



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

A Regular Meeting of the Tualatin Hills Park & Recreation District Board of Directors was held at the HMT Recreation Complex, Dryland Training Center, 15707 SW Walker Road, Beaverton, on Monday, February 3, 2014. Executive Session 6:30 p.m.; Regular Meeting 7:00 p.m.

Present:

Joseph Blowers	President/Director
Bob Scott	Secretary/Director
Larry Pelatt	Secretary Pro-Tempore/Director
Jerry Jones, Jr.	Director
Doug Menke	General Manager

Absent:

John Griffiths	Director
----------------	----------

**Agenda Item #1 – Executive Session (A) Legal (B) Land**

President, Joe Blowers, 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.

Executive Session is held pursuant to ORS 192.660(2)(e)&(h), which allows the Board to meet in Executive Session to discuss the aforementioned issues.

President, Joe Blowers, noted that representatives of the news media and designated staff may attend the Executive Session. All other members of the audience were asked to leave the room. Representatives of the news media were specifically 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 will return to open session and welcome the audience back into the room.

**Agenda Item #2 – Call Regular Meeting to Order**

President, Joe Blowers, called the Regular Meeting to order at 7:00 p.m.

**Agenda Item #3 – Action Resulting from Executive Session**

**Bob Scott moved the Board of Directors authorize staff to acquire an easement in the northeast quadrant of the District, using Bond Measure funds designated for park land acquisition, to allow for expansion of an existing neighborhood park, subject to standard due diligence review and approval by the General Manager. Larry Pelatt seconded the motion. Roll call proceeded as follows:**

Jerry Jones, Jr.      Yes  
Larry Pelatt            Yes  
Bob Scott                Yes  
Joe Blowers            Yes

The motion was **UNANIMOUSLY APPROVED**.

Bob Scott moved the Board of Directors authorize staff to acquire a site for a future neighborhood park in the northwest quadrant of the District, using Bond Measure funds designated for park land acquisition, subject to standard due diligence review and approval by the General Manager. Larry Pelatt seconded the motion. Roll call proceeded as follows:

Jerry Jones, Jr.      Yes  
Larry Pelatt            Yes  
Bob Scott                Yes  
Joe Blowers            Yes

The motion was **UNANIMOUSLY APPROVED**.

#### **Agenda Item #4 – Audience Time**

There was no testimony during Audience Time.

#### **Agenda Item #5 – Board Time**

Larry Pelatt recounted that he recently walked a newly-completed portion of the Westside Regional Trail and that it is phenomenally well done.

- ✓ President, Joe Blowers, agreed, noting that he is looking forward to visiting the recently-opened Lowami Hart Woods Natural Area.

Bob Scott stated that he recently attended the Westside Economic Alliance/Washington County Visitors Association Sports Summit and that Doug Menke, General Manager, represented the District well during his presentation.

Jerry Jones, Jr., commented that he has been seeing the District's new logo on the fleet vehicles more often and that it looks great.

#### **Agenda Item #6 – Consent Agenda**

Bob Scott moved the Board of Directors approve Consent Agenda items (A) Minutes of January 13, 2014 Regular Board Meeting, (B) Monthly Bills, (C) Monthly Financial Statement, and (D) Resolution Appointing District Budget Officer. Jerry Jones, Jr., seconded the motion. Roll call proceeded as follows:

Larry Pelatt            Yes  
Jerry Jones, Jr.      Yes  
Bob Scott                Yes  
Joe Blowers            Yes

The motion was **UNANIMOUSLY APPROVED**.

#### **Agenda Item #7 – Unfinished Business**

##### **A. Adventure Recreation Facility Due Diligence**

Keith Hobson, Director of Business & Facilities, introduced Julie Rocha, Center Supervisor for Tualatin Hills Athletic Center, and Sabrina Taylor, Center Supervisor for Aloha Swim Center, to provide an update to the Board of Directors regarding the activities of the Adventure Recreation Due Diligence Team.

Julie and Sabrina provided an overview of the key findings to date since the Team's last presentation to the Board on November 4, 2013, regarding the feasibility of a new Adventure Recreation Facility, via a PowerPoint presentation, a copy of which was entered into the record and included the following information:

- Work to Date
  - Additional market research.
  - Local competitive analysis.
  - Preliminary financial projections.
- Key Findings to Date
  - Patrons younger than 15-30 years old are needed in order to support a stand-alone facility.
  - Facility investment risks exist with a stand-alone facility, but can be avoided by using an existing site.
  - Initial General Fund start-up funding would be necessary for either a stand-alone or existing facility.
- Current Trends
  - Individual sports versus team sports are most popular among the 15-30 age group.
- Demographic View
  - Enrollments by age group show that the 15-30 age group is underrepresented within District programs and drop-in activities.
- New Direction
  - Repurpose current District facilities.
    - Provide a teen center at an existing facility during underutilized hours or through partnerships with schools and churches.
    - Enclose courtyards at existing facilities to create space for adventure recreation activities.
    - Consider covering the HMT Recreation Complex skate park in order to enable year-round use.
  - Maintain flexible space and programming to serve current trends.
  - Explore one-day program/workshops.
  - Investigate possible private-public partnerships.
- Revenue Potential
  - Payback for each amenity is approximately six years when operated within an existing site.
  - Additional payback analysis still needs to be performed for other potential programs or offerings.
- Questions to Resolve
  - What is the available District capital/operating investment (General Fund versus System Development Charges)?
  - What are the age groups to target (15-20, 21-30, 15-30)?
  - What are the programming options specific to the 21-30 age group (alcohol-related programming)?
- Next Steps
  - Cost all activity options to determine payback.
  - Identify possible locations to use within existing facilities.
  - Identify barriers to participation.
  - Continue to research how to modify existing programming.

