
RECORD OF PROCEEDINGS

Mountain Recreation Metropolitan District – August 17, 2022 Meeting Minutes

Minutes of the Regular Meeting Of the Board of Directors Mountain Recreation Metropolitan District August 17, 2022

The regular meeting of the Board of Directors of the Mountain Recreation Metropolitan District, Eagle County, Colorado, was held on August 17, 2022, at 6:00pm, in the Edwards Field House, 450 Miller Ranch Road, Edwards, Colorado, and via Zoom platform, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- Jason Cowles
- Liz Jones (attending remotely)
- Tracy Erickson
- Mikayla Curtis

Chris Pryor was absent and excused.

Also in attendance were:

- Janet Bartnik, Executive Director (attending remotely)
- Scott Ruff, Superintendent of Recreation Facilities
- Scott Robinson, Superintendent of Business Operations
- Megan Carter, Outdoor Recreation Programs Supervisor
- Anna Englehart, Superintendent of Recreational Programs
- Brad Johnson, Facilities Supervisor – Edwards
- Rachel Zacher, Rec Kids and Seniors Supervisor
- Eddie Campos, Marketing and Communications Manager (attending remotely)
- Ken Marchetti, Marchetti and Weaver
- Sanjok Timilsina, Finance Manager
- Amy Burford, Administrative Assistant
- Kevin Sharkey, Eagle County
- Robin Thompson, Eagle County
- Mary Ellen Broersma, Howard Head Sports Medicine – Vail Health
- Kris Miller (attending remotely)
- Joanna Kerwin (attending remotely)

1. Call to Order

The regular meeting of the Board of Directors of Mountain Recreation Metropolitan District was called to order by Director Jones on August 17, 2022, at 6:00pm, noting a quorum was present to conduct business.

2. Changes to the Agenda

There were none.

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3. Minutes

Director Jones asked the Board to consider the July 20, 2022 meeting minutes.

Director Cowles pointed out a grammatical error in section 6a.

Director Cowles moved to approve the July 20, 2022 regular minutes as amended. Director Erickson seconded the motion. Director Curtis abstained since she was absent for the July meeting. By a vote of 3-0-1, it was

RESOLVED to approve the July 20, 2022 regular meeting minutes as amended.

4. Public Input

Director Jones asked for anyone from the public wishing to share comments with the board to do so at this time.

Joanna Kerwin (Edwards) expressed that she would like for the leased space in Edwards to be offered as a community meeting space when the Vail Health license agreement expires.

5. Presentations

a. ECO Trails Presentation and Support Request

The Eagle Valley Trail is a paved, non-motorized multi-use transportation project that will connect Vail Pass and Glenwood Canyon. Mr. Sharkey presented the 12 miles of path that still need to be developed and discussed the project timeline that spans from 2022-2024. He explained Eagle County's financial plan for completing the trail including grant funding, community support, and fundraising. He stated their goal is to raise \$3 million. The Eagle County Commissioners have secured funds to cover \$22 million. A letter of support and a financial contribution conveys community support which will assist in receiving the grant funds. A survey was completed regarding the value of the Eagle Valley Trail and the results expressed how important the trail was in connecting the community. Currently, there are multiple neighborhoods placed along the undeveloped portions of the trail which raises concerns about equity, inclusivity, and safety. Completion of the trail would also increase bike rental income and tourism for local bike shops.

Mr. Sharkey asked the District for a letter of support, a financial contribution, and support for trail maintenance staff to install trail signage in appropriate locations. He expressed that the mission of this project aligns with Mountain Recreation's mission and values. He pointed out that the Edwards Field House and the Gypsum Recreation Center would be suitable locations for an informational kiosk or trail map.

Director Cowles asked where Eagle County stood in the \$3 million goal. Mr. Sharkey explained that they just recently started their fundraising efforts. He stated the Edwards Metro District have already committed to a financial contribution.

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Director Cowles asked what grant opportunities were available. Mr. Sharkey stated that the County has applied for multiple grants, but a GOCO grant would be their biggest grant funding opportunity.

Director Erickson asked how the redevelopment of Wolcott would affect this plan. Mr. Sharkey stated that they would ask for an easement in that area. He stated that there are plans to create a multi-family development in Wolcott with a bus stop. A developed multi-use trail along bus stops is a helpful transportation resource.

Director Curtis asked for clarification on e-bike rules. Mr. Sharkey explained that class 1 and class 2 e-bikes are allowed on a non-motorized trail and there are some restrictions on the Vail Pass portion of the trail.

Discussion ensued about e-bike rules and regulations. Mr. Sharkey stated that the new trail etiquette signs is an effort to keep community members safe while sharing a path with e-bikes.

