

Park Meadows Metropolitan District

Bulletin

Published by the Park Meadows Metropolitan District Board of Directors

April 8, 1998

District Residents,

This Bulletin provides background to help you reach a decision on the Park Meadows Metropolitan District bond election scheduled for May 5.

Whether you have questions or not, the Board of Directors wishes to invite you to the District's Open House on Sunday afternoon, April 19, anytime between 2 and 5 p.m., at the Lone Tree Civic Center. There will be a series of displays and presentations describing the median project. District Board members will be there to answer your questions.

If you cannot make the Open House, come to the District's monthly meeting at 7:00 p.m., Monday, April 27, at the Lone Tree Civic Center.

Tom Banks
President, PMMD

Median Construction Starts This Month

Yosemite...Taos to Fairview

Starting in mid-April, you will see workmen beginning the construction of landscaped medians on Yosemite Street from Taos Trail to Fairview Drive. This work is the first phase of a multi-year, six-phased project by the Park Meadows Metropolitan District to install medians, lay sidewalks, and plant trees along Yosemite and Lincoln Streets in the Lone Tree area.

The Park Meadows Metropolitan District's Board of Directors recently awarded a \$521,200 contract for this year's Yosemite Street median construction to Goodland Construction Inc. following a competitive contract round in February and March. Goodland comes with high marks for its work in the Denver area.

Construction on Yosemite will be both extensive and disruptive over the next five months. Work will include building 12 foot wide medians featuring extensive flagstone retaining walls; planting of trees, shrubs, and other flora; and installation of electrical conduit, irrigation, drainage, curbing, and access drives. Sidewalks will also be built along this section of Yosemite where there currently are none. These sidewalks will be detached and, wherever possible, eight feet wide.

Traffic congestion will likely be intermittently heavy throughout the construction period. Safety is a special concern—not only for automobiles, but also for cyclists and pedestrians. Please pay special attention to safety when driving along Yosemite, drive slower, and give yourself a few extra minutes for travel.

\$2.8 million Bond Issue Vote on May 5

The Park Meadows Metropolitan District's \$2.8 million bond issue vote on May 5 is important for residents in the Park Meadows/ Lone Tree area. It will determine whether the District's six-phase plan to build landscaped medians, lay sidewalks, and plant trees along Lincoln Avenue and Yosemite Street will be completed by 1999 or 2006.

Summary of Two Options

The District's Board of Directors developed two options for median construction. Both are described in further detail in this newsletter, but here is a summary.

The first option—the **baseline plan**—calls for construction in six phases funded at current tax rates on a pay-as-you-go basis over eight years. Phase 1 starts in mid-April of this year; it costs \$0.5 million and will be paid for with tax revenues already available. Phases 2–6 are scheduled for years 1999, 2000, 2002, 2004, 2006. Projected total cost (Phases 1–6) of the baseline plan is \$3.748 million. The District can implement this option without calling for a public vote of the electorate. *A vote of NO on May 5 is effectively a vote for this plan.*

A second option—the **accelerated plan**—will be constructed just as the baseline plan except that Phases 2–6 will be implemented in 1999 with funds from bond issue proceeds. *These bonds will be paid back using the same tax structure and the same tax revenues we would have used to build the medians under the baseline approach.* This plan takes advantage of substantial savings in mobilization (start-up) and quantity contract costs.

Phase 1 of the accelerated plan will start this month, just as in the baseline plan; the costs and funding of this phase are also the same. Projected total cost (Phase 1–6) of the accelerated plan is \$3.888 million. Since a bond issue is involved,

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Don't forget...

PMMD Open House

Apr 19, 2-5 pm, Lone Tree Civic Center

involved, this option requires voter approval. *A vote of YES on May 5 is an affirmative vote for this plan.*

No Effect on Tax Rates

Using conservative (“reasonable worst case”) assumptions and budgeting for life-cycle costs of maintenance and irrigation, the total cost of both plans are approximately the same: the accelerated plan is projected to cost four percent more than the baseline plan (\$140,000 out of approximately \$3.75 million). No increase in the current general fund tax rate (mill levy) should be needed with either plan. Neither plan has any effect on the District’s debt service fund tax rate. (Note: There is a slight increase (less than 0.6 mills) already scheduled in the District debt service tax rates for the years 2001–2003. This has been scheduled since the early 1990s and is unrelated to this median construction.)

