



**Tualatin Hills Park & Recreation District  
Minutes of a Regular Meeting of the Board of Directors**

A meeting of the Tualatin Hills Park & Recreation District Board of Directors was held on Tuesday, September 10, 2019, at the HMT Recreation Complex, Dryland Training Center, 15707 SW Walker Road, Beaverton, Oregon. Work Session 4:30 pm; Executive Session 6 pm; Regular Meeting 7 pm.

Present:

Felicita Montebianco	President/Director
Tya Ping	Secretary/Director
Wendy Kroger	Secretary Pro-Tempore/Director
Ashley Hartmeier-Prigg	Director
Heidi Edwards	Director
Doug Menke	General Manager

**Agenda Item #1 –Work Session**

A Work Session of the Tualatin Hills Park & Recreation District Board of Directors was called to order by President Felicita Montebianco on Tuesday, September 10, 2019, at 4:30 pm.

**A. Partnership with Beaverton School District**

Aisha Panas, Director of Park & Recreation Services, provided a detailed overview of THPRD’s partnership with the Beaverton School District (BSD) via a PowerPoint presentation, a copy of which was entered into the record, and which included the following information:

- Intergovernmental Agreement between THPRD and BSD
  - Updated and renewed in 2018
    - Detailed exhibits removed and reframed as implementing procedures
    - Term of IGA extended until December 31, 2042
  - Allows for coordination of programs and sharing of facilities
  - Ensures a reasonable and equitable share of costs of providing access and services
    - Measurement tools used and development of a cost matrix
  - Implementing procedures have been finalized for ten different areas:
    - Scheduling expectations, athletic fields (grass), athletic fields (synthetic), gymnasiums, swimming pools, tennis courts, track and cross country, miscellaneous services, information distribution, and parent reunification
  - Next steps
    - Conduct annual reviews of implementing procedures beginning in January 2020
    - Review synthetic turf cost sharing arrangement
    - Evaluate in-school afterschool program being provided at Chehalem Elementary School
- Afterschool Programs Offered by THPRD
  - Cedar Hills Recreation Center
    - Currently at capacity and no space available for expansion
  - Garden Home Recreation Center

- Potential additional space for expansion but no transportation available for children from BSD to Garden Home
  - Conestoga Recreation & Aquatic Center
    - Currently at capacity and no space available for expansion
  - Athletic Center
    - New for 2019/20
    - 30 spaces available / 22 currently registered
  - Chehalem Elementary School
    - New for 2019/20
    - 30 low-cost spaces offered to Police Activities League (PAL) legacy participants
    - 20 additional spaces available for new participants / a few spots still remaining
- Afterschool Programs at BSD
  - Many schools have afterschool programming offered by private providers or other non-profit organizations
  - Sites without afterschool programming opportunities include Hazeldale Elementary (a new afterschool program may be starting soon at this site), Kinnaman Elementary, and McKinley Elementary Schools

Aisha offered to answer any questions the board may have.

Wendy Kroger asked to which BSD grass athletic fields does THPRD not have access.

- ✓ Aisha replied that Aloha-Huber Park and Vose Elementary Schools are two examples of BSD community schools that THPRD does not provide field maintenance for, nor programs. THPRD does not receive priority access at such community schools in order to allow BSD the ability to offer the facilities to other community-based organizations. BSD desired a balance of sites that could be provided to THPRD as options, while also retaining other sites that could be offered to other organizations and different users.

Wendy inquired whether BSD plans to conduct any type of review process to determine whether this is the most beneficial way to provide the best services to the students, both in terms of the community schools and the way afterschool programming is offered at BSD.

- ✓ Aisha replied that she is unaware of whether BSD plans to conduct such a review.
- ✓ President Montebianco commented that she understands that there has been an audit of BSD's afterschool programs.

Wendy commented that it would be helpful to be able to determine long-term whether THPRD is providing a superior service, especially to Title One schools, in order to be able to further promote itself for additional partnership opportunities with BSD.

Wendy inquired about the reasoning behind THPRD not partnering with BSD on programming recreational amenities at the new Mountainside Highschool.