Ms. Bartnik pointed out that she drafted a letter of support that was included within the board meeting packet. She stated that the financial contribution number could be delayed and considered after the District reaches a conclusion on the Eagle pool repair and finalizes the FY 2023 budget. She expressed her excitement to be in support of the trail project.

Director Cowles stated that he would like to move through the budget process before settling on a financial contribution. He agreed with offering a letter of support.

Director Erickson agreed with the letter of support. He stated that the trail systems are a beneficial piece of recreation for our community and believes the District should offer financial support.

Director Curtis agreed with Director Erickson.

The consensus of the board was to offer a letter of support to Eagle County and that a financial contribution will be decided upon after the budget process is complete.

b. FAMLI Program Presentation

In November 2020, Colorado voters approved Proposition 118, which paved the way for a state-run paid Family and Medical Leave Insurance (FAMLI) program. Although the program is not effective until January 2023, the District must decide in 2022 whether to participate in the state-run program. State law requires participation in FAMLI unless the municipality's governing body votes to opt out of the program by December 31, 2022. There are various employee notification requirements that the District must observe, depending on whether the District chooses to opt in or opt out.

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Mr. Robinson explained that FAML I is a paid leave program that allows employees to take care of themselves or family during life circumstances. He presented an example of the weekly wages that an employee would receive on the program. The employee and the employer pay .45% each of the employee's annual wages for the insurance premium. This deduction would begin January 1, 2023 and the benefits would start January 1, 2024. He explained the District may opt out with the choice to opt in at any point in future years. The estimated cost of FAML I for the first year would be \$10,350 with the potential of a cost increase up to 33% in 2025. He stated that the District can participate in a similar program through its current insurance provider for less than the estimated FAML I cost. Regional data on agencies opting out was provided.

Mr. Robinson shared that staff recommendation is to opt out of FAML I with the intent to research short term disability programs for full-time staff. The District must officially notify all employees 30 days before a decision to opt in or opt out is made.

Director Cowles asked what the premium would be if the District decides to opt out and an employee decided to opt in. Ms. Bartnik confirmed that the amount that the employee would be responsible for would remain the same at .45%.

Director Cowles asked about the cap on the District's current sick time policy. He stated that his place of employment does not have a cap on sick time. He believes that is an option for the District to consider. Mr. Robinson suggested that staff could do comparison studies with other employer's sick time policies.

Director Curtis asked if there a requirement to have another program in place should the District opts out. Mr. Robinson confirmed that the District can opt out with no requirement of a replacement program. The District staff would like for a decision to be made in September so that related financial obligations can be included in the budget.

Ms. Bartnik explained that the state is still working out many details of the FAML I program and it would be wise for the District to decide on this issue in alignment with the budget process.

Director Curtis voiced her concern with inconsistent benefits regarding the idea of opting out now and opting in later. Mr. Robinson agreed with Director Curtis.

Director Jones agreed with Director Curtis and would like more information before a decision is made.

Director Cowles agreed that he would like more information and would like to see more research on a potential short term disability policy.

The board gave direction to explore more program and policy options before a decision is made about FAML I.

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6. Business

a. Gypsum Recreation Center Physical Therapy License Agreement

In 2017, Mountain Recreation entered into an agreement with Vail Health licensing space in the Gypsum Recreation Center to operate physical therapy, wellness, and rehabilitation services. The license agreement is set to expire October 31, 2022.

The District advertised and requested bids for a physical therapy, wellness, and rehabilitation facility license agreement seeking such services to be located in the Gypsum Recreation Center. One bid was received from Vail Health to license the space for continued Howard Head Sports Medicine services.

Ms. Bartnik reviewed the staff drafted license agreement which would commence November 1, 2022 and end October 31, 2027. The agreement may be terminated earlier by either party provided 180 days written notice is delivered. The license fee is \$29.74/SF per year (\$2,230.50/month) and each subsequent year license fees will be increased by the amount of 3% or the prescribed inflation calculation, whichever is less. She pointed out that the Town of Gypsum is included as a party to the license agreement. She stated legal counsel for all three organizations have reviewed the agreement. The Town of Gypsum would like to amend section 4b by adding that the license may be terminated by the Town of Gypsum in addition to the District.

Director Erickson asked if the Town of Gypsum will need to approve the license agreement. Ms. Bartnik confirmed that approval will take place at their next meeting.

Director Cowles moved to approve the Gypsum Recreation Center physical therapy license agreement as amended. Director Erickson seconded the motion. It was unanimously

RESOLVED to approve the Gypsum Recreation Center physical therapy license agreement as amended.

b. Edwards Field House License Agreement

Mountain Recreation owns and operates the Edwards Field House. Beginning shortly after the facility opened, a space near the front entry was designated for license by Vail Health. The space was leased to Vail Health most recently for a five-year term which was extended one year by the board in June to terminate October 31, 2023. The RFP included a scoring rubric designed to balance rent revenues with social service objectives.

