



**The State Board of the Great Outdoors Colorado Trust Fund
Board Meeting
Buena Vista, Colorado
Monday, June 13th, 2016**

Board Members Present: Jason Brinkley, Tom Burke, Heather Carroll, Katie Cattanach, John Howard, Tony Lewis, Jody Rogers, Alan Schwartz, Linda Strand, Madeleine West

Board Members Not Present: Jenn Dice, Bill Kane, Dave Palenchar, Bob Randall, Chana Reed, Jacy Rock, Hollie Velasquez-Horvath

GOCO Staff Present: Matt Brady, Madison Brannigan, Laura Cardon, Andrea Conrad, Rosemary Dempsey, Peter Ericson, Michele Frishman, Amanda Hill, Jake Houston, Jackie Miller, Emily Orbanek, Jim Ott, Jim Spaanstra

Public Present: Val Beck (Colorado Lottery), Rio de la Vista (Rio Grande Headwaters Land Trust), Dieter Erdmann (Western Rivers Conservancy), Bill Farrell (Prospect RTPD), Mike Hanson (Prospect RTPD), Jeanne Herrick-Stare (LTUA), Susan Lohr (TPL/Gunnison Ranchland Legacy), Mary Marchun (Capstone Group LLC), Stacy McPhail (Gunnison Ranchland Legacy), Jim Petterson (TPL), Colin Waters (Colorado Lottery), James Zimmerman (Prospect RTPD), Rob White (Colorado Parks and Wildlife)

Board Chair Heather Carroll called the meeting to order at 8:09 a.m.

I. Approval of Meeting Minutes

Ms. Strand moved that the minutes from April be approved. Ms. Rogers seconded, motion carried unanimously.

II. Legislative Update

Ms. Marchun presented the legislative update. With the closing of the 2016 legislative session on June 10, 2016, Ms. Marchun summarized contested and passed bills. She shared House and Senate seats up for election and ways these seats can affect future legislation. Additionally, Ms. Marchun gave updates on the successful board member confirmations that happened in April, Concurrent Resolution HCR 16-1002, GOCO's audit standing, as well as different touch points GOCO has had with legislators and the impact they've had on GOCO's recognition and understanding.

Mr. Brinkley and Mr. Spaanstra reiterated the importance of local engagement with county commissioners and legislators when possible. Many are not aware of the work GOCO's done in their communities and have the ability to be champion GOCO's mission.

III. Policy & Procedures Discussion

Mr. Ericson spoke reviewing GOCO's governance, policies and procedures. After recapping the topic and feedback since April's board meeting, Mr. Ericson laid out an updated project timeline. This included the need to convene the full board in August to flesh out project details. Mr. Ericson expressed that in doing so, a completed policy & procedure document could be recommended to the board for approval come October.

Ms. Carroll shared that it's good practice to review an organization's policies periodically and reiterated the importance the full board plays in the completion of this project.

Mr. Spaanstra echoed support for this project mentioning that many of GOCO's partners would benefit by having a better understanding of how GOCO operates.

The board agreed to look into scheduling a committee meeting in early August to discuss this topic at length.

IV. Finance Update

Ms. Conrad opened the finance update by sharing current Colorado Lottery trends, noting Lottery is on track to meet GOCO's full constitutional cap this year in part thanks to the large Powerball. She went on to share GOCO was notified by Lottery of its new FY17 constitutional cap, which will be \$64.5 million (up 1.2%). Additionally, Ms. Conrad reviewed grant expenditures and outstanding/deauthorized grants for the year to date (April 30, 2016).

Mr. Lewis asked for clarity on deauthorized grants, specifically regarding how often they occur. Mr. Ott fielded this question citing that on average, GOCO deauthorizes about 5% of awarded grants.

Going back, Mr. Howard asked about the opportunity for Powerball to play into GOCO's ability to reach its constitutional cap in future years.

Mr. Spaanstra shared that in conversations with Colorado Lottery, there are mechanisms in place to influence the likelihood for a large Powerball.

Lastly, Ms. Conrad summarized GOCO's FY16 operating budget variances for the year to date using supplemental graphs, highlighting primary overages while noting that GOCO is currently under budget overall, and cash flow forecasts.

Mr. Ericson continued the finance update by discussing GOCO's FY17 operating budget, noting changes since the committee meeting in May. He highlighted the one-time expenses in FY17's plan. Mr. Ericson then went on to speak on GOCO's upcoming office move (slated for September 1, 2016). He explained that GOCO plans to sign a seven-year lease; falling in line with the time of lottery reauthorization in 2024. Lastly, Mr. Ericson presented on GOCO's FY16 and FY17 spending plans, noting amendments to FY16's plan and highlights of FY17's plan.