- ✓ Aisha replied that a formal reason has not been given, noting that the school was under construction when THPRD and BSD were renegotiating the current IGA. Although it has not been stated that BSD would never be interested in such an arrangement at the site, for now it has not been on the table.
- ✓ General Manager Doug Menke added that the first year of operation of a new high school is a time of trial and error and determining what may work best. He noted that THPRD did the same during the first year of operation at Conestoga Recreation & Aquatic Center in that we held 100% of the hours until the second year of operation, after which BSD usage was allowed. He believes that the conversation will build over time regarding Mountainside in that as the community builds and population grows in that area, mounting public pressure may occur requesting that BSD allocate time to THPRD programs at that site.

Wendy stated that while she understands BSD's stance during the first year or two of operation of a new high school, she would not want to see this become the model going forward from a public benefit standpoint.

Heidi Edwards asked for additional information regarding why the HMT Recreation Complex has been identified as the only parent reunification site in the district.

- ✓ Aisha replied that there were a variety of reasons HMT was chosen, including the limited number of sites that would be able to accommodate the number of students and parents expected for such an event; the need to store supplies on-site for use during such an event; the complex's central location; and consistency in training/preparation.
- ✓ General Manager Doug Menke provided a brief overview regarding how BSD's needs would supersede THPRD's needs or programming during such an event, and commented that BSD has been very appreciative of THPRD's cooperation on this topic.

Heidi referenced the designated THPRD priority time for swim lessons on Tuesdays and Thursdays and asked what the rest of the week looks like for BSD use.

- ✓ Aisha replied that BSD has priority time on Mondays and Wednesdays, noting that Friday afternoon/evenings are not a popular time for such activities. She described the evaluation done that determined THPRD was losing 50% in potential revenue compared to the rent paid by BSD for pool time, which resulted in the negotiated access for THPRD on Tuesdays and Thursdays.
- ✓ General Manager Doug Menke commented on the number of pools available throughout THPRD, noting that similarly-sized school districts in nearby areas only have access to one pool for the entire district; regardless, there will always be public pressure for additional pool time.

Tya Ping inquired about the typical hours for THPRD afterschool programs.

- ✓ Aisha replied that these programs typically run from 3-6 pm Monday through Friday and all day on grading/no-school days.

Tya asked for additional information regarding the new afterschool program at the Athletic Center not yet being filled to capacity.

- ✓ Aisha attributed this to it being a new option that parents are still learning about, noting that the current registration rate of 22 out of 30 spots filled is a success for a first-year program.

Ashley Hartmeier-Prigg referenced the THPRD/BSD cost matrix and asked whether a target threshold has been identified that would result in additional negotiation between the two agencies in order to bring the costs/receivables back into balance.

- ✓ Aisha replied that currently there is an approximate \$100,000 difference and neither agency felt the need to bring that number closer to zero. There were some acknowledged gaps in the first year's data and this past fiscal year's tracking has included a focus on identifying things that may have been missing from the first calculation. She commented that it will be interesting to see what the next cost evaluation reflects and whether such a conversation will be necessary.
- ✓ General Manager Doug Menke commented that the \$100,000 variation represents less than 10% of the total balance sheet between the two agencies.

President Montebianco stated that she appreciates all of the staff time and dedication that has gone into this process, noting that the THPRD board represents five members who are very enthusiastic about THPRD's partnership with BSD and who desire additional partnership in afterschool programming. She commented that the future is bright for this partnership, as are the resulting benefits for the community.

## **B. Technology Update**

Clint Bollinger, Information Services (IS) Manager, provided a detailed overview of THPRD's information technology via a PowerPoint presentation, a copy of which was entered into the record, and which included the following information:

- Current Staffing
- Large Projects Over the Past 18 Months
  - Includes network, wireless, and telephony systems replacements
- Areas of Daily Responsibility
  - Includes maintaining physical components of technology systems across 19 district locations
  - Data security via firewall structures
  - Payment card industry (PCI) compliance
- In-house Built Systems
  - Daily ops
  - Patron registration portal
- Large Projects Planned Over the Next 24 to 36 Months
  - Includes the enterprise resource planning (ERP) system implementation

Clint offered to answer any questions the board may have.

