

**Canon City Area Metropolitan
Recreation and Park District
575 Ash Street
Canon City, CO 81212
(719) 275-1578**

**SPECIAL BOARD MEETING MINUTES
March 23, 2021**

CALL TO ORDER The Canon City Area Metropolitan Recreation and Park District Board meeting was called to order at 7:02 p.m. by Board President, Jim Johnson, in the board meeting room located at 575 Ash Street.

ROLL CALL

Board Members:

Present: Jim Johnson
 Mike Sallie
 Nick Sartori
 Brett James

Staff: Kyle Horne Executive Director
 Dawn Green Finance Director

Attorney: Dan Slater

Guests: Tony Adamic

- Executive Director Kyle Horne outlined a potential budget for the construction of a recreation center, also showing a bubble diagram of a potential layout. Elements of the center included 55,000 of indoor space, a gym of metal construction and an outdoor lap pool. Cost is estimated at \$21,000,000 to construct. Soft costs which include items such as tap fees and furniture are estimated at \$9,000,000 and \$1,000,000 would be needed for site work, such as sidewalks, signage, and a parking lot. If the lap pool were to be moved indoors the cost of construction would increase to \$26,000,000. Construction costs continue to rise over time. As a comparison, Kyle stated that Montrose basically paid that same amount for an 83,000 square foot facility five years ago. The cost of aquatic construction is going up drastically.

The board discussed a soft cover for the lap pool.

Interest rates are still low. Kyle stated that a bond premium may bring in \$5,000,000 to \$6,500,000 which could be used to reduce the amount spent on offsite costs and tap fees. More information on how a bond premium works can be provided by Todd Snidow when he attends the board meeting in April. Kyle also

stated that the District may be eligible for funding from the URA. Grants are another potential source of funding.

Kyle outlined three options for the direction the District may go as it relates to addressing the Icabone pool's remaining limited life span: move forward with a recreation center; focus strictly on replacing the pool or do nothing hoping to get three more seasons from it before the mechanical systems fail.

Board member Jim Johnson stated that with construction costs continuing to go up, the District ought to try to get a recreation center. Board member Mike Sallie pointed out that the District has already spent money on surveys and consultants to move in that direction. He did question the need for two pools. Kyle answered that the industry standard now is to have two bodies of water for the different user groups which operate with differing water temperatures. Leisure pools are the most utilized components in a recreation center and are used year-round.

In response to a question regarding cost of construction, Kyle stated that the numbers presented earlier are based on construction in 2022.

The bubble diagram shows a basic layout and if the bond question should pass that amount drives the budget for the center and the District would then go out to bid for design and construction.

Board member Mike Sallie asked about the monthly operating expenses for the facility. As one of the deliverables provided by BRS, operation costs were included and showed a deficit of \$325,000 per year based on 85% cost recovery. Eight-five percent cost recovery is a conservative amount as most recreation centers operate on a 90 to 98% cost recovery. Kyle estimated that based on the District's current assessed valuation, the District will need one and a half to two mils for operations to cover the deficit.

Board member Nick Sartori stressed the need to make the center usable for the members of our community. Increased usage also increases the revenue generated. He likes the outdoor pool but based on the bubble diagram he thinks that components which appeal to seniors are lost. He suggested finding ways to bring them in, using the example of a walking track. He would like to learn more about the soft cover over the lap pool. Kyle did ask about the ability to "brick" in the lap pool at a later date and was informed that it was not a good idea.

At the end of the discussion, the board gave Kyle guidance to look for more components for seniors, for additional information on the proposed soft cover for the outdoor pool and to have consultants Todd Snidow and Paul Handley attend a board meeting so the board members may ask questions.

Board member Jim Johnson made a motion, seconded by board member Nick Sartori to go into executive session for legal advice under C.R.S. Section 24-6-402(4)(b) regarding recreation center letter of intent negotiations. The motion passed with all members voting aye.

The board moved into executive session at 7:41 p.m. The executive session ended at 8:02 p.m. and the board returned to the regular meeting.

ADJOURNMENT

There being no further business to conduct, President Jim Johnson adjourned the meeting at 8:02 p.m.

Submitted by:

/s/ Dawn Green

Dawn Green, Finance Director

Approved as written or amended:

/s/ J. Johnson

Jim Johnson, Meeting Chair

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**EXECUTIVE SESSION MINUTES
March 23, 2021**

Executive Session was called at 7:41 p.m.

The substance of discussion during executive session was for legal advice under C.R.S. section 24-6-402(4)(b), regarding recreation center letter of intent negotiations.

The executive session adjourned at 8:02 p.m.

Submitted by:

/s/ Dawn Green
Dawn Green, Finance Director

Approved as written or amended:

/s/ J. Johnson
Jim Johnson, Chair of Executive Session