The Board’s Assessment

The Board’s intention is to implement the accelerated plan if voters approve the bond issue on May 5; otherwise, it will implement the baseline plan. Here are its reasons for doing so.

The accelerated plan for medians, sidewalks, and trees provides a timely and coherent response to growing traffic volumes at a reasonable cost. It offers many benefits beyond the baseline plan by completing improvements seven years

early instead of dragging it out piecemeal through 2006. This approach will:

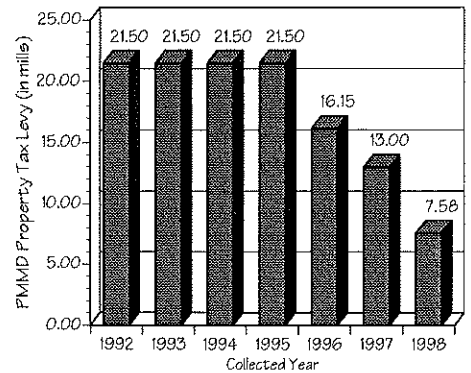
- improve appearance along Yosemite and Lincoln by 1999 through construction of attractive landscaped medians (similar to Lone Tree Parkway but with flagstone walls added);
- provide early benefits of traffic calming and (possibly) reduced traffic speeds;
- enhance pedestrian and bicycle safety by completing sidewalks up to seven years sooner;
- eliminate large variations in maturity levels in trees and plantings;
- cut average time to maturity of plantings from 14 years to 10;
- reduce from six to two the number of summers in which construction will impede traffic;
- increase the probability of maintaining a cohesive median design.

The accelerated plan can be carried out within the District’s current reduced budget and tax structure. It requires no increase in general fund tax rates and no changes to the tax rates already scheduled to pay off existing District debt. The District will use the same tax revenues to pay off this bond that otherwise would be used to fund the baseline plan scheduled for completion in 2006.

PMMD Tax Levy Down for 3d Year

... to only 7.58 Mills

If your Douglas County tax bill looked smaller this year, it is (at least partially) because the District’s mill levy has dropped for the third straight year. As the adjacent chart shows, the combined PMMD tax rate (general fund and debt service fund) is now only 7.58 mills, down from a high of 21 mills in 1994.



PMMD Property Tax Rate 1992-98

The main reason for this is the Mall. The Park Meadows Mall and the commercial development along County Line Road that followed it has substantially increased the District’s total assessed valuation. And, everything else being equal, that translates into lower tax rates. A number of residents would point out, however, that the Mall and surrounding commercial growth has brought its share of problems. Many of these are directly related to traffic density, congestion, noise, speeding, and safety. That is what the median development project for Lincoln and Yosemite is about.

Another reason District tax rates have dropped is the relentless attention that the Board has given to tax and spending issues. It has stayed focused on a few key objectives, avoided marginal projects and commitments that slowly sap the budget, and divested itself of ancillary functions (e.g., selling the District Center to the City of Lone Tree). It is our goal to continue this kind of management in the future.

Comparison of the Two Plans

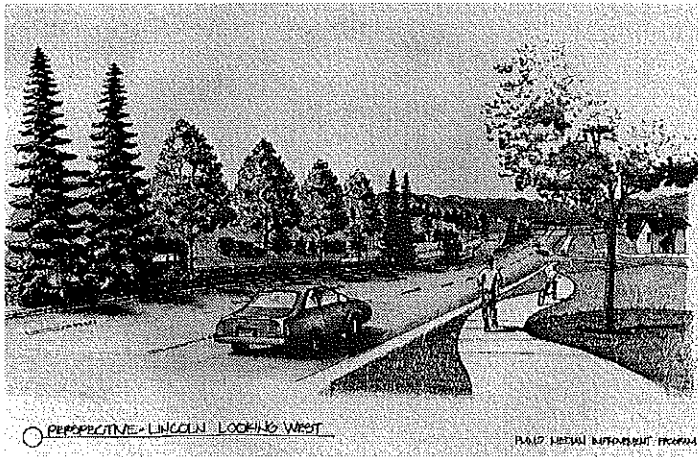
<u>Issue</u>	<u>Baseline Plan</u>	<u>Accelerated Plan</u>
Voter Approval	Not Required	Required
Estimated Costs		
Estimated Construction Cost (Phases 1–6)	\$3,748,000	\$3,357,000
Bond Issuance cost and Debt Service	\$0	\$475,000
Net Maintenance Costs	\$0	\$74,000
Total Cost (Phases 1–6)	\$3,748,000	\$3,888,000
Inflation Effects	Risk	Reduced Risk
Other Cost Uncertainties Related to Timing	Some	Less than w/Baseline
Traffic Disruption	6 years	2 years
Time to Completion (Phases 1–6)	9 years	2 years
Time to Maturity of Landscape	14 years (avg.)	10 years
Consistency of Design (probability)	Some uncertainty	Yes
Likelihood of Completion to Initial Intent	High	Higher