Keith Hobson, Director of Business & Facilities, noted that the intent is to review the options and select a long-term solution to the district's registration system in the next two years, but in the meantime, the district should not invest new resources into making significant changes to that system. At this time, the main goal is to keep the current system operational and functional. Also, in the short-term, the district needs to prioritize its resources in the IS and Finance areas to the ERP system implementation. Keith provided background information regarding the district's exploration into other options that might be available for daily ops and the registration system about five years ago, which determined that there were no products on the market at that time that were significantly better than the existing systems. At the same time, critical setbacks were occurring involving the district's financial software system, so replacement of that system was prioritized as the most critical need to address. This could also provide an opportunity for the district to develop its own daily ops and registration system that would interface with the new ERP system. Keith noted that although it may be some time before the district can begin working on a new registration system, in the meantime district staff is evaluating changes that can be made to current business processes or other patron support activities that could help patrons navigate the district's registration process, with a focus on streamlining processes and changes that will have ongoing value regardless of what the future registration system looks like.

Ashley Hartmeier-Prigg inquired about the sensitive information modifications that have taken place over the last 18 months.

- ✓ Clint described the various steps the district has taken in order to ensure that sensitive information is as secure as possible.

Tya Ping inquired about the financial aid program updates that have taken place over the last 18 months.

- ✓ Clint replied that when the district recently approved changes to the district's financial aid program in terms of how funds are allocated and accumulated, changes to the district's software were needed.

Ashley asked how the IS Department's work gets prioritized, noting that they have a huge amount of work for such a small team.

- ✓ Clint replied that the department's work is prioritized through a roadmap developed by the district's management and leadership staff that lays the groundwork for what work needs to be done district-wide over the next 6, 18, 24 and 36 months.

Ashley commented that she is not a fan of the PMBOK project management process and asked if there are opportunities in the department's projects for which an Agile method could be applied in order to be able to start chipping away at pieces of projects rather than waiting for full implementation.

- ✓ Clint described how the department is essentially building a backlog and completing small, incremental updates, which is akin to the Agile methodology, but still falls under PMBOK.

Ashley commented that she would be interested in seeing the department's expected level of effort in terms of what the huge body of work coming up actually looks like so that the district can be realistic in terms of what is possible for such a small team and what the upcoming work load looks like in terms of hours needed. She noted everything described this evening seems like large bodies of work and she is conscientious of establishing realistic expectations for staff.

- ✓ Clint replied that this information could be compiled and provided. He described how, where possible, some items and projects are transferred to third-party contractors or off-the-shelf products are purchased, which helps the district maintain a lean IS department without a huge amount of overhead costs.

Heidi Edwards recognized the amount of work done by the IS Department and thanked Clint for the thorough presentation, especially for the background information of what has already been done or explored and how all of the various pieces fit together. She noted that the idea of waiting for technology improvements can be frustrating, but understanding the reasons behind the wait and knowing that current actions are in process leading toward that end goal is reassuring.

Tya commented that while she understands that some time is needed before improvements are made to the district's registration system, the district also needs to keep in mind that the registration system is at the forefront of how the district interacts with its community. Based on her experiences in using it every term for the past six years, as well as feedback she has received from others, she has some suggestions that might be small enough in scope to help improve the user experience within the current system without too much staff effort. She referenced registration timing and certain information or wording that's shared through the registration process that is confusing for some, presents barriers and reduces equitability. She stated that registration is a focus point of her service on the board and that she would appreciate being able to provide such feedback and suggestions for changes that hopefully will result in improvements in the short-term.

- ✓ Clint explained that content changes are easily accommodated, such as how class descriptions are written or terminology that needs to be changed.
- ✓ Keith offered to coordinate a meeting between the appropriate district staff and Tya.

Ashley described the board's commitment to diversity, equity, inclusion and access (DEIA) made at their August meeting, including a commitment to look at everything the district does through an equity lens. She encouraged staff to be mindful of this when it comes time to begin gathering requirements for a new registration system as it will be an aspect that the board will be interested in hearing about.