Julie and Sabrina offered to answer any questions the Board may have.

Larry Pelatt asked if the six-year payback estimate is for a full payback of the amenity or the point at which subsidies are no longer needed.

- ✓ Keith replied full payback, noting that the cost is significantly reduced by not including the amenity within a stand-alone facility, which would have included overhead costs for the administration of the new facility and costs associated with the acquisition of space. When looking at adding an amenity within an existing facility, it generates net profit almost immediately. The six-year payback is the payback for the capital investment. Keith noted that staff has used very conservative revenue estimates and that the proposed payback length is most likely a worst-case scenario.

Larry asked if there are ideas regarding which facilities have the potential for repurposed space.

- ✓ Keith replied that although there is no unused space within existing facilities, there are other options to consider, such as enclosing courtyards. Beyond that, additional analysis will need to be conducted, including evaluating the usage times within facilities that may overlap with the desired usage times for the 15-30 age group.

Larry referenced the question regarding which age group ranges should be targeted, noting that an age bracket of 15-30 is too broad. He described the economic disparities between a 15 year-old versus a 30 year-old and all of the ages in between. He suggested three tiers be analyzed: 15-19, 20-25, and 25-30 or 35. He asked why the age brackets end at 30.

- ✓ Keith acknowledged that stopping at age 30 was somewhat arbitrary.
- ✓ Joe Blowers noted that the current demographics show a significant uptick in use for residents between the ages of 30 and 39.

Larry expressed support for the work of the Adventure Recreation Due Diligence Team, noting that he suspects the exercise has been a huge learning experience for District staff, as well as for the Board. The idea was initially approached with much optimism, but he is happy that District staff is evaluating the data in realistic terms as well.

Bob Scott requested that the demographic data be recalculated to include affiliated groups for the 15-19 age bracket in order to see how affiliate participation may inflate that number. In addition, he challenges that District staff continue to analyze the amenity payback period of six years and try to reduce that further to three or four years. With the acknowledgement that some of these activities are trendy, he feels that a payback of even six years may be too long. If an amenity has a three-year payback and is not as popular as anticipated, it could be exchanged more quickly for an amenity that might be more successful.

Jerry Jones, Jr., referenced the Team's research regarding trends, noting that he believes they are on the right track in terms of looking at segmenting some of the programs to shorter periods of time. He also supports the idea that certain amenities, such as skate parks or BMX tracks, be mobile so that they can be adapted to current trends, which would also keep the excitement level up for frequent users. In terms of the question regarding age group segments, he agrees with Larry that 15-30 is too broad, especially when considering the potential alcohol component for those over 21. Lastly, he would like to see additional exploration regarding the potential partnerships, noting that schools and churches essentially share the District's patrons and the more the District can partner with these entities, the better for the community. He expressed support for the Team's work thus far, noting that he believes they are on the right track.

- ✓ Joe asked Jerry whether he sees the potential for partnerships with Beaverton School District or Portland Community College.
- ✓ Jerry replied both, as well as churches.
- ✓ Joe commented that these agencies also have direct-access to the demographic.

President, Joe Blowers, reflected back on the parameters for this proposal, which was to design a program that would turn a profit and pay back its amenities within a certain number of years. He referenced the targeted age group of 15-30 and questioned why there is an emphasis on

this particular age group to make a profit, while the District habitually provides services for other age groups without the same profit and payback motive. He noted that this is more of a philosophical question for the Board. He acknowledged that while the trends may be more volatile for the 15-30 age group, he questions why installation of a bouldering amenity would be tied to an acceptable payback term when the same is not done for a typical amenity, such as a tennis court.

- ✓ Larry theorized that the difference is that adventure recreation amenities are targeted specifically to this age bracket, whereas most of the District's other offerings can be enjoyed by a much broader age range.

Joe acknowledged that the District would be providing less familiar offerings, which are also trendy and more focused in terms of age group, but he is having difficulty making the leap between requiring a profit for this area alone when this is not a focus for other areas.

