



AGENDA

BOARD OF DIRECTORS WORK SESSION

Wednesday, January 8, 2025, 2:00pm
WC Auditorium / Zoom

Directors: Marge Garneau (President), Bart Hillyer (Vice President), Jim Carden (Secretary), Nellie Johnson (Treasurer), Candy English (Assistant Secretary), Kathi Bachelor (Assistant Treasurer), Nancy Austin, Dave Barker, Barbara Blake, Beth Dingman, Bev Lawless, Joe Magliola, Scott Somers (non-voting)

AGENDA TOPIC

- 2:00 **1. Call to Order / Roll Call**
- 2:05 **2. Amend / Approve Agenda**
- 2:10 **3. Capital Improvement Program Finance Policy Recommendation for FAC**
- 3:10 **4. Corporate Policy Manual Change to Smoking/Vaping Policy**
- 3:50 **5. Member Comments**
- 4:00 **6. Adjournment**

GVR encourages the Board and members to voice concerns and comments in a professional, business-like, and respectful manner.



Green Valley Recreation, Inc.

Board of Directors Work Session

GVR Capital Improvement Program and Capital Budget

Prepared By: Scott Somers, CEO

Meeting Date: January 8, 2025

Presented By: Scott Somers, CEO

Originating Department: Administration and Finance
Action Requested: Review and discuss the Fiscal Affairs Committee (FAC) recommended draft Capital Improvement Program and Capital Budget Policy for inclusion into the CPM.
Strategic Plan Goal #4: Cultivate and maintain a sound financial base that generates good value for our members
Background Information: On September 27, 2023, the Board of Directors approved a Capital Improvement Project Policy and Process pilot program (please see attached staff report and exhibits). Based on feedback from Board members and staff who have applied and utilized the pilot program to develop the 2024 and 2025 Capital Improvement Plan (CIP) and budgets, staff have made recommendations that fine tune and improve the pilot program that was approved in 2023. These recommended amendments attempt to incorporate a Board-approved goal for the CEO in 2024 and were applied when developing the 2025 CIP and Capital Budget as follows: <i>(Capital) Include usage, trade-offs, and justification as part of the annual budget and capital planning process to provide the Board of Directors (BOD) with the necessary information to make capital planning decisions.</i> On November 19, 2024, the FAC recommended the Board of Directors consider approving the attached draft Capital Improvement Program and Capital Budget Policy for inclusion into the CPM.
Fiscal Impact: No direct fiscal impact.
Options: <ol style="list-style-type: none">1) Review and discuss the FAC recommended Capital Improvement Program and Capital Budget Policy.2) Delay discussion to a future meeting.
Staff Recommendation: Option #1
Attachments: <ol style="list-style-type: none">1) September 27, 2023, staff report and attachments2) Redlined Capital Improvement Project Policy and Process pilot program3) Recommended Clean Capital Improvement Program and Capital Budget Policy4) Pilot Capital Improvement Project Assessment tool5) Recommended Updated Capital Improvement Project Assessment tool



Green Valley Recreation, Inc.
Board of Directors Work Session
Capital Projects Policy and Process

Prepared By: Scott Somers, CEO

Meeting Date: September 27, 2023

Presented By: Scott Somers, CEO

Consent Agenda: No

Originating Committee / Department:

Administration

Action Requested:

Consider approval of the recommended Capital Improvement Project Policy and Process as a one-year pilot program.

Strategic Plan Goal:

GOAL 5: Provide sound, effective governance and leadership for the corporation

Background Justification:

At the May 17, 2023, June 21, 2023, and September 13, 2023 Work Sessions, the Board discussed draft versions of the Capital Improvement Project Policy and Process. Before this discussion, there was no policy that describes the roles and responsibilities of staff, committees, and the Board in completing Capital Improvement Projects. This has led to confusion, assumptions, unnecessary expense, and most important to members, project delays.

GVR is currently lacking policy describing the Board's responsibilities to advance projects initiated by previous Boards. Projects have been abandoned mid-stream or been subject to significant changes when a new Board is seated. This has contributed to low member confidence in the Board's ability to make important decisions in a timely manner, advance the best interests of the general membership, and work collaboratively in a professional and productive manner (see 2022 Member Survey).