President Montebianco expressed agreement with Ashley's comment, noting that the district's registration process is one of the top five issues the board members hear about from the community. She acknowledged that based on her conversations with other agencies at the National Recreation & Park Association conference last year, registration systems seem to be a challenge industrywide and that there is not any one option available that will please everyone.

She agreed with the assessment that it does not make sense to make substantial changes to the current registration system at this time, but also agrees with some of Tya's suggestions about changes to content that could help improve the user experience and address barriers. As an example, Felicita described the barrier that exists when online registration opens at 8 am but the libraries do not open until 10 am. She noted that district staff can expect to be asked some tough questions in relation to the registration process and DEIA because DEIA is a core value of this board.

#### **Agenda Item #2 – Executive Session (A) Legal (B) Land**

President Montebalanco called executive session to order for the following purposes:

- To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed, and
- To conduct deliberations with persons designated by the governing body to negotiate real property transactions.

The Executive Session is held under authority of ORS 192.660(2) (e) & (h).

President Montebalanco noted that the news media and designated staff may attend executive session. Representatives of the news media were directed not to disclose information discussed during executive session. No final action or final decision may be made in executive session. At the end of executive session, the board welcomed the audience into the room.

#### **Agenda Item #3 – Call Regular Meeting to Order**

A Regular Meeting of the Tualatin Hills Park & Recreation District Board of Directors was called to order by President Felicita Montebalanco on Tuesday, September 10, 2019, at 7 pm.

#### **Agenda Item #4 – Action Resulting from Executive Session**

There was no action resulting from Executive Session.

#### **Agenda Item #5 – Proclamation: National Hispanic Heritage Month**

The THPRD board members and Lulu Ballesteros, Cultural Inclusion Specialist, read into the record a proclamation that the Tualatin Hills Park & Recreation District declares the month of September 2019 as National Hispanic Heritage Month.

#### **Agenda Item #6 – Audience Time**

There was no testimony during Audience Time.

#### **Agenda Item #7 – Board Time**

Heidi Edwards provided the following updates and comments during board time:

- The Nature & Trails Advisory Committee recently had a field trip to THPRD parks and trails led by district staff.
- The Tualatin Hills Park Foundation (THPF) has hired an executive director who began her duties last week. The Standard has donated office space to house the position. In addition, THPF is launching its Corporate Sponsorship Task Force and also held its annual meeting in mid-August, which approximately 30 people attended.
- Attended the Westside Trail Segment #18 grand opening event, noting that she is impressed by the district's many partnerships on this project.
- Participated in the Beaverton Celebration Parade representing THPRD with fellow board members.

Tya Ping provided the following updates and comments during board time:

- The Programs & Events Advisory Committee will be conducting a public survey in order to gain feedback about ways to improve the district's registration system and process. In

addition, the committee has been working on creating welcome signage for the facilities and new neighbor packets for people who have recently moved into the area.

Wendy Kroger provided the following updates and comments during board time:

- Attended the Westside Trail Segment #18 grand opening event, noting that it is always fun to celebrate and acknowledge the hard work that goes into completing such projects.
- Provided a brief overview of the many summer events that she and others attended over the summer, including Fiesta en el Parque, which featured a pop-up dog run, and the Beaverton Celebration Parade.
- The Parks & Facilities Advisory Committee is meeting tomorrow evening.
- She noted that the district's advisory committees no longer present annually to the board and she would like to see that reconsidered. The chairs could present on their committee's current activities, concerns and/or recommendations. She believes this could help better connect the committees to the fact that they are advisory to the board, as well as help with personal development for the members.
  - ✓ President Monteblanco commented that it is a concept worth exploring. She likes the idea of engaging with the committees more, but is also cautious regarding giving district staff any more work to do at this time.
  - ✓ Tya suggested that each committee be asked for their feedback regarding this suggestion and whether they would welcome it as a priority among their other work items. She noted that the board is already being kept informed of each committee's activities via the assigned board liaison.
  - ✓ President Monteblanco suggested that each board liaison check with their assigned committees to gauge the interest in this suggestion.

