



**Board of Directors Meeting Minutes
February 12th, 2020**

Directors Present: Dave Clayton, Ian Billick, Maddie Rehn.

Directors Absent: Cassia Cadenhead and Derrick Nehrenberg.

Staff Present: Hedda Peterson

Location: Crested Butte Town Hall, Council Chambers, 507 Maroon Avenue, Crested Butte, CO 81224

Audience Members:

Janna Hansen, Town of Crested Butte

Laura Pucket Daniels, Crested Butte Nordic

Virgil Turner, Region 10

Michelle Haynes, Region 10

Chris Stryker, Aero Marketing and Logistics

Scott Stryker, Aero Marketing and Logistics

Jonathan Hare, USFS

Call to Order

The meeting is called to order at 6:00 PM.

Approval of Agenda

Ian Billick asked if there was anything that needed to change in the agenda to approve the Strategic Plan. Hedda suggested adding an action item to approve Strategic Plan.

Motion:

Motion to approve agenda with additional action item made by Ian Billick. Seconded by Maddie Rehn. Passes unanimously.

Dave Clayton noted that Directors Derrick Nehrenberg and Cassia Cadenhead were not present.

Public Comment

Jonathan Hare introduced himself. He's the new Real-estate Specialist with the Gunnison Ranger District, making him Met Rec's lease administrator for the tower sites on USFS administered land. He noted that there are three sites on USFS administered lands within the Gunnison Ranger District. He added that the leases have expired and Hedda has submit reauthorization applications. He concluded that he is happy to provide support moving forward.

Chris Stryker with Aero Marketing & Logistics introduced himself. Chris noted that he had the chance to speak with Ian Billick about the work that Aero Marketing & Logistics does. Billick suggested that Hedda and Dave follow-up with Chris to discuss the potential collaborative management of Met Rec's tower sites.

Consent Agenda

No changes made to the consent agenda.

Motion:

Motion to approve the consent agenda made by Ian Billick. Seconded by Maddie Rehn. Passes unanimously.

Region 10 Presentation

Virgil Turner, Regional Broadband Project Director and Michelle Haynes, Region 10 Executive Director, introduced themselves. Virgil provided an overview of Region 10 and emphasized the areas of their work that could interface with Met Rec.

Virgil provided examples of some of Region 10's recent projects and noted the relevance of Met Rec's tower sites to Region 10's broadband work. Virgil and Michelle shared some ideas of what a partnership between Met Rec and Region 10 could look like, including the potential to bring broadband to rural pockets and lower the cost of broadband to users.

Clayton explained some of the work Met Rec has done to accommodate multi-users at its tower sites, including working with Colorado Central Telecom on W Mountain. Clayton continued that when some of the current Board ran in 2016, they were in favor of Met Rec supporting telecommunication needs. Clayton added that with the successful de-brucing, Met Rec is now working to re-build the television system, including the addition of remote access. He noted the high cost of upkeeping infrastructure (i.e. towers) and that the potential to add more users to the tower could help from a cost-perspective. He added that it's important for Met Rec to consider planning for infrastructure that's well maintained and safe to operate over the long-run. Clayton reminded the group that there is a sub-set of tower site leases that may not allow sub-leases and that a systematic approach will need to be considered when discussing shared use of towers.

Billick noted that one way in which Region 10 could engage is relative to special district legislation. He explained that the legislation establishing special districts was developed a long time ago and if it were to be re-done today, there might be circumstances under which telecommunications in underserved areas would fit. He added that this would likely require a change at the State level. Billick noted that this work may be beyond Met Rec's scope, but perhaps something that Region 10 could help within regards to economic development.

Clayton added that as a metropolitan district, Met Rec can serve multiple district functions. Right now, television is considered a recreation function. Clayton continued by explaining the television user survey done in 2016 and that some tower sites are only serving a handful of

households, making for an interesting structure to keep economically viable. Virgil shared some historic information about Region 10's previously owned towers and how that ownership changed in time. Virgil stressed that he thinks there are options for partnership that can help achieve both Met Rec and Region 10's missions.

Chris Stryker noted the many changes to tower standards, especially in the last 24 months, and noted that it may be more costly to make modifications to Met Rec's towers than to replace them. Chris noted that if they were to partner with Met Rec to share resources, they may be more inclined to replace structures entirely. Billick noted the need to consider the capital and maintenance costs. While government grants are available for the capital costs, we need to consider the financial cost of maintaining the towers. He noted that a collaboration with the business community that incentivizes a return on investment may provide the most cost-effective model in the long-run.