The attached recommended policy and process and has been updated based on Board feedback during the September 13, 2023, Work Session, and identifies the general scope of work each participating entity can anticipate, and establishes a process flow on which members, staff, and the Board can rely.

Once the Board is ready to adopt this policy, staff recommends the motion to adopt include creating this policy as a pilot program for one year, in which all capital projects will be assessed based on the policy, to allow for modifications and amendments to the policy prior to inclusion in the Corporate Policy Manual (CPM).

Fiscal Impact:

N/A

Board Options:

- 1) Consider approval of the Capital Improvement Project Policy and Process as written.
- 2) Amend and then approve of the Capital Improvement Project Policy and Process.
- 3) Provide Alternative direction to staff.

Staff Recommendation:

Option #1

Recommended Motion:

I move to approve of the Capital Improvement Project Policy and Process as written, and to implement such a policy as a one-year pilot program, after which time, the Board will consider inclusion in the Corporate Policy Manual (CPM).

Attachments:

- 1) Recommended Capital Improvement Project Policy and Process
- 2) Capital Improvement Project Assessment
- 3) May 17, June 21, and September 13, 2023, Board Work Session Minutes

GVR Capital Improvement Project Policy and Process

Definition

Capital improvement project: Any equipment or other fixed asset costing \$5,000 or more and with a useful life of greater than one year.

Policy

Staff develops the Five-Year Capital Improvement Plan (CIP) and the Capital Improvement Budget (the first year of the CIP, including estimated costs). However, any member in good standing may submit a proposal for a capital improvement project. There are two paths to fund capital improvement projects:

Type I: CURRENT YEAR UNPLANNED/UNBUDGETED CAPITAL IMPROVEMENT PROJECTS - Each year, GVR will earmark \$100,000 in the Non-Reserve Capital Budget solely for the purpose of funding unplanned and unbudgeted non-reserve capital improvement projects. Funding and inception of these projects begin in the current year. These projects tend to be smaller in scope and do not generally require much planning or lead time. Proposal rounds for these funds open twice each year, given funds remain available for Round 2.

Round 1: January 1, with funding allocated and scheduled April 1

Round 2: June 1, with funding allocated and scheduled September 1

Staff provides an initial review by following the listed process:

1. Does the proposed project meet the definition of a capital improvement project? If yes, then proceed to #2.
2. Is the proposed project:
 - i. unplanned and unbudgeted?
 - ii. under an estimated cost of \$50,000?
 - iii. anticipated to begin in current year?
 - iv. not included in the MRR study?
 - v. not a club responsibility per the CPM and Club Agreement?

If all questions can be answered in the affirmative, the proposal may qualify as a Type I capital improvement project. Proceed to Assessment Phase.

Type II: FUTURE AND LONG-TERM CAPITAL IMPROVEMENT PROJECTS

- Each year, GVR staff will develop a Five-Year Capital Improvement Plan (CIP) and Capital Improvement Budget accordingly for such capital improvement projects from capital reserve funds and capital non-reserve funds. Funding and inception of these projects begin in subsequent years. These projects tend to be larger in scope and require significant planning.

Staff provides an initial review by following the listed process:

1. Does the proposed project meet the definition of a capital improvement project? If yes, then proceed to #2.
2. Is the proposed project:
 - vi. unplanned and unbudgeted?
 - vii. anticipated to begin in a future year?
 - viii. not a club responsibility per the CPM and Club Agreement?

If all questions can be answered in the affirmative, the proposal may qualify as a Type II capital improvement project. Proceed to Assessment Phase.

Assessment Phase

Staff completes the Capital Improvement Project Assessment for all completed and timely applications.

Score <7 The proposal will not be considered at this time. Notify source party.

Score =>7 Follow Type I or Type II steps below for all other proposals.

The following apply only to Type I Capital Improvement Projects:

1. Staff evaluates proposals and notifies the Board of Directors of the approved project proposals. Project(s) moves forward with no further review or approval required.
2. If funding is left over after round one, members will be invited to apply again for round two (opening June 1 each year) and all steps will be repeated.