Median Appearance Described

Whether they are finished in 1999 or 2006, the construction and landscaping plan for the medians will be the same. This plan will enhance the aesthetic quality of the Yosemite Street and Lincoln Avenue corridors. At the same time, it will preserve and improve their function, operation, and safety.

Trees, Shrubs, Perennials...

The medians will feature a variety of plantings, while maintaining a relatively



consistent mix of tree, shrub, and perennial species. From the start, the landscape design was modeled on Lone Tree Parkway. We will plant both coniferous—Ponderosa Pine and Colorado Blue Spruce—and deciduous trees—Ash, Linden, and Canadian Red Cherry. The City of Lone Tree has contributed \$20,000 to pay for planting older trees in Phase 1 of the project. These trees will be 3.5” in diameter (deciduous) and 12 feet tall (coniferous). This will give us trees young enough to survive the first years, but much closer to maturity (about 10 years instead of 14).

Shrubs will include dwarf lilacs, junipers, spireas, and potentillas. Perennials will include daylilies, daisies, mums, and yarrows. The remaining plantable area will be covered with a fescue blend sod.

These combinations have been carefully reviewed for appearance, blend, coverage, hardiness and other factors by the design engineers, the District Board, and Dick Lotito of LLM Landscaping, Dick

has managed the District’s landscaping and irrigation for nearly two decades and knows local conditions very well. All planted areas will be irrigated. We have calculated irrigation and maintenance into project cost projections.

Distinctive Flagstone Walls

Design requirements set by Douglas County require those portions of medians in which trees are planted to have some type of raised planter-type wall. After an extensive evaluation of materials, the District board selected rose-colored flagstone to be set with the finished appearance of a “dry-laid” stone wall. This unique median wall design will add a distinctive residential appearance to the community.

Tree Clusters along Roadway

There are two segments along Lincoln Avenue where there will be no median structure in the roadway. The first is from Lone Tree

Parkway to the west boundary of the District (the power lines). The second is from Fairview to Rosemont. The reason for this is a limitation imposed by “line of sight” safety requirements associated with the hilly terrain in these segments. As a substitute, plans for Phases 2 and 4 call for planting of dense rows of trees along the District right-of-way in these areas. There will also be planting of dense clusters of trees along the right-of-way in other areas where trees can not be planted inside the medians because of “line-of-sight” problems at intersections. We have included plans for the irrigation and maintenance of these trees in our cost calculations.

Sidewalks Completed

Plans for all phases of construction include completion of sidewalks along the north side of Lincoln Avenue and along Yosemite Street. These sidewalks will be eight feet wide and detached from the curb wherever possible.

Median Plan Targets Higher Traffic Volume

Speeds & Safety a Concern

The construction along Yosemite Street that will begin this month is only the start of a multi-year District project to address the problems caused by increased traffic volumes along Lincoln and Yosemite. The plan to build landscaped medians along Yosemite and Lincoln—with extensive trees planted both in the medians and along the right-of-way—is already in motion. The only question that remains is whether all six phases of the plan will be finished by 1999 or by 2006. The answer to that will hinge on the outcome of the \$2.8 million Median Bond Issue vote on May 5. In either case, here is the story behind the plan.