Ms. Bartnik stated that two bids were received and reviewed by a committee consisting of staff and board members from the Edwards area. The rubric that was created invited a variety of service types. Vail Health and United Way submitted bids. Staff came up with three options: Vail Health agreement to continue sports performance services, United Way social services, offer no

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license agreement and allow the current lease to expire. She expressed that the review committee recommends moving forward with the Vail Health agreement.

Director Erickson voiced his confusion of the original bid from Vail Health due to an error in the rate that was offered. Ms. Bartnik confirmed there was a miscommunication about the market rate and that Vail Health's initial proposal included incorrect numbers on the bid. Ms. Bartnik had a discussion with Vail Health about market rate expectation. She recalculated the numbers and Vail Agreed to adjust their proposal to reflect the corrected rate of \$40.94/SF/Year.

Director Erickson expressed his concerns with the public process and would like for the public to have an opportunity to discuss the agreement options. He felt that the public has indicated a desire for more community space. He stated that he would like to hear what ideas and possible plans staff would develop for the space. He requested more time to collect information from the community and staff on the future opportunities of the space.

Director Cowles asked if we had operational details of that space when it was designated as a community room in the past. He would like to know how often that space was utilized before it became a leased space. He believes that the Vail Health license agreement would be a beneficial source of revenue for the District. He pointed out that there is currently a community room in the Edwards Field House and there may not be a need for an additional community room.

Director Erickson asked if community rooms were part of All Access Rec. Mr. Robinson confirmed that community space additions were part of All Access Rec.

Director Jones asked if the board is comfortable tabling the decision for another month to review staff analysis. She suggested holding a special meeting to talk about the future of the space.

Ms. Bartnik stated that the decision does not have to be finalized at this meeting. She suggested that the issue can be discussed at the board retreat. She reminded the board that Vail Health would appreciate an appropriate amount of time to find a new space if the District decides to let the lease expire.

Director Curtis expressed that she would like more time to think about the use of that space and how it fits into the overall big picture of the Edwards facility moving forward. She stated that when that space was a community room in the past, it was only minimally used, and she does not want to see that happen again.

Director Erickson agreed with Director Curtis and stated that he would like a more in-depth discussion about the space.

Director Jones agreed that she would like to review more options and discuss the potential use of space more.

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Ms. Broersma (Vail Health – Howard Head Sports Medicine) stated that about 50% of the programming currently offered at the Edwards Field House is free to Vail Health staff and their families. She believes the services offered are benefitting the community and she is looking for more opportunities to reach out to the public as a health and wellness space. She expressed interest in talking to Mountain Recreation staff about their vision and offered a possible collaboration.

Kris Miller (Edwards) stated that she would like the community to be more involved in the consideration of options for the space. She expressed her support for the United Way proposal.

Director Jones stated that the board would like to take more time to consider more options.

c. Budget Direction Items

In 2018, the board provided direction to ensure the District's pay strategy focused on keeping wages in line with current market rates to ensure staff have the financial resources to attract and retain top talent. In 2021, the board approved an overall 8% cost of living increase for all staff for the FY2022 budget. The market is currently forecasted to require a cost-of-living adjustment (COLA) increase between 8-10.5% for 2023. If wages are not increased annually to align with market, there is the potential for larger increases which are more difficult to absorb into the budget compared to smaller annual increases.

In recent years, the District has not issued merit increases to staff and has only provided a COLA. Management team is considering how the projected COLA amount might be split between an across-the-board adjustment plus merit awards based on performance. The initial staff-requested budget currently under admin review includes an average 10% increase in salaries and wages. No formal action is needed until the FY 2023 budget is presented.

Mr. Robinson asked if staff should move forward with the salaries budgeted at a suggested 10% increase.

Director Cowles asked if there is a performance-based percentage applied to the pay increase. Mr. Robinson explained that the District has not been able to provide that in the past since cost of living has been increasing rapidly. He stated that staff would like to build merit into the increase.

Director Cowles stated that he would like to see COLA and merit increases separated. He voiced his concern about staff morale being negatively affected by a merit increase lumped into their cost-of-living adjustment.

Director Erickson agreed with Director Cowles.

Mr. Robinson added that staff is eligible to receive a bonus reward of \$500 annually based on performance reviews.

Director Erickson asked what has been done in the past for wage increases.

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Mr. Robinson explained that last year a cost-of-living adjustment was done in two steps as a 3% increase, then a 5% increase later in the year. He expressed concern about falling behind if the District does not keep up with the market rate. He stated that a compensation study was performed and data from local recreation districts was gathered.

Ms. Bartnik explained that the District would like to use COLA to maintain market rate and use merit to move employees through salary ranges. She stated that the District needs to decide what percent increase can fit into the budget and the next step would be to determine how the total will be split by COLA and merit.