The following apply only to Type II Capital Improvement Projects:

1. Upon annual staff reassessment and recommendation of projects and plans, Staff presents the Five-Year Capital Improvement Plan (CIP) to

the Planning and Evaluation Committee (P&E). The P&E Committee recommends the Five-Year Capital Improvement Plan (CIP) to the Board of Directors for consideration during the annual budget approval process.

2. Staff presents the Five-Year Capital Improvement Plan (CIP) and the Capital Improvement Budget to the Fiscal Affairs Committee (FAC). The FAC recommends the Five-Year Capital Improvement Plan (CIP) and the Capital Improvement Budget to the Board of Directors during the annual budget approval process.
3. Staff presents the Five-Year Capital Improvement Plan (CIP) and the Capital Improvement Budget to the Board of Directors. The Board of Directors considers approval of the Five-Year Capital Improvement Plan (CIP) and Capital Improvement Budget as part of the annual budget approval process.

Project Planning

1. Begins in January of the project inception year.
2. Staff conducts member/user groups outreach, if necessary.
3. If necessary, staff works with an architect to develop high-level concept drawings and cost estimates.
4. Staff presents concept drawings and associated cost estimates to the Board of Directors for approval.
5. If rejected, staff repeats steps 3 and 4 until a concept is approved by the Board of Directors, or until the Board of Directors provides alternative direction.
6. Once and if approved, Staff pursues construction documents and permits and goes out for bid per policy.
7. Staff reviews bids or proposals and brings a recommendation to the Board of Directors for consideration.
8. Board of Directors awards a contract.

Project Name: _____ Proposed by: _____
 Proposed Inception Year: _____ Proposed Completion Year: _____

Criteria/Assessment	Rating		Details
If this is a request for new or expanded club space, has the Club taken steps to maximize utilization?	Yes No		If No, stop assessment. Club should take appropriate steps and reapply in the future.
Does the request conform to the CPM?	Yes No		If No, stop assessment and re-categorize request (ex. Club responsibility)
Does this request support GVR's mission and vision and align with the 5-year strategic plan?	Yes No		If No, project will not be considered at this time without extenuating circumstances.
Are there health & safety impact/benefits tied to this project/request?	Yes No		If Yes, stop assessment and reallocate request (ex. Operations) for alternative resolution
Would the project improve member accessibility?	Yes No		If Yes, stop assessment and reallocation request for alternative resolution
What are the 3-5 year participation trends related to the recreation amenity affected by this proposal?	Unknown Decreasing No change Increasing N/A	0 0 2 4	Consider in-house attendance data or research of national/regional trends.
Does this project improve GVR's marketability and/or competitive advantage?	No Moderately Yes	0 1 2	Consider: growing trends, what is offered elsewhere, etc.
Estimated additional annual maintenance costs (E.g., Long-term costs? Annual replacements? Additional staff required?)	Decrease or 0 1-5% increase 5-10% increase 10-15% increase	4 3 2 1	If proposal would add or remove services that exceed 5% of operating budget, a vote of the membership is required.
Rate the interest level of this improvement to the general membership	Limited Moderate Broad	1 2 3	Examples: <i>Limited</i> : Enhances a smaller club with modest anticipated growth trends <i>Moderate</i> : An emerging sport <i>Broad</i> : A pool or fitness center
Would this request have an adverse effect on another group or GVR members?	Yes No	0 1	
	Total Score		

Scoring Range	
Will not be considered at this time	<7
Will be considered this round	= or >7

Aggregate Score

Notes:

Additional Considerations:

- Club's history of Capital Funding Requests reviewed and included?**
Review data sheet of previous requests and awards, include in report



MINUTES

BOARD OF DIRECTORS WORK SESSION

Wednesday, May 17, 2023, 10am

WC Room 2 / Zoom

Directors Present: Marge Garneau (President), Carol Crothers (Vice President), Bart Hillyer (Secretary), Jim Carden (Treasurer), *Barbara Blake (Assistant Secretary), Kathi Bachelor, Ted Boyett, Beth Dingman, Bev Lawless, Scott Somers (non-voting)

Directors Absent: Laurel Dean, Nancy Austin, Steve Gilbert

Staff Present: David Jund (Facilities Director), Nanci Moyo (Administrative Supervisor), David Webster (CFO), Natalie Whitman (COO), Kris Zubicki (Member Services Director)

Visitors: 7

AGENDA TOPIC

1. Call to Order / Roll Call

Work Session Called to Order at 10:01am by President Garneau. Secretary Hillyer called the role.