Billick asked what Region 10's next step would be. Virgil explained that Region 10 would likely put together a grant proposal and identify where matching funds can come from. Funds would be requested for evaluating tower sites (including the legal rights), site power, etc. Region 10 would seek a DOLA grant (likely between \$70,000 - \$100,000). He added that the project would likely require 3-4 consultants. A proposal may be prepared in 6-12 months, then requiring 12 months to implement. Michelle noted that preparing a grant application for August 2020 or April, 2021 would be a good approach. Then, they would look for implementation funding in August, 2021. Billick noted that it would be good to know if the municipal partners are interested in supporting the project in the next month to inform the process moving forward.

Scott Stryker noted that he thinks there's potential for a collaborative approach that meets Met Rec, Region 10 and Aero's missions respectively. Michelle asked if Region 10 looked at a more comprehensive business plan, could Met Rec provide matching funds. Clayton noted that there may be a portion of the plan that Met Rec could provide funding for (i.e. maintaining towers for television infrastructure).

Michelle noted that Region 10 could communicate with legislators to discuss the issues at hand regarding a special districts' inability to address telecommunications directly. Michelle asked if there are other districts that may also be interested in this conversation. Billick noted that one potential partner for Region 10 to contact is the Tourism Association and Prosperity Partnership (TAPP), who is under a mandate to increase jobs within the County of over \$50,000/year. Billick suggested that they have a fairly large budget and if broadband can be linked to job creation, TAPP could serve as a potential partner for a cash match.

Billick asked what could be shared with Aero and Region 10 regarding Met Rec's tower sites. Hedda noted that there is a site inventory last updated in 2018 that includes site coordinates, towers, tower heights and other site infrastructure and equipment. Hedda noted that she could add lease information to this and share with Region 10 and Aero.

Jonathan Hare noted that the collaborative discussion taking place is good news for the USFS.

Old Business

Recreation Planning: Review of RFI Responses -

Hedda explained that based off of the discussion had as part of the Work Session, the next step will be to present 1-3 potential 2020 recreation funding scenarios to the Board at the March meeting. The scenarios will be informed by the Board Recreation Committee as well as the north and south Recreation Advisory Committees. She added that the recommended funding scenarios will be made public as part of the Board packet on the District's website.

Billick clarified that the decision made in March will not entail who receives the money, rather how much funding is allocated to what focus area. The Board briefly discussed what would be covered at a March Work session. Hedda noted that she would draft focus areas for an Operations Strategic Plan which could be reviewed in addition to the remaining components of the recreation strategic plan at the March Work Session. Billick agreed that a Work Session should be scheduled to review the Operations Strategic Plan to allow for public comment concerning the matter.

Hedda noted that she will plan to get a draft Operations Strategic Plan to the Technical Committee by February 21st. She will then incorporate the Technical Committee's edits in an updated version to provide to the Board and public for review at the March Work Session. At the Work Session, a half hour will be used to review the remainder of the Recreation Strategic Plan and an hour will be spent reviewing and discussing the draft Operations Strategic Plan.

Approval of Recreation Strategic Plan -

The Board approves the Recreation Strategic Plan, consisting of the strategy and focus areas. Hedda noted that while the action items are related to the plan, they correlate more with a work plan than with the strategic plan itself.

Motion:

Motion made by Ian Billick to approve the Recreation Strategic Plan as amended.
Seconded by Maddie Rehn. Passes unanimously.

Janna Hansen asked if there was an estimated timeline for when capital project awards would be made. Hedda responded that Met Rec will likely develop a second grant application specific to capital projects. She added that after the Board decides on how much funding to allocate to developed recreation amenities, a grant application process for developed recreation will be shared with stakeholders. Clayton noted that the developed recreation grant application could be an invite-only process, if needed. Billick noted that this year, Met Rec would be looking to fund developed recreation projects that are shovel ready this year. Ideally, he noted that in time, Met Rec would begin to understand the suite of developed recreation projects being planned for the future. Clayton stressed the importance for the developed recreation projects to impact a large number of people.

Operations Assistant –

Hedda updated the Board that there are four candidates for the Operations Assistant position. She added that they hit on both ends of the experience spectrum outlined in the job description.

Hedda noted she aims to make a decision by the end of March so the assistant can shadow Bill Frost in the late winter and have some independence by mid-summer. Billick confirmed that the Operations Assistant hire is Hedda's decision as District Manager.