Ashley Hartmeier-Prigg provided the following updates and comments during board time:

- Thanked district staff for their assistance during the Beaverton Celebration Parade.
- Attended both pop-up dog runs and strongly supports both locations moving forward. She described the positive feedback she has received regarding the concept of pop-up dog runs, including a request for one at Garden Home.
- Described participating at the district's visioning table at a few events and complimented the district's volunteers and staff spearheading that effort. She is looking forward to the next board update on this topic.
- The Audit Committee met last night to discuss the annual audit that will be conducted in late October. The audit report is expected to be released in late November and will then be presented to the board at the December regular meeting.

President Monteblanco provided the following updates and comments during board time:

- Referenced her service on Metro's Local Investment Team (LIT) for the 2020 transportation bond measure currently under consideration, noting that there will be an opportunity for feedback and comment on the current proposal on September 18. She provided an update regarding the current discussions taking place on the LIT, including identification of priorities and three transportation corridors within Washington County that will be of focus: Tualatin Valley Highway, Barnes and Burnside Roads, and 185<sup>th</sup> Avenue. She noted that the Tualatin Valley Highway corridor will be a big priority for the LIT as it presents a lot of opportunities for improvement and, in relation to THPRD, there could be opportunities around trails and air quality improvement.
- Attended the pop-up dog swim at Raleigh Swim Center, noting that it was a popular event with a lot of positive feedback.
- Expressed agreement with Ashley's comment regarding the volunteers for the district's visioning effort, noting that they are amazing at communicating with the public.

- Only has 11 parks left in her quest to visit every THPRD park. She described a recent conversation she had with someone about the benefits of providing even small park sites as opportunities for community connections.

**Agenda Item #8 – Consent Agenda**

**Ashley Hartmeier-Prigg moved that the board of directors approve consent agenda items (A) Minutes of August 13, 2019 Regular Board Meeting, (B) Monthly Bills, and (C) Monthly Financial Statement. Wendy Kroger seconded the motion. Roll call proceeded as follows:**

**Ashley Hartmeier-Prigg      Yes**  
**Wendy Kroger                      Yes**  
**Tya Ping                              Yes**  
**Heidi Edwards                    Yes**  
**Felicita Monteblanco         Yes**

**The motion was UNANIMOUSLY APPROVED.**

**Agenda Item #9 – Unfinished Business**

**A. General Manager’s Report**

General Manager Doug Menke provided an overview of his General Manager’s Report included within the board of directors’ information packet, including the following:

- Volunteer Services Program Update
  - Melissa Marcum, Volunteer Services Specialist, provided an overview of the district’s Volunteer Services Program via a PowerPoint presentation, a copy of which was entered into the record. In addition, she introduced Charles Mackin, a volunteer with the district working toward his Eagle Scout rank through a volunteer project with THPRD. He will be building produce boxes for two of the district’s community gardens used to store excess produce grown that is then picked up by the non-profit organization Waste Not Food Taxi.

Doug offered to answer any questions the board may have.

President Monteblanco complimented Melissa and the district on the Volunteer Services Program, noting that these volunteers are the district’s champions who want to engage and are an amazing resource for the district. She encouraged the district to be mindful of this when desiring change in the community and needing a voice that is not appropriate for district staff to fulfill. Volunteers represent a great resource that the district should be intentional about accessing and leveraging that voice. In addition, she is thankful for the consideration being given to volunteer appreciation needs, noting that it is not hard to make someone feel appreciated, but it is also easy to make someone feel overlooked. She asked if the Maintenance Operations Department has the support and training needed to work with volunteers.

- ✓ Melissa replied that this is a current focus area, noting that additional training and support is in process for the Maintenance Operations Department.

Wendy Kroger referenced her volunteerism with the district in collecting scientific data, such as through amphibian surveys. She noted that her fellow volunteers often ask whether the data they are collecting is shared with other agencies or organizations.

- ✓ Melissa confirmed that the information is shared with other similar agencies, such as Clean Water Services, Metro, The Wetlands Conservancy, and Oregon Department of Fish and Wildlife. She commented that they will try to do a better job of informing the volunteers of how the information they are collecting is used and shared.