2. Amend / Approve Agenda

MOTION: Director Boyett moved, Director Dingman seconded to approve the amended Agenda to include discussion on the Photography Club request for Tenant Improvement.

Passed: unanimous

3. Del Sol Clubhouse

CEO Somers reviewed the plans for the Del Sol Clubhouse and the parking lot. Highlights include:

- Del Sol Clubhouse has two levels. The upper level has the main entrance, ADA accessible bathrooms, bar area, kitchen area, staircase in the middle to connect upper and lower floors, recreation area includes three pool tables, foosball table, darts, and room with poker tables, and outdoor patio space. The lower level will include at least 5 billiard tables and at least one snooker table, due to expansion possibilities. This level will be a great billiard hall. Bathrooms on the lower level will have access from inside the space and from outside for the walkers on the County path.
- The budget for the Del Sol Clubhouse is \$1.2 million.
- Pima County will be asked to assist with the cost of the bathrooms on the lower level due to the use of the County walking path.

*Barbara Blake arrived at 10:11am

Highlights from Board/Staff discussion:

- Discussion on how many parking places is needed per the occupancy of Del Sol Clubhouse. Have architect review the spaces needed in their reports.
- Install access for GVR members to use member card for the outside bathroom when bathrooms are locked to the public in the evenings.

- Del Sol Clubhouse will be on the Board Regular Meeting on May 24, 2023, for an approval to move forward with construction documents and for architectural report on number of parking spaces needed per occupancy of the Clubhouse.

4. Lapidary/Woodshop Expansion

CEO Somers reviewed Lapidary and Woodshop Clubs expansions. Highlights include:

- Primary goal is to consolidate the three Lapidary locations including East Center and Desert Hills to the West Center, building out to the easement on the west side of the building and south side for the Woodshop.
- Staff will meet with Lapidary and Woodshop to fine tune their needs and present to the Board for next steps. The project is still in the planning and discussion stages and is not ready for architectural/construction documents.
- A survey conducted by the Lapidary Club showed the members were optimistic about expanding the West Center space and not to build an Art Center at West Center. There is strong interest from the Club members as a whole to consolidate Desert Hills to West Center.
- For 2023 there is a \$50,000 budget for Lapidary and a \$30,000 budget for Woodshop for studies and conceptual drawings from the Initiatives Fund.

Highlights from Board/Staff discussion include:

- This is early in the planning stages and will not come before the Board at the next regular meeting in May.
- The Board is comfortable with staff working on discussions with both clubs and reviewing possibilities.
- Preliminary work was completed with the architects and the clubs providing a high-level drawing pushing out the west and south walls. Cost estimates will be provided as the process moves forward.

5. Ceramics Expansion

CEO Somers reviewed the Ceramics Expansion including these highlights:

- The budget is \$150,000 this year for the Ceramics expansion.
- The Ceramics expansion will be considered after the decision for Lapidary is finalized. If Lapidary is consolidated at the West Center it will open up space for the expansion of Ceramics into that space.
- Two options: 1) Build out Ceramics into the sidewalk which will give Ceramics a total of 3,488 square feet of space. 2) Utilize the Lapidary space at Desert Hills which will make the Ceramics space a total of 3600 square feet and is the most cost-effective expansion.
- The existing kiln room needs to be built to code.
- There is a possibility for the Ceramics Club to utilize the fitness room for temporary storage for their molds. This will be the time for the Club to sort through the molds and figure out how to store efficiently.