2020 Election –

Hedda explained that Sue Wallace was brought on as the DEO, Marcus reviewed her independent contractor agreement, which has been executed. The Call for Nominations has been published in both newspapers, twice. The next deadline is for the submission of self-nomination acceptance forms. To date, we have only received two. Hedda briefly reviewed other upcoming election deadlines. By March 3rd, the DEO will know if the election will be held or canceled.

Billick noted that if the election is to be canceled, it should be included on the March agenda as an action item. That will provide the Board the time to discuss the process. Hedda added that for Sue as DEO to cancel the election, she will first need a resolution from the Board. The Board briefly discussed whether or not to send mail notice to eligible voters not currently living here.

Billick and Clayton both advised not to do this due to the high cost, estimated to be between \$6,000 - \$8,000.

Clayton noted that there will be three special district elections taking place and suggested that we consider coordinating with the Fire Protection District to share polling place locations if the election moves forward. Hedda said she will reach out to the Fire District on this matter.

Finances

Financial Reports –

Hedda explained that the January and December Financials had to be updated due to the misplacement of conservation trust funds and recreation funds, as well as their accrual. Clayton noted that he and Hedda spoke with Stotler and Young about this issue.

Clayton explained that Stotler and Young's recommendation was that they will book payments when the awards are paid out. Clayton pushed back on this because of the fact that some projects are not paid out in the same year they're awarded (i.e. Lazy K). An alternative suggestion made by Stotler and Young was for us to segregate the funds and develop a second category as a fund balance that will show what funds have been designated for particular uses, rather than book them.

Billick asked if this issue is stemming from not having an end time on grant agreements. Hedda noted that the 2019 grant agreements included a project end date, however, some projects awarded in 2018 did not. She added that certain organizations have reached out requesting for

extensions to their project timelines or use of funds. She explained that when this happens, she has asked the organization to provide Met Rec with an overview/request for how they'd prefer for their funds to be used. Clayton explained that a fund balance would serve as a schedule outlining committed funds, and when grant awards were paid out, the sum would come out of that fund balance. Hedda noted that Stotler and Young has asked for Board approval to develop a contingent fund balance for recreation grant funding and conservation trust funds. Billick suggested minimizing additional spreadsheets to track this issue, and instead to consolidate the information in Quickbooks.

The second issue brought up by Stotler and Young was for Met Rec to consider developing a materiality threshold to book expenses up to a certain amount that we anticipate having each month. Clayton noted this will eliminate them having to back-book certain payables. A threshold would allow them to treat a transaction as a cash transaction. Hedda asked what a threshold is that we'd consider. Billick suggested making it between \$1,000 - \$5,000 to minimize extra work to be done. Clayton agreed that \$5,000 is good.

To summarize, when an order/purchase for something under \$5,000 is made, Hedda will let Stotler and Young know. They will enter the bill into the books at that time and then pay the bill on the date that it is due and it will be accrued when it is purchased.

Billick noted that some checks had bounced and that he was under the impression that Stotler and Young was managing cash, and asked why this happened. Hedda noted that as she understood, Tammy would inform her when the payroll and/or checking fund balances need a transfer of cash to cover payroll and monthly payables. The Board briefly discussed the need to revisit the procedure with Stotler and Young to resolve the issue.

Hedda added that the January report also shows Hedda's payroll coming out of Operations Manager. This has been addressed. Clayton noted that on the January Balance Sheet, the fund balances did not change from year to year, and that the same issue appeared in 2018. He noted that the adjustments can be made to address this issue.

Hedda noted additional February payables, including: Datavix for \$2,035, Law of the Rockies for \$706, and an additional \$20 to the Gatesview lessor.

Motion:

Motion to approve the January Financials and February Payables as amended made by Ian Billick. Seconded by Maddie Rehn. Passes unanimously.

Clayton asked if there was any additional business to be discussed. None were noted.

Summary of Meeting Action Items:

- Arrange meeting with Ian Billick, Dave Clayton and Aero Marketing & Logistics
- Arrange meeting with the District Technical Committee and Region 10
- Share Southwest Colorado Broadcast information/contact to Michelle Haynes/Region 10
- Share tower site data sheet with Aero Marketing & Logistics and Region 10

- Check with Crested Butte Fire Protection District about their polling location
- Re-visit payroll and fund balance procedure with Stotler and Young
- Receive input from north and south recreation advisory committees on the 2020 recreation funding allocation

Motion:

Motion to adjourn the meeting made by Ian Billick. Seconded by Maddie Rehn.