms. Mr. Ortiz explained that there are dollar needs for planning of all projects, such as a soccer field park renovation and storage needs.
- 10.2.2. Mr. Weaver said to come up with dollars to fund storage for sports, a large number of smaller items would go unfunded.
- 10.3. Director Wilson asked about the archiving system for paper work to make all documents in storage available online. He also questioned the new disc golf course. Mr. Weaver explained that a system is being researched for record archival and the disc golf course is in the unfunded project list at this time.
- 10.4. Director Wilson encouraged staff and the board to provide more improvements to the Imagination Station and make it a state-of-the-art facility. He also questioned funding of the driving range mats. Mr. Ortiz explained staff is looking at repairing four stations on the north side, but not completing the entire range while the planning continues for the golf course clubhouse renovation. If the golf course clubhouse is renovated, the trailers will be placed where the mats would be.
- 10.5. Director Wilson questioned the three most important unfunded projects, not the most expensive.
- 10.5.1. Mr. Weaver explained these unfunded projects include Imagination Station improvements, the athletic field building/restrooms and various deferred maintenance at Dobson Ice Arena to prepare the facility for the 2015 World Championships, equaling \$300,000. This includes repainting, re-staining, improving score boards, new flooring at the entrance, etc. Mr. Weaver reminded the Board that the Town of Vail is responsible for the exterior maintenance of the facilities. The laser leveling of the Tennis Courts at Ford Park is another item that hasn't taken place in almost a decade.
- 10.5.2. Mr. Ortiz said the leveling of the Tennis Courts would not want to be completed until after 2014 when construction is complete at Ford Park. He also said another large item is concession area improvements at Dobson Ice

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Arena. Mr. Ortiz said the top three items in his view are improvements at the Imagination Station, planning and funds for the restrooms/building at the athletic field and Dobson concession renovations.

- 10.5.3. Mr. Ortiz explained the old School House at Ford Park holds the Sports Department equipment storage. Currently it is the only location available and will be difficult to access following the redesign of Ford Park.
- 10.6. Mr. Weaver explained if the VRD spends the entire \$800,000 in available funds for 2013, many items in 2014 would go unfunded unless additional funds can be found.
- 10.7. Director Suarez said he feels the mill levy can be passed and user fees can increase slightly.
- 10.8. Mr. Weaver recommended the board spend the \$400,000 in first quarter items, while hold the \$1.15 million for the clubhouse and other funds for 2013 until such time as the items are needed. Staff will continue working on long-range planning for capital past 2014 for future meetings and planning. There will be a growing list of unfunded projects and routine maintenance that will need to be looked at and planned for. The VRD does not want to get behind on routine maintenance projects to be financially stable, said Weaver.
- 10.9. Mr. Ortiz said there is a need to visually show the public what has been done and what needs to be done as part of the planning. The VRD is fortunate to have the partnership with the Town of Vail and funding assistance for the exterior maintenance of the facilities.
- 10.10. Director Wiles questioned how many projects from the 2012 capital fund were not funded. Mr. Weaver explained with the exception of the clubhouse renovation, sand volleyball court improvements, recycling program, work at the maintenance facility restroom improvements and other smaller projects that equates to approximately \$10,000 out of a \$720,000 capital budget.
- 10.11. Mr. Weaver suggested a motion from the board to allow staff to move forward with first quarter capital items at approximately \$420,000.
- 10.12. Upon a motion duly made and seconded it was unanimously RESOLVED to approve the 2013 first quarter capital projects at an approximate budget of \$420,000.

#### 11. EXECUTIVE DIRECTOR INPUT

- 11.1. Director Wilson questioned the First Tee program and its future. Mr. Ortiz explained staff is working with the Vail Valley Foundation and its process for the future of the program.

#### 12. BOARD MEMBER INPUT

- 12.1. Director Wiles commented the Winter Mountain Games was a success with involvement in the snowshoe race and the mountain bike race on the Nordic Center. Overall it was a very good event.

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13. ADJOURNAMENT

- 13.1. Upon a motion duly made and seconded it was unanimously RESOLVED to adjourn the Regular Meeting of the Vail Recreation District Board of Directors.

Respectfully Submitted,

Jamie Gunion  
Secretary to the Meeting