Heidi Edwards offered the board’s services if assistance is needed in the area of volunteer appreciation. The district is fortunate to have a dedicated and strong volunteer base and recognizing those efforts is often overlooked, for which the board would be happy to assist.



Tya Ping expressed support for the produce boxes and donation of excess produce and asked if there has been any consideration given to letting households also drop off excess produce and other food items, such as canned goods, at those locations. She acknowledged area foodbanks, but noted that it may be beneficial from a convenience standpoint for park users to be able to easily drop off food items while also visiting their local park.

The board members asked Charles more about his project, including associated costs and installation schedule.

### **Agenda Item #10 – New Business**

#### **A. Resolution Amending District Compiled Policies Chapter 3 – Board Policies**

General Manager Doug Menke introduced Aisha Panas, Director of Park & Recreation Services, to provide an overview regarding proposed amendments to District Compiled Policies (DCP) Chapter 3 (Board Policies) regarding background checks for volunteers.

Aisha provided a detailed overview of the memo included within the board of directors' information packet, noting that the board had previously discussed interest in making amendments to DCP Chapter 3 related to the requirements for background checks for board-appointed committee members. Currently, DCP Chapter 3 requires that a person pass a background check consistent with established district operational policies prior to their appointment on a district committee. Aisha also provided an overview of a draft Volunteer Background Checks operational procedure, a copy of which was entered into the record, containing detailed information regarding the process district staff would follow when processing volunteer background checks, including a tiered chart reflecting the types of volunteer positions that would be subject to background checks. The proposed policy amendments would allow applicants for district committees to be appointed by the board without a background check; however, manager discretion may be used to require background checks in some cases. Aisha concluded her presentation by noting that board approval is being requested this evening of a resolution amending DCP Chapter 3 to reflect the proposed edits as described and offered to answer any questions the board may have.

President Montebianco provided additional background information regarding past discussion on this matter, noting that previously a Social Security Number (SSN) was required on all volunteer applications, regardless of the scope of activity, which presented a barrier to community volunteerism. She stated that of course volunteers who have contact with vulnerable populations, such as children, or access to district resources, would still undergo a background check, but that there are other ways to conduct this without a SSN, too. She supports the proposed changes, noting that they are reflective of the board's values and racial equity.

Wendy Kroger commented that while she is supportive of the proposed changes, she has concerns regarding burdening the manager with the decision of whether to conduct a background check and the consistency of how that is applied through different staff members. Additionally, she inquired whether the proposed amendments help clarify what level of background checks would be conducted, such as with or without SSN.

- ✓ General Manager Doug Menke provided an overview of the district's work with different background check companies, noting that ultimately a SSN is necessary to receive the most in-depth information on an applicant, especially in order to gain access to information in states other than Oregon. Some information can be provided without access to a SSN, but the district will need to be deliberate in determining which volunteer positions necessitate as comprehensive background check as possible, which will require a SSN.

Wendy expressed her desire that the board and district be protected when appointing individuals to committees.

- ✓ Doug agreed, noting that the handout provided detailing Tier I and Tier II volunteer positions helps clarify that. The volunteer positions with asterisks, such as the district's audit committee, budget committee, and specific task forces, would be brought back to the board for additional discussion and direction.

Ashley Hartmeier-Prigg commented that she supports the proposal as long as background checks are conducted based on type of volunteer position, not the individual person applying.

Heidi Edwards expressed support for moving forward with the proposed amendments. She pondered whether there would be a way to partner with other agencies on this topic, noting that she has had background checks completed in relation to her volunteer services for both the Beaverton School District and THPRD.