- ✓ Bob reiterated that adventure recreation amenities have a higher rate of turnover and that the District would need to be ready when the next young age bracket desires a different amenity. Whereas trails, tennis courts, and pools are consistently used without turnover.
- ✓ Doug Menke, General Manager, acknowledged that initially the District was focused on supporting this concept via an enterprise fund in order to protect the rest of the District's operations; however, there have been numerous conversations since that question how aggressive the District needs to be. The differential with regard to amenities such as trails and parks versus program areas involves some of GreenPlay's recommendations pertaining to the cost recovery pyramid. These, as well as amenity trends and turnover rates, are all aspects that will be addressed in the next steps in order to reach an appropriate balance.
- ✓ Keith agreed, noting that the capital payback includes the amenity only, whereas the District would be providing the space. For example, if the decision is to enclose a courtyard, that is not something that could be born by this type of amenity; it would be a decision that the District would need to make in terms of investing the capital. Or, if existing space is being repurposed, that might result in the displacement of a current District activity being provided.

Joe asked if the District is still renting out space at Garden Home Recreation Center.

- ✓ Doug confirmed this, noting that this would be part of the review process for additional discussion in terms of recovery rate, as well as whether it is the best use of the space even if costs are being recovered.

Joe noted that the District is not serving its demographic when it rents out space and it could be argued that this is not part of the District's mission.

- ✓ Larry agreed that while it is not a core District function to provide rental space, it could tie into the District's commitment to be fiscally responsible, especially if the District does not have a better use for the space. But as the District grows and changes, the practice of renting out community space to organizations may change if there is an identified internal use for the space.

President, Joe Blowers, thanked the Adventure Recreation Due Diligence Team for the informative presentation.

## **B. General Manager's Report**

Doug Menke, General Manager, provided a detailed overview of the General Manager's Report included within the Board of Directors information packet, which included the following topics:

- THRPD Online Communications
  - Bob Wayt, Director of Communications & Outreach, provided a brief overview of the growing popularity of the District's various online communications tools.
- Bond Oversight Committee Fourth Annual Report

- Bob Wayt, Director of Communications & Outreach, noted that the printed version of the Parks Bond Citizen Oversight Committee's fourth annual report is now available and that a copy is at the Board's places this evening.
- Bond Oversight Committee Applications
- Westside Economic Alliance/Washington County Visitors Association Sports Summit
- Alaska/Horizon Airlines In-flight Magazine
- Board of Directors/Budget Committee Meeting Schedule

Doug offered to answer any questions the Board may have regarding the report.

- ✓ Hearing no questions, President, Joe Blowers, requested the staff report for the next agenda item.

## **Agenda Item #8 – New Business**

### **A. System Development Charge Fund Five-Year Capital Improvement Program**

Hal Bergsma, Director of Planning, provided an overview of the memo included within the Board of Directors information packet regarding a System Development Charge (SDC) fund project list for Board approval as an updated five-year Capital Improvement Program (CIP). This list revises and updates a project list adopted by the Board in April 2012. Hal noted that staff is not requesting SDC funding for any of the projects at this time, but will use the list in preparing the proposed FY 2014/15 budget.

Hal explained that in prior CIP approvals, staff has worked with the Board to identify and prioritize specific projects; however, staff proposes that rather than identify specific sites for planning or development, general categories are used as placeholders on the list. This strategy would enable the District to respond to changing needs and community desires and fund individual sites through the annual budget process without having to revisit or be constrained by the five-year CIP.

Hal described the proposed CIP, noting that it is broken into two sections: projects that can reasonably be expected to be funded within five years; and projects that will likely be funded beyond the next five years. In addition, listing categories rather than specific sites also allows the District to identify for future funding the as yet unspecified projects that will be determined through upcoming functional plans for parks and trails. A more detailed SDC project prioritization and schedule will be brought to the Board after adoption of these functional plans.

Hal explained that the primary reason for this suggested change is that the process of prioritizing each project took a great deal of Board and staff time and the prioritization became outdated quickly as opportunities and needs changed. Hal noted that the action requested by the Board of Directors this evening is approval of the project list for the SDC five-year CIP as presented and offered to answer any questions the Board may have.

President, Joe Blowers, expressed support for the new approach, noting that it is telling that the top priority project from the previous SDC CIP has not been funded. He agreed that it makes sense to be a little more flexible in this process.

- ✓ Larry Pelatt agreed, noting that it is a good thought process.
- ✓ Jerry Jones, Jr., agreed as well, stating that the District is known for the thought process it puts toward expending its SDCs and that the proposed process shows that the District is funding such projects responsibly.

**Bob Scott moved the Board of Directors approve the project list for the SDC five-year Capital Improvement Program. Larry Pelatt seconded the motion. Roll call proceeded as follows:**

**Jerry Jones, Jr.**      **Yes**  
**Larry Pelatt**        **Yes**  
**Bob Scott**            **Yes**  
**Joe Blowers**        **Yes**

**The motion was UNANIMOUSLY APPROVED.**

**Agenda Item #9 – Adjourn**

There being no further business, the meeting was adjourned at 7:40 p.m.

---

Joe Blowers, President

---

Bob Scott, Secretary

Recording Secretary,  
Jessica Collins