The Problem—Traffic Volume

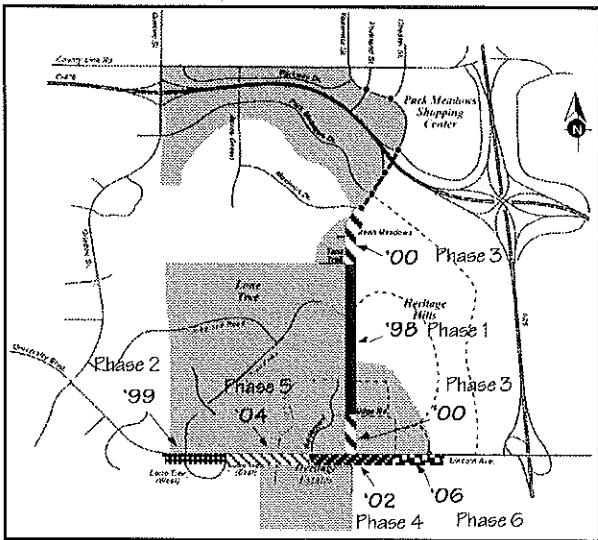
In 1996, the District’s Board of Directors began to focus on mitigating the effect of increased traffic volumes in the Lone Tree area. This problem is caused by the Park Meadows Mall as a traffic magnet, rapid growth in Highlands Ranch and, to a lesser extent, growth in Lone Tree and neighboring areas. This density is going to continue to grow in the next two decades. The unavoidable result is increasing traffic densities, congestion, noise, speeding, and safety concerns.

Yosemite and Lincoln are wide, high-speed arterials that can move traffic quickly. They also are unattractive and sterile concrete corridors that cut through a residential areas. Some residents feel that the utilitarian design of these two major streets has an adverse impact on quality of life in the District. Many think these streets can be made to look much more attractive than they are.

Early HOA Support

When the District Board initiated its traffic mitigation study in early 1996, it asked the neighborhood homeowners associations for help. They responded enthusiastically, providing members to the District’s Technical Advisory Council. The Council worked closely with Board members to identify issues, concerns, and solutions to this problem of traffic growth.

After a series of meetings led by traffic engineers from BRW, Inc., the Council



Baseline Plan Construction by Year

recommended numerous measures to be taken on Lincoln Avenue and Yosemite Streets. These addressed the following areas: traffic calming and speeds, safe street access, pedestrian and bikeway facilities, traffic noise mitigation, and roadway appearance and aesthetics. The Council specifically recommended continuous landscaped medians on both arterials. It also called for traffic mitigation measures on Lone Tree Parkway. The District followed these meetings with a public Open House in May 1996 to present the results with the public.

The Baseline Plan

The Council's recommendations focused largely on work that the Park Meadows Metropolitan District could do. They also included tasks better suited to Douglas County and other entities. The Board decided right away that improvements for Lone Tree Parkway would be better left to the City of Lone Tree. Funds could be used more effectively if the District concentrated its attention on Lincoln and Yosemite (which are mostly not within the Lone Tree city limits).

Planning for these improvements followed immediately as the District's design engineers from BRW Inc. drafted the first version of what is now called the **baseline plan**. From the onset, the District Board was attentive to the effect this construction might have on the mill levy, which at the time was still high (please see the earlier article on District taxes). The Board also wanted to reduce taxes further and keep them there before

committing to additional expensive construction.

As a result, the **baseline plan** calls for work to be carried out on a pay-as-you-go basis, using revenues from the District's general fund. This plan has six phases of construction, scheduled for the years 1998, 1999, 2000, 2002, 2004, and 2006. The phases of this plan are shown on the map to the left. This schedule was chosen in order to build medians, first, at the most heavily traveled entry points into the District and, subsequently, on the interior segments of the roadway.

With the **baseline plan**, there will be no construction in the years 2001, 2003, and 2005. This is because cash flow projections indicate there will not be adequate funds to carry out construction in these years. Funds earmarked for construction in these off years will be saved until the following year.

Construction on Phase 1 of this plan will begin this month at a cost of about \$0.5 million. This amount is already available from current tax revenues. The election on May 5 will have no effect on this first phase of construction.

The Accelerated Plan

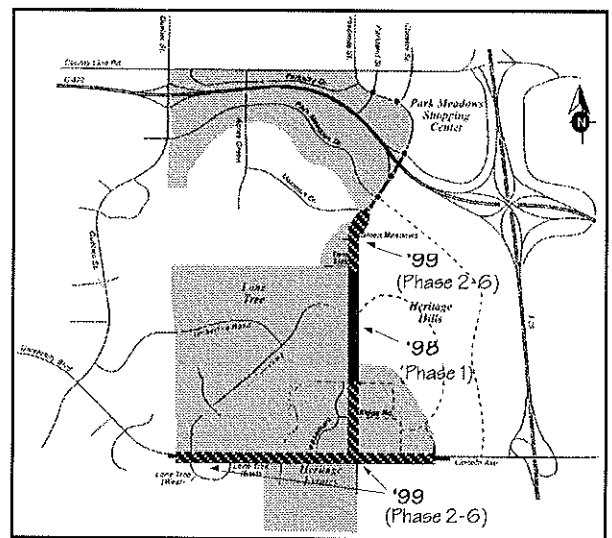
The **baseline plan** supports the Board's dual objectives of implementing traffic mitigation measures and keeping tax rates low, but it will take almost a decade to complete. The Board noted that District residents would lose a number of years of benefit from improved roadway safety and appearance. Piecemeal construction over eight years also increases some risks involved in financing (inflation, etc.) and getting Douglas County approvals needed for a coherent design.