Mr. Lewis asked about the drop in Local Government funding for FY19.

Mr. Ericson explained that FY17 will see the brunt of GOCO's planned awards based on its 5-year strategic plan; frontloading subsequent year's budgets to cover its new initiatives.

Ms. Strand ask how frontloading GOCO's spending in certain areas affects GOCO's constitutional responsibility for substantially equal spending in all program categories.

Mr. Spaanstra clarified that GOCO's responsibility is for substantially equal spending over time, which will be achieved over the course of the 5-year plan. Ms. Miller assured that GOCO's ongoing grant programs will remain stable. Only special initiative (Protect, Connect, and Inspire) grants will see fluctuation in planned spending over the 5-year strategic plan.

V. Parks and Wildlife Investment Proposal Process

Ms. Orbanek and Mr. Ott presented on Colorado Parks & Wildlife's (CPW) Investment Proposal Process. Ms. Orbanek laid out the year-long budgeting process between CPW and the Department of National Resources (DNR) that is undergone prior to GOCO's review. Content presented in the proposal fall into three categories: capital projects, programs, and operations/maintenance costs.

While GOCO has no involvement in what items are included in the original submitted proposal, GOCO completes a thorough review of the entire proposal and works with CPW staff for understanding and clarification regarding significant modifications or differences from years prior so that GOCO can be accountable for where its funds are spent. The GOCO Board then reviews and approves the finalized proposal so that outlined content, once complete, can be reimbursed.

Ms. Carroll then proceeded to call to motion resolution outlined during the finance update.

Ms. Cattanach moved Resolution 2016-12; Mr. Lewis seconded. Motion carried unanimously.

Mr. Burke moved Resolution 2016-13; Mr. Howard seconded. Motion carried unanimously.

Mr. Lewis moved Resolution 2016-14; Mr. Brinkley seconded. Motion carried unanimously.

Ms. Rogers moved Resolution 2016-18; Ms. Strand seconded. Motion carried unanimously.

VI. Lottery Update

Ms. Beck and Mr. Waters provided a brief update on Colorado Lottery. Mr. Waters reviewed some details on a new Lottery game coming out in July called Lucky for Life. Ms. Beck expressed interest for Colorado Lottery representation at future GOCO meetings.

VII. Parks and Wildlife Threatened & Endangered Species Program Modification Request

Before Ms. Orbanek spoke on CPW's modification request, she presented on the outcome of the conditional Flag Creek Project approved in April, noting that the original proposed envelope was reduced to a more manageable size to meet the board's conditions.

Moving on, Ms. Orbanek spoke on CPW's request for a \$30,000 increase to its Threatened & Endangered Species (T&E) Program. In conjunction with other funding, this increase in funds will go towards formulating an action plan to move Gunnison Sage-Grouse off the endangered species list. This action plan has the potential to leverage 30 million in available Natural Resources Conservation Service (NRCS) funding towards this project.

Ms. West from DNR went into specifics on the proactive approach many local and governmental partners have taken to help make this project happen.

Mr. Schwartz moved Resolution 2016-19; Mr. Howard seconded. Motion carried unanimously.

VIII. Protect Initiative Grants

Ms. Frishman presented on the spring 2016 cycle of the Protect Initiative. She shared details on the four recommended projects totaling just under \$20 million. Representatives from partners involved in these projects responded to questions and thanked the board.

Mr. Schwartz moved Resolution 2016-16; Mr. Lewis seconded. Motion carried unanimously.

Mr. Burke moved Resolution 2016-17; Mr. Brinkley seconded. Motion carried unanimously.

Ms. Frishman concluded by providing an updated timeline for the fall 2016 cycle of the Protect Initiative.

IX. Conservation Excellence

Ms. Frishman went on to present open space purpose funding recommendations for conservation excellence grants. GOCO received six applications competing for \$200,000 in available funding, and the Open Space Committee and staff recommended the board invest the full budget by fully funding the top three ranked projects and partial funding for the fourth-ranked project.

Mr. Lewis asked whether funds from different budget categories could shift to, in this case, conservation excellence to fully fund the fourth-ranked project.

Mr. Ericson and Mr. Spaanstra provided clarification stating GOCO operates by the budget the board approves, although there is the option for the board to make budget amendments. Ms. Frishman also stated that staff contacts applicants in the event of partial funding recommendations to ensure project viability. In this case, the partial funding recommendation was not modified.

Ms. Cattnach moved Resolution 2016-08; Ms. Strand seconded. Motion carried unanimously.

X. Transaction Costs

Ms. Hill continued by presenting on open space purpose funding for transaction cost grants. GOCO received six applications competing for \$500,000 of available funding, and the Open Space Committee and staff recommended the board invest full funding of five projects totaling just over \$209,000.