Director Cowles stated it would be helpful to understand the details of the employee performance reviews.

Director Cowles voiced the importance of COLA for recruitment and retention. He stated that he would like to see merit rewarded to high performers.

Director Curtis asked if the 2018 compensation policy is assessed when the District performs an employment survey. Mr. Robinson confirmed that there was a recent survey in which employees were asked to rank the importance of benefits, including wages, offered by the District. The survey is still ongoing.

d. Outdoor Recreation Position Request

With the growth of outdoor rec programming across the District and the increasing staffing challenges during the summer season, a full-time year-round coordinator is needed to accomplish direct and indirect goals of the outdoor rec programs department.

Ms. Englehart pointed out that there is a projected increase in outdoor rec program participants. She explained that the required coordinator certifications have contributed to the staffing challenges and previous program cancellations could have been prevented if there had been a coordinator on staff. The full-time coordinator will be instrumental in launching the mobile gear library and will allow outdoor rec to offer more year-round programming. She stated that the total possible revenue over the next 5 – 6 years is estimated to be around \$116,000 and can be done sustainably if the coordinator position is added.

Director Erickson stated that he understands the request for a full-time coordinator position. He asked for a report of full-time employees from 2017 to present with details on outdoor rec. He asked if staff thinks it is possible to find a candidate quickly. Ms. Englehart stated that the department would like to hire the coordinator as soon as possible and staff already has a few local candidates in mind.

Director Jones stated that Ms. Carter has done an excellent job managing outdoor rec and is in favor of hiring a full-time coordinator to increase programs and participation.

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Director Curtis stated that she believes a full-time coordinator will create more sustainability in the outdoor rec program.

Director Curtis moved to approve the outdoor recreation position request as presented. Director Erickson seconded the motion. It was unanimously

RESOLVED to approve the outdoor recreation position request as presented.

e. RecKids Coordinator Position Request

Staff requested the board to consider authorizing a one-year grant funded, full-time exempt Day Camps and Seniors Coordinator beginning in the fall of 2022. The demands of running three state-licensed childcare sites have increased and this position will assist in the current supervisor's workload. This position would also help with active older adult programming that is being developed.

In February of 2022, the Gypsum and Edwards RecKids sites were awarded a \$79,449 state grant each with the Eagle site following in March for a total of \$238,347.

Ms. Englehart stated that the coordinator position will be grant funded through September 2023 with the goal to keep the position beyond that period. She explained the staffing challenges that occur during the school year and the additional childcare regulations that have been added in recent years. She stated that the workload has become demanding for Ms. Zacher and the addition of a coordinator would be beneficial. The coordinator would assist with the management of three childcare locations, the afterschool program partnership with Youth Power 365, and healthy aging programs. She stated that the new coordinator position will allow the District to grow in these areas in a sustainable way.

Director Curtis expressed her support for serving more community members and increasing revenue. Ms. Bartnik pointed out the revenues in the financial statements include the grant funds and those will be separated in the 2023 budget.

Director Erickson voiced his appreciation and support for Ms. Zacher and the RecKids program.

Director Erickson moved to approve the RecKids Coordinator position request as presented. Director Cowles seconded the motion. It was unanimously

RESOLVED to approve the RecKids Coordinator position request as presented.

f. Other Business

There was none.

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7. Financial Matters

- a. Financial Statements**
- b. Accounts Payable**

Mr. Timilsina stated that only unfavorable results are in the Eagle Pool and Ice Rink, because of the pool closure, and outdoor rec due to program cancellations.

Mr. Robinson reminded the board that there will be updated staff projections for the end of the fiscal year available in September.

Director Erickson moved to approve the financial statements and accounts payable report as presented. Director Cowles seconded the motion. It was unanimously

RESOLVED to approve the financial statements and accounts payable report.

8. Staff Reports

- a. Administration**
- b. Facilities Division**
- c. Recreation Programs Division**

Director Erickson asked for an update on the Edwards ice rink project.

Mr. Johnson stated that no bids were received in response to the advertised RFP for water service line installation. He stated that he is actively soliciting vendors who could potentially be interested in completing the water line install. Discussion ensued about the timeline of the water line install.

Director Cowles asked about the budget process timeline. Ms. Bartnik stated that the first draft of the budget was made and reviewed by management. Staff is now making suggested adjustments to their budgets. She suggested planning a special budget meeting, in addition to the regularly scheduled meeting, for the last week of October. She confirmed that she will reach out to arrange a time all members can attend.

9. Reports & Board Communication

Adjournment

Director Jones moved to adjourn the board meeting. Director Cowles seconded the motion. It was unanimously

RESOLVED to adjourn the meeting at 8:09 pm.