



**BOARD OF DIRECTORS SPECIAL MEETING MINUTES**  
**Thursday, January 31, 2019, 5:30 pm**  
**Meeting held at the Grand Park Community Recreation Center**

**I. CALL TO ORDER**

*Vice-President David McKnight called the meeting to order at 5:36 pm.*

**II. ROLL CALL/DECLARATION OF QUORUM/CONFLICT DISCLOSURE**

*David McKnight, Rainie Murdoch, Kelley Glancey were all present. Roger Hedlund and Al White attended via teleconference. There were no conflicts to disclose.*

**Staff present:** *Scott Ledin, Ann McConnell, Michelle Lawrence, Jordan Rea, Emily Weida*

**Public present (signed-in):** *Mark Unicume, Makenna Harford*

**III. OPEN FORUM**

*The Board provides opportunity for the public to comment on items not on the agenda. There were no comments during open forum.*

**IV. EXECUTIVE SESSION**

*C.R.S. 24-6-402(4)e – For the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators. The Board members determined that it was not necessary to move into executive session and to hold discussions during the public meeting. Scott Ledin mentioned that the attorney for the District was standing by via telephone should the board wish to discuss the details of the lease agreement with her.*

**V. ACTION ITEMS**

- a. Review, discussion and possible approval of Lease Agreement with U9200 LLC for The Foundry Cinema and Bowl. *Al White asked for clarification on the language in the lease regarding operating the Foundry as an Enterprise of the District. Scott Ledin explained that language had been added to the lease that would allow the District to terminate the lease with appropriate notice as identified in the agreement should the operations of the Foundry not meet the requirements to be considered an Enterprise under Colorado State Statute.*

*An updated lease agreement was distributed to the board members. Small changes had been made earlier in the day to the insurance language in the agreement. A draft 2019 budget for 11 months of operation was also distributed to the board. Scott Ledin walked the board through the philosophy used to establish the budget. The budget does not include any payment of real or personal property taxes. The board briefly discussed the possibility of making a payment in lieu of taxes to the taxing entities, but decided to postpone further discussion on the matter until a later date.*

*Scott reviewed the highlights of the lease agreement with the board members. The lease agreement includes a purchase option within the first three and a half years. The lease is a triple net lease with monthly rental payments of \$25,000 with no escalations. Maintenance expenses exceeding \$5,000 are identified as capital and remain the responsibility of the landlord. All equipment will be inspected to certify it is in good working order. The one outstanding item on the agreement is to determine what, if any, insurance the Landlord shall be required to carry that is not duplicative of any insurance already carried by the District.*

Scott added that the Foundry Task Force met earlier in the day to identify the immediate tasks necessary for the transition of operations.

Roger asked if the District's attorney was satisfied with the structure of the lease agreement to which Scott replied yes.

Kelley Glancey shared the email from Parnell Quinn that had been sent to all board members earlier in the day. The email stated that there had been a recent offer to purchase the Foundry from a private buyer. Kelly asked for more clarification regarding the offer. Although Mark Unicume replied that he was not aware of a recent offer, Scott Ledin shared comments from Scott Marohnic, business consultant for U9200 LLC, who remarked that the offer presented was not reasonable and they were not considering it. Mark Unicume added that he wants to see the business continue to operate for the community and feels strongly that the District will do a good job operating it for the community. David McKnight added that staff has always done a good job managing their facilities and budgets and feels confident they will also do a good job managing this operation.

Roger Hedlund made a motion to approve the lease agreement with the minor changes to be made to the insurance section as discussed and provided no material changes are made to the agreement. Rainie Murdoch seconded.

Discussion:

Al White commented that he will be a no vote as he felt the risk outweighs the reward. He is concerned about the budget and the recent downward trend in revenues. He added that he felt it should remain a private entity.

Roger Hedlund added that it is a good option and falls within the master plan as an identified alternative funding source for future projects and so his vote will be a yes.

Rainie Murdoch commented that she has been on the fence throughout the discussions, but has seen staff's efforts and their proven record of doing well with what we have, so her vote will be a yes.

Kelly Glancey added that she too has been back and forth on the issue, but she is a no vote as she too worries about the risk versus reward and the energy that this venture may take away from current operations.

David McKnight agreed that it fits with the master plan and the public's input to look for alternative funding to help the community improve services and facilities for future generations.

David McKnight called for a roll call vote:

Al White – No

Roger Hedlund – Yes

Kelly Glancey – No

Rainie Murdoch – Yes

David McKnight – Yes

The motion passed with a 3-2 vote.

*Roger Hedlund amended the motion to allow Scott Ledin to sign the lease agreement with U9200 LLC provided there are no material changes to the agreement. David McKnight seconded. The motion passed with a 3-2 vote.*

**VI. ADJOURNMENT**

*Roger Hedlund made a motion to adjourn the meeting at 6:15pm; Al White seconded; all in favor 5-0.*