Highlights from Board/Staff discussion:

- Keep kilns where they currently are so not to cause a disruption to the club. Staff will discuss with the architects how to move this forward. If the kiln room is done first, it will lock the decision for Ceramics into option 2.
- Wheelchairs and walkers can use the room currently – it is just difficult.
- This will not go forward to the Board at this time.
- The Board is leaning to Option 2 and this helps give staff direction.

6. Capital Projects Policy and Process

CEO Somers reviewed the work on the Capital Projects Policy and Process and held a lengthy discussion with the Board.

Staff will rewrite the Capital Projects Policy and Process using items from the discussion and bring before the Board in a June Work Session.

7. Photography Club

President Garneau asked the Board to review the Photography Club request. This will come before the Board at the May 24, 2023, Regular Meeting for approval.

Adjournment: The Work Session was adjourned at 12:44pm.



MINUTES

BOARD OF DIRECTORS WORK SESSION

Wednesday, June 21, 2023, 2pm

WC Room 2 / Zoom

Directors Present: Marge Garneau (President), Carol Crothers (Vice President), Bart Hillyer (Secretary), Jim Carden (Treasurer), Barbara Blake (Assistant Secretary), Laurel Dean (Assistant Treasurer), Nancy Austin, Kathi Bachelor, Beth Dingman, Steve Gilbert, Bev Lawless, Scott Somers (non-voting)

Absent: Ted Boyett

Staff Present: David Jund (Facilities Director), Nanci Moyo (Administrative Supervisor), David Webster (CFO), Natalie Whitman (COO), Kris Zubicki (Member Services Director)

Visitors: 12

AGENDA TOPIC

1. Call to Order / Roll Call

Work Session Called to Order at 2:00pm by President Garneau. Secretary Hillyer called the role.

2. Amend / Approve Agenda

MOTION: Director Austin moved, Director Blake seconded to approve the Agenda.

Passed: unanimous

3. Capital Improvement Projects Process

CEO Somers reviewed the Capital Improvement Projects Process. Highlights of the review and discussion include:

- Capital Improvement definition is all equipment and other fixed assets costing \$5,000 or more with a useful life of greater than one year.
- Type I: The Board will budget, each year, \$100,000 in the Non-Reserve Capital Budget for the current year unplanned/unbudgeted capital projects.
- Type I: Round 1 funding would begin in January 1 with allocations in April. If money is left over from the first round, the second round will begin in June for another set of requests. Staff will provide initial review using a determined process.
- There was consensus from the Board at the last Work Session in May to allow Type 1 to be for all members and not specifically for clubs, though club requests can be submitted.
- Type II: Future and Long-term Capital Projects. This includes major capital projects and comes from a different pool of money based on the five-year Capital Improvement Plan (CIP).
- Assessment Phase: This is a suggested plan, but can be improved on. Assessment is for both Type I and Type II. The Board approves the budget every year and assessments can be repeated for Type II projects to make sure it is still relevant and needed.

- Type I Assessment does not need to go to the P&E Committee if it is under \$50,000. Staff will assess the request and inform the Board on what projects were approved and will move forward.
- Board consensus during the meeting is to remove #2 of the Assessment Phase and remove “Proposals under \$50K estimated cost:” in #1.
- Type II: 5-Year Capital Plan is recommended by the P&E Committee to the Board for consideration during the Annual Budget approval process. The change in the document is to have each one of the projects go through the assessment or reassessment process annually by staff before the P&E reviews the projects. Then P&E would recommend to the Board the projects.
- Change the title at the top of page 5 from Board Approves the Budget to the Board Approves the 5-Year Capital Plan.
- Staff was asked to make the changes discussed during the meeting and send out to the Board for review. The Capital Projects Policy will be scheduled for a Board meeting to be determined.

4. Membership Change Fee

President Garneau withdrew the Membership Change Fee from the Agenda.

Adjournment:

MOTION: Director Hillyer moved, Director Austin seconded to adjourn the meeting at 3:49pm.