**Heidi Edwards moved that the board of directors approve Resolution 2019-13 amending District Compiled Policies Chapter 3. Tya Ping seconded the motion. Roll call proceeded as follows:**

<b>Ashley Hartmeier-Prigg</b>	<b>Yes</b>
<b>Wendy Kroger</b>	<b>Yes</b>
<b>Tya Ping</b>	<b>Yes</b>
<b>Heidi Edwards</b>	<b>Yes</b>
<b>Felicita Monteblanco</b>	<b>Yes</b>

**The motion was UNANIMOUSLY APPROVED.**

## **B. Resolution Authorizing the Issuance and Sale of Full Faith and Credit Refunding Obligations**

General Manager Doug Menke introduced Keith Hobson, Director of Business & Facilities, to provide an overview of a request for board authorization of the issuance and sale of full faith and credit refunding obligations.

Keith provided a detailed overview of the memo included within the board of directors' information packet, noting that staff is requesting board approval of a resolution authorizing the issuance and sale of full faith and credit refunding obligations which would be used to:

- Refund the currently outstanding obligations used to purchase and build-out the Fanno Creek Service Center, and
- Refund the currently outstanding notes used to supplement the costs of renovating Cedar Hills Park.

He noted that the resolution also authorizes the expenditures of proceeds from the sale of refunding obligations to be made during the current year without a supplemental budget.

Keith explained that in 2010, in anticipation of issuing debt to acquire and redevelop the site that would eventually become the Fanno Creek Service Center, the district received an allocation of Recovery Zone Economic Development Bonds (RZEDBs). RZEDBs were a special component of the federal economic stimulus package and were taxable bonds on which the federal government paid a direct subsidy to the issuing agency in the amount of 45% of the interest cost of taxable obligations. In November 2010, the district issued debt consisting of a taxable issue in the amount of \$995,000 to finance the portion of the facility that would be available for private rental, and taxable RZEDBs in the amount of \$6,820,000 to finance the balance of the costs. RZEDBs were used in lieu of traditional tax-exempt financing because the net cost to the district (actual interest cost less the federal subsidy payment) was less than the interest cost on tax-exempt financing. Subsequently, the federal sequestration that went into effect March 1, 2013, reduced RZEDB subsidy payments by 8.7%. The district's bond underwriter recently informed

the district that the current interest rate market may provide an opportunity to do an advance refunding on the remaining balance of the bonds using traditional tax-exempt financing.

Keith noted that, additionally, in February 2019, the district issued full faith and credit notes in the amount of \$4 million to supplement the funding for the bond fund project at Cedar Hills Park. Given the current favorable debt interest rates and that the district would be pursuing a potential issue already, the opportunity to refinance these obligations is being included.

Keith concluded his presentation by noting that a financial analysis on the refundings was conducted and confirmed that it would result in a net savings to the district. The refunding would also facilitate an early call of the RZEDB bonds, thereby allowing the district to avoid any future risk of further reductions in the subsidy payments by the federal government. He noted that approval of the proposed resolution at this time would allow staff to move quickly to take advantage of market conditions, but does not lock the district into moving forward with the issuance, and offered to answer any questions the board may have.

Ashley Hartmeier-Prigg asked if there is a dollar threshold for savings that, if not met, district staff would not move forward with the refundings.

- ✓ Keith replied that old law required a 3.5% savings net of issuance costs in order to move forward with such a refinance; however, that restriction does not apply to this circumstance. He commented that if there is any amount of net savings, or even cost neutrality, the recommendation would be to move forward with the refundings in order to eliminate the risks of the variable rate cost increases associated with the 2019 issuance, as well as the risk of further reductions in the RZEDB subsidy payments associated with the 2010 issuances.

**Wendy Kroger moved that the board of directors approve Resolution No. 2019-14 authorizing the issuance and negotiated sale of full faith and credit obligations to refund the district's outstanding full faith and credit obligations. Heidi Edwards seconded the motion. Roll call proceeded as follows:**

Ashley Hartmeier-Prigg	Yes
Wendy Kroger	Yes
Tya Ping	Yes
Heidi Edwards	Yes
Felicita Monteblanco	Yes

**The motion was UNANIMOUSLY APPROVED.**

#### **Agenda Item #11 – Adjourn**

There being no further business, the meeting was adjourned at 8 pm.

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Felicita Monteblanco, President

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Tya Ping, Secretary

Recording Secretary,  
Lindsay Lambert

Transcribed by,  
Jessica Collins