Ms. Strand moved Resolution 2016-10; Ms. Cattnach seconded. Motion carried unanimously.

Mr. Schwartz moved Resolution 2016-11; Ms. Strand seconded. Motion carried unanimously.

Ms. Rogers moved Resolution 2016-15; Mr. Lewis seconded. Motion carried unanimously.

XI. Parks and Wildlife Update

Ms. Orbanek invited Mr. White, State Park Manager at the Arkansas Headwaters Recreation Area (AHRA), to present on the many facets that make up this highly popular area in Chaffee County.

XII. School Yard Initiative Grants

Ms. Miller presented on School Yard Initiative (SYI) grants which are funded from the local government purpose. Eighteen schools competed in this year's SYI. In December 2015, the board awarded five schools up to \$7,000 each to hire a design team. From December to April, those five schools worked with their design team on a youth-led effort to design compelling school yards and prepare applications to GOCO for grants of up to \$100,000 for project construction. Schools competed for \$500,000 in available funding. Ms. Miller recommended the board fully fund all five projects.

Ms. Miller concluded by providing an update on how GOCO hopes to see this initiative evolve.

Mr. Burke and Ms. Carroll commented at how powerful SYI is at promoting awareness of GOCO for such low overhead.

Mr. Lewis asked about how outreach is accomplished for promoting SYI applicants.

Ms. Miller said that GOCO is looking into better ways to communicate this opportunity outside of GOCO's standard channels for future rounds. She notes that word of mouth also drives awareness around this opportunity.

Mr. Brinkley moved Resolution 2016-09; Mr. Burke seconded. Motion carried unanimously.

XIII. Overdue Grants

Mr. Houston and Ms. Frishman presented on overdue grants and extension recommendations.

Grantee: City and County of Denver – Genesee Mountain Trail Project
Award Date: April 2013
Amount Funded: \$154,840.00
Original Completion Date: April 2015
Board Extension: June 15, 2016
Comments: The project is delayed due to winter weather delays at the project site. Overall, the project is about 80% complete with an expected completion date of September.
Staff Recommendation: Staff recommends the board issue a second extension to December 1, 2016. Staff further recommends that if the project is not closed by its extension date deadline, funds allocated to it will be automatically deauthorized with no further action by the board being necessary.

Grantee: City and County of Denver – Beaver Brook Trail and Trailhead
Award Date: April 2014
Amount Funded: \$200,000.00
Original Completion Date: April 2016
Staff Extension: June 13, 2016
Comments: The city is requesting additional time to complete this project due to weather-related delays. The project design has been completed and construction documents are prepared.
Staff Recommendation: Staff recommends the board issue an extension to December 1, 2016. Staff further recommends that if the project is not closed by its extension date deadline, funds allocated to it will be automatically deauthorized with no further action by the board being necessary.

Grantee: City of Loveland – Big Thompson Flood Recovery
Award Date: April 2014
Amount Funded: \$ 281,789.85
Original Completion Date: April 2016
Staff Extension: June 13, 2016
Comments: The project stall is due to other high priority flood-related projects, staffing and workload capacity, and a delayed response from FEMA regarding project scope modifications. Final construction plans and specifications are anticipated to be completed this summer with construction starting in the fall of 2016.
Staff Recommendation: Staff recommends the board issue an extension to December 31, 2017. Staff further recommends that if the project is not closed by its extension date deadline, funds allocated to it will be automatically deauthorized with no further action by the board being necessary.

Grantee: City of Evans – Riverside Park Tail Restoration Project
Award Date: April 2014
Amount Funded: \$180,250
Original Completion Date: April 2016
Staff Extension: June 13, 2016
Comments: Additional time is needed due to the scope of the project and permitting requirements by the Army Corps of Engineers, FEMA, and the Colorado Department of Public Health and the Environment. The city has completed preliminary engineering and retained a consultant team.
Staff Recommendation: Staff recommends the board issue an extension to December 31, 2017. Staff further recommends that if the project is not closed by its extension date deadline, funds allocated to it will be automatically deauthorized with no further action by the board being necessary.

Grantee: Town of Lyons – Meadow Park Flood Recovery Project
Award Date: April 2014
Amount Funded: \$1,120,282.47
Original Completion Date: April 2016
Staff Extension: June 13, 2016
Comments: The project is delayed due to various weather delays, difficulty with material deliveries and construction easement issues. The major core areas of the project have been completed with much of the park opening at the end of May. It is anticipated that the remainder of work will be completed in July with a grand opening in August.
Staff Recommendation: Staff recommends the board issue an extension to September 2, 2016. Staff further recommends that if the project is not closed by its extension date deadline, funds allocated to it will be automatically deauthorized with no further action by the board being necessary.

Grantee: Boulder County – Boulder County Parks and Open Space Outdoor Recreation Flood Recovery Project
Award Date: April 2014
Amount Funded: \$720,000
Original Completion Date: April 2016
Staff Extension: June 13, 2016
Comments: The project stall is due to FEMA close-out delays and wildlife issues which may constrain the dates of construction. Design, surveying and permitting has been completed.
Staff Recommendation: Staff recommends the board issue an extension to April 30, 2018. Staff further recommends that if the project is not closed by its extension date deadline, funds allocated to it will be automatically deauthorized with no further action by the board being necessary.

Grantee: Estes Valley Recreation and Park District (EVRPD) – Fish Creek Trail Restoration
Award Date: April 2014
Amount Funded: \$496,909.60
Original Completion Date: April 2016
Staff Extension: June 13, 2016
Comments: EVRPD is requesting additional time due to weather delays, the complexity of the project and cost over-runs during the course of the reconstruction period. To date, the planning and rehabilitated sewer line construction have been completed.
Staff Recommendation: Staff recommends the board issue an extension to October 1, 2017. Staff further recommends that if the project is not closed by its extension date deadline, funds allocated to it will be automatically deauthorized with no further action by the board being necessary.

Grantee: City of Trinidad – Trinidad Boulevard Addition Pedestrian Bridge Project
Award Date: April 2014
Amount Funded: \$197,225
Original Completion Date: April 2016
Staff Extension: June 11, 2016
Comments: The city requires additional time due to staff turnover and water flow in the Purgatoire River. Construction will begin once water levels have gone down in the fall. Project design is 90% complete and project construction is anticipated to be completed by July 2017.
Staff Recommendation: Staff recommends the board issue an extension to April 30, 2018. Staff further recommends that if the project is not closed by its extension date deadline, funds allocated to it will be automatically deauthorized with no further action by the board being necessary.

Grantee: Clear Creek County – Peaks to Plains Trail, Clear Creek Canyon Segment
Award Date: June 2012
Amount Funded: \$2,700,000
Original Completion Date: June 2015
Board Extension: June 19, 2016
Comments: The county requires additional time due to winter weather conditions at the project site which delayed pouring concrete and the completion of concrete staining.
Staff Recommendation: Staff recommends the board issue an extension to August 1, 201. Staff further recommends that if the project is not closed by its extension date deadline, funds allocated to it will be automatically deauthorized with no further action by the board being necessary.

Grantee: City of Greeley – Poudre River Trail Corridor Improvement Project
Award Date: June 2012
Amount Funded: \$5,098,150
Original Completion Date: June 2016
Staff Extension: October 23, 2015
Board Extension: June 16, 2016
Comments: To date, Greeley has purchased six of the properties in fee and received reimbursement from GOCO for the first acquisition, leaving five scheduled for reimbursement. Unfortunately, negotiations on the three remaining acquisitions have failed after a substantial investment of time and resources. Since the conservation easement negotiations require the review and approval of three separate parties, finalizing this portion of the due diligence has caused longer than expected delays. The parties are currently undertaking the final approval process for the conservation easements and will complete the remaining due diligence necessary for GOCO reimbursement.
The Town of Timnath has completed 75% of the work on Gateway Park and Trailhead, the only remaining trail construction project originally funded through the PRTCI project, and needs additional time to complete irrigation and install play equipment and landscaping. These components are delayed due to inclement weather early in the season.
Staff Recommendation: Staff recommends the board issue an extension to September 30, 2016. Staff further recommends that if the project is not closed by its extension date deadline, funds allocated to it will be automatically deauthorized with no further action by the board being necessary.

Ms. Strand moved to approve overdue grants. Mr. Schwartz seconded, motion carried unanimously.

XIV. Communications/Marketing Update

Ms. Dempsey presented an update on GOCO's new marketing and strategic plan centered around the Inspire Initiative and getting kids and families into the outdoors. She reviewed the current timeline of GOCO's agreement with Sukle Advertising & Design. Ms. Dempsey discussed the research and discovery process that is underway and how this process will formulate creative concept and the overall message the campaign will bring to light.

Ms. Dempsey fielded questions by the board on the project's budget and output strategies.

XV. Executive Session

Ms. Carroll called a motion to enter Executive Session pursuant to Colorado Revised Statute §24-6-402(3)(a)(III) to discuss a legal matter; Mr. Brinkley motioned; Mr. Burke seconded. Motion passed unanimously.

Room was cleared and the board entered Executive Session.

Board votes to come out of Executive Session.

XVI. ADJOURN

Meeting adjourned at 2:01 p.m.