Passed: unanimous



MINUTES

BOARD OF DIRECTORS WORK SESSION

Wednesday, September 13, 2023, 2pm

WC Auditorium / Zoom

Directors Present: Marge Garneau (President), Carol Crothers (Vice President), Bart Hillyer (Secretary) (left meeting at 3:23pm), Jim Carden (Treasurer), Barbara Blake (Assistant Secretary), Joe Magliola (Assistant Treasurer), Nancy Austin, Kathi Bachelor, Beth Dingman, Steve Gilbert, Bev Lawless, Richard Sutherland, Scott Somers (non-voting)

Staff Present: David Jund (Facilities Director), Nanci Moyo (Administrative Supervisor), David Webster (CFO), Natalie Whitman (COO), Kris Zubicki (Member Services Director)

Visitors: 8 including support staff

AGENDA TOPIC

1. Call to Order / Roll Call

Work Session Called to Order at 2:02pm by President Garneau. Secretary Hillyer called the role.

2. Amend / Approve Agenda

MOTION: Director Crothers moved, Director Blake seconded to approve the Agenda as presented.

Passed: unanimous

3. Board Affairs Committee (BAC) Proposed Bylaws Change

Director Crothers, Chair of BAC, gave an overview of the BAC proposed top five Bylaws with the main goal to make the Bylaws more understandable and to align with Arizona Nonprofit Law. The first of the top five is Proposed Action #1 - Article VI Powers, Duties, and Responsibilities of the Board of Directors, Section 2 Limits of Authority and Indebtedness:

PROPOSED: Article VI Powers, Duties and Responsibilities of the Board of Directors, Section 2 Limits of Authority and Indebtedness to read: The Board of Directors is not authorized to enter into any contract for new or initiative-type Capital projects that requires an annual payment that exceeds ten twelve percent (~~10~~12%) of the annual budget latest audited approved annual net revenue (does not include investments). Any contract for new or initiative-type Capital projects requiring an annual payment that exceeds this figure ten twelve percent (~~10~~12%) of the annual budget latest audited approved annual net revenue, shall only be valid if approved, in advance, by the affirmative vote of regular members representing a majority of the total votes cast, provided that the total number of votes cast equals at least twenty percent (20%) of the total votes in The Corporation. Contracts for unique projects may not be broken up so as to avoid the requirement of this section.

CURRENT Bylaws states: The Board of Directors is not authorized to enter into any contract that requires an annual payment that exceeds ten percent (10%) of the annual budget. Any contract requiring an annual payment that exceeds ten percent (10%) of the annual budget shall only be valid if approved, in advance, by the affirmative vote of regular members representing a majority of the total votes cast, provided that the total number of votes cast equals at least twenty percent (20%) of the total votes in The Corporation.

The Directors' discussed Article VI, Section 2 bringing forth these issues:

- Dollar amount of current cost of projections is higher due to inflation
- Include or not to include the CPI or COLA
- Include or not include investments in the calculation
- Increase from ten percent to 12 percent is a 20 percent increase in Board authority
- Change from annual budget(s) to latest audited approved annual net revenue
- Change the ten percent to either 12, 13 or 15 percent
- Include the calculated number as a line item in the audit for members to find easily

The CFO was asked to present to the Board at the upcoming Regular Meeting two numbers for the proposed Bylaw change: 1) approved annual net revenue, and 2) annual revenue of all income sources.

Discussion was held on Proposed Action #4 – Article II Membership Property and Members, Section 6 Voting Rights adding F:

PROPOSED ADD F: A GVR Member in good standing has the right to serve on the Board of Directors provided no other member of their household (whether related by marriage, cohabitation, or otherwise) is on the board during the same time period.

CURRENT Bylaws: No F

The Directors’ discussed Article II, Section 6.F bringing forth these issues:

- Can this Bylaw be enforced?
- If two people are on the title then both can run for the Board

Discussion was held on Proposed Action #3 – Article IV Board of Directors, Section 1 Number of Directors:

PROPOSED: 1) Article IV, Section 1: The affairs of GVR shall be governed by a Board of Directors consisting of ~~twelve (12)~~ nine (9) voting members who shall be elected from the members of The Corporation ~~residing within the jurisdiction of GVR~~ who have voting rights as defined in Article II Section 6.

CURRENT: 1) Article IV, Section 1: The affairs of GVR shall be governed by a Board of Directors consisting of twelve (12) voting members who shall be elected from the members of The Corporation residing within the jurisdiction of GVR.