Responding to these concerns, Director Richard Pfeffer led a task group that developed and studied an **accelerated plan**

to fund all construction in the 1998–1999 period at roughly the same cost as the baseline plan (see the map below). This can be done by constructing Phase 1 in 1998 as already planned, then building Phases 2–6 in 1999 to take advantage of savings on mobilization (startup) costs and large-quantity discounts on construction materials. Funding would be provided by a bond issue of \$2.8 million (\$2.632 million in construction costs plus a small contingency) to be paid off by the year 2006. This pay off date is the same year that construction would be completed under the pay-as-you-go baseline plan.

Election Called on May 5

The District Board has studied this plan thoroughly with the help of its legal, financial, and accounting staff. It concluded that the **accelerated plan** offered better results and less risk for about the same cost as the baseline plan (some added cost was noted). It then set the



Accelerated Plan Construction by Year

election for a \$2.8 million bond issue to fund the **accelerated plan** for May 5 at the Lone Tree Civic Center.

The Board's intention is to implement the **accelerated plan** for construction in 1998–1999 if the May 5 vote passes. If it does not pass, the Board intends to revert to the baseline plan for construction during the period 1998–2006 at about the same cost.

Park Meadows Metropolitan District Background Information

Name: Park Meadows Metropolitan District

Organized: 1982.

Status: Quasi-municipal corporation...governed by the provisions of the Colorado Special District Act.

Purpose: Provide financing for street, drainage, and safety improvements through a property tax levy on properties within its boundaries.

Boundaries: Encompasses about three square miles in northern Douglas County (see map). It has both residential and commercial property. Includes all property within the City of Lone Tree. Also includes the commercial property in unincorporated Douglas County at the Park Meadows Mall site in the area generally bounded by County Line Road (north), I-25 (east), C-470 (south), and Yosemite Street (west).

Financial History: In September 1982 District voters authorized issuance of \$35 million in general obligation bonds. Only about \$13.5 million in bond proceeds were used for construction of Lone Tree Parkway; Timberline; and portions of Yosemite Street, Lincoln Avenue, and County Line Road within the District. The District has authorized, but unissued indebtedness in the amount of \$21.66 million. Due to the passage of the "Taxpayer Bill of Rights" (TABOR) constitutional amendment in 1992, the District's bond counsel has determined that this existing authority is "stale" and new debt must be separately authorized for the District to undertake the proposed landscaped median improvements.

At the end of 1997, the District had \$3.78 million in outstanding principal debt remaining. The repayment schedule will retire this debt in 2004.

District Taxes: District activity is funded by two property tax levies: a general fund levy and a debt service levy. The general fund is used for routine operating expenses associated with District roadways (landscape maintenance, water), professional support (administration, legal, accounting) and any improvements not requiring public vote (e.g., funding a share of the C-470/Yosemite half diamond interchange construction).

Current tax levies (1998):	General Fund	2.915 mills
	Debt Service Fund	4.665 mills
	Total tax levy	7.58 mills.

Current Board:

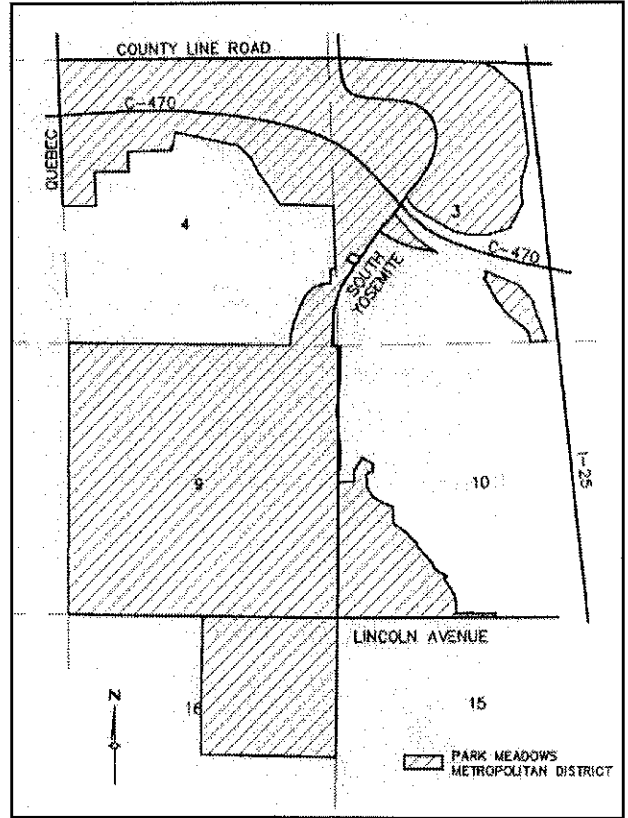
<u>Name</u>	<u>Position</u>	<u>Term Expires</u>	<u>Phone</u>
Tom Banks	President	2000	792-0962
Greg Kelly	Director	2000	799-3989
Marty Langion	Director	1998	649-1453
Margaret Papp	Director	1998	790-0588
Richard Pfeffer	Director	1998	792-2002

Candidates in May 1998 Election: (3 positions open)

<u>Name</u>	<u>Phone</u>
Bob Isaacson	649-1995
Roger Pearson	790-8681
Hugh Schaefer	830-2500

Support:

Administration:	Bob Blodgett 779-4525	R.S. Wells Corporation
Accounting	Larry Beardsley, CPA	Van Schooneveld and Co., Inc.
Legal:	Ernie Fazekas, Esq.	Folkestad and Fazekas



Langion, Papp, Pfeffer Leaving Board... Three Candidates Up for Vote

Three seats for Park Meadows Metropolitan District board will be up for election on May 5. This is the "other question" that will appear on your District ballot when you enter the voting booth.

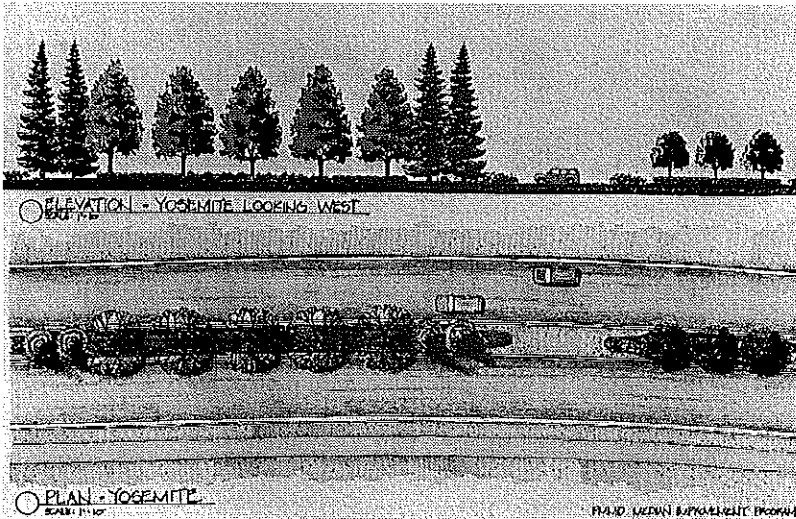
Marty Langion, Margaret Papp, and Richard Pfeffer will be completing their service on the District board next month. Marty and Richard have both served since 1994. Margaret joined the board in 1996, filling a vacant seat. All three have worked hard and successfully in ways that will have a tangible and lasting effect on our community. These range from giving unrelenting attention to tax reduction and cost containment to planning the new medians that we are building. Good work! Please try to find the opportunity to thank them.

Three District residents—Bob Isaacson, Roger Pearson, and Hugh Schaefer—have filed as candidates for election. Bob lives in Country Club Estates, Roger in Fairways 39, and Hugh in Masters Park. Their names will appear on your ballot on May 5. All three plan to be at the District's Open House on Sunday, April 19, if you would like talk to them.

Come to the Park Meadows Metropolitan District Open House

Sunday, April 19, 2-5 p.m.

Lone Tree Civic Center



- Median project briefed on an as-you-come basis.
- Multiple stations (short presentations, charts, design renderings, static displays, etc.)
- Opportunity for Q&A with District Board members on the median project.
- Mock-up display of flagstones to be used in the medians.
- Arrive any time between 2-5 p.m.... there is no fixed schedule of activity.

Park Meadows Metropolitan District

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The
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Bulletin

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