The Directors’ discussed Article IV, Section 1 bringing forth these issues:

- Needs to be stated a level of residency within GVR jurisdiction
- State in the Bylaws a member must reside in Green Valley
- The Attorney’s opinion on current Bylaws is the voting member must reside in GVR jurisdiction not an elected Board Director

4. Capital Improvement Policy Process

CEO Somers reviewed the Capital Improvement Policy Process. The Directors added these comments:

- Addressed whether the process will help alleviate one Board overturning a previous Board decision on a project. Staff stated this process helps to minimize turn overs by future Boards on current projects.
- The Capital Improvement Policy will begin as a pilot program.
- Include “Improvement” in the “Five-Year Capital Improvement Plan” (CIP). Some places “Improvement” has been left out.
- Suggested changes in the Assessment Form: 1) marketability and/or competitive advantage numbering from 0,3,6 to 0,1,3, 2) change for the interest level of improvement to the general membership change from 1,2,3 to 1,3,6. This change is to address the membership needs first. 3) Change in the long-term costs section from 4,3,2,1 to 4,2,0,0, and 4) the last question about adverse effect on another group or GVR members could be 2 or 3 instead of 1.

5. Committee Action Plans

- Planning and Evaluation Committee (P&E) asked to have the first bullet in the Timeline for Established Priorities be removed: “GVR Capital Improvement Project Policy and Process: Present to the Board at the September meeting.” The second bullet needs to have “Improvement” added: “Five-Year Capital Improvement Plan (CIP).”

6. Adjournment

MOTION: Director Sutherland moved, Director Bachelor seconded to adjourn the meeting at 4:11pm.

Passed: unanimous

~~GVR~~ Capital Improvement ~~Project Policy~~ Program and Process

Definition

~~D. Capital~~ improvement project: Any equipment or other fixed asset costing ~~\$5,000 or more and with a useful life of greater than one year.~~ **Budget**

1. The Capital Budget is the annual appropriations for capital projects and acquisitions, which are approved by the Board of Directors. A Capital Improvement Program (CIP) is a forecast of major capital projects over a selected period of time. If a capital project remains a high priority, it is eventually placed in the Capital Budget for funding approval by the Board. The first year of the Capital Improvement Program becomes the basis for the Capital Budget. Both shall be prepared and adopted as part of the annual budget process. Board approval of the Capital Improvement Program (CIP) indicates not only the Board's acceptance of the CIP, but also its recognition that the document represents the general direction that the organization plans to take in meeting future capital needs.

2. Preliminary planning and design for a capital project, excluding Maintenance, Repair, and Replacement Reserve Fund (MRR-A only) projects, since they are addressed separately, typically occurs before the project is approved; the cost for this work is usually charged to the appropriate fund, but may be charged to the Operations Fund. If the project is approved, the preliminary planning and design costs for it may be charged to the project, with the project budget reimbursing the fund to which the work was originally charged. If a project is not approved, the cost of the preliminary planning and design for it are absorbed by the fund originally charged.

~~1.3.~~ **Policy and Process**

The Board of Directors, advisory committees, and staff consider any master plans, needs assessments, feasibility studies, the strategic plan, member surveys, etc. when assessing and prioritizing projects.

1. Staff develops the recommended Five-Year Capital

Improvement Plan (CIP) and the Capital-Improvement Budget (the first year of the CIP, including estimated costs). However, any member in good standing may submit a proposal for a capital improvement project. There are two paths to fund capital improvement projects:

Type I: CURRENT YEAR UNPLANNED/UNBUDGETED CAPITAL IMPROVEMENT PROJECTS - Each year, when the budget allows, GVR will earmark \$100,000an identified amount in the Non-Reserve Capital Budget solely for the purpose of funding unplanned and unbudgeted non-reserve capital improvement projects. Funding and inception of these projects begin in the current year. These projects tend to be smaller in scope and do not generally require much planning or lead time. Proposal rounds for these funds open twice each year, given funds remain available for Round 2.

Round 1: January 1, with funding allocated and scheduled April 1

Round 2: June 1, with funding allocated and scheduled September 1

Staff provides an initial review by following the listed process:

1. Does the proposed project meet the definition of a capital improvement project? See Part 5, Section 1, Subsection 5.1.1. If yes, then proceed to #2.

2. Is the proposed project:

- i. unplanned and unbudgeted?
- ii. under an estimated cost of \$50,000?
- iii. anticipated to begin in current year?
- iv. not included in the MRR Reserve study?
- v. not a club responsibility per the CPM and Club Agreement?

If all questions can be answered in the affirmative, the proposal may qualify as a Type I capital improvement project. Proceed to Assessment Phase.

Type II: FUTURE AND LONG-TERM CAPITAL IMPROVEMENT PROJECTS - Each year, GVR staff will develop a recommended Five-Year Capital Improvement Plan (CIP) and Capital-Improvement Budget accordingly for such capital improvement projects from capital reserve funds and capital non-reserve funds. Funding and inception of these projects begin in subsequent years.

These projects tend to be larger in scope and require significant planning.

Staff provides an initial review by following the listed process:

1. Does the proposed project meet the definition of a capital improvement project? [See Part 5, Section 1, Subsection 5.1.1.](#) If yes, then proceed to #2.
2. Is the proposed project:
 - i. unplanned and unbudgeted?
 - ii. anticipated to begin in a future year?
 - iii. not a club responsibility per the CPM and Club Agreement?

If all questions can be answered in the affirmative, the proposal may qualify as a Type II capital improvement project. Proceed to Assessment Phase.

Assessment Phase

Staff completes the Capital Improvement Project Assessment ~~(include in Appendix or approved by the Board annually?)~~ for all completed and timely applications.

~~Score <7 The proposal will not be considered at this time. Notify source party.~~

~~Score =>7 Follow Type I or Type II steps below for all other proposals.~~

The following apply only to Type I Capital Improvement Projects:

1. Staff evaluates proposals and notifies the Board of Directors of the approved project proposals. Project(s) moves forward with no further review or approval required.
2. If funding is left over after round one, members will be invited to apply again for round two (opening June 1 each year) and all steps will be repeated.

The following apply only to Type II Capital Improvement Projects:

1. Upon annual staff ~~reassessment~~assessment and recommendation of projects and plans, Staff

- presents the recommended Five-Year Capital Improvement Plan (CIP) to the Planning and Evaluation Committee (P&E). The P&E Committee recommendsdevelops a recommendation of the Five-Year Capital Improvement Plan (CIP) to the Board of Directors for consideration during the annual budget approval process.
2. Staff presents the recommended Five-Year Capital Improvement Plan (CIP) and the Capital ~~Improvement~~ Budget to the Fiscal Affairs Committee (FAC). The FAC recommendsdevelops funding recommendations of the Five-Year Capital Improvement Plan (CIP) and the Capital ~~Improvement~~ Budget to the Board of Directors during the annual budget approval process.
 3. Staff presents the P & E and FAC recommendations to the Board of Directors, and notes any discrepancies between the two committees and/or with staff recommendations, of the Five-Year Capital Improvement Plan (CIP) and the Capital ~~Improvement~~ Budget ~~to the Board of Directors~~. The Board of Directors considers approval of the Five-Year Capital Improvement Plan (CIP) and Capital ~~Improvement~~ Budget as part of the annual budget approval process.

Project Planning

1. Begins in January of the project inception year.
2. Staff conducts member/user groups outreach, if necessary.
3. If necessary, staff works with an architect to develop high-level concept drawings and cost estimates.
4. Staff presents any concept drawings and associated cost estimates to the Board of Directors for approval.
5. If rejected, staff repeats steps 3 and 4 until a concept is approved by the Board of Directors, or

until the Board of Directors provides alternative direction.

6. Once and if approved, Staff pursues construction documents and permits and goes out for bid per policy.
7. Staff reviews bids or proposals and brings a recommendation to the Board of Directors for consideration.
8. Board of Directors awards a contract.

4. Prioritizing

1. Project prioritization is based on the following:
Experience based judgment – based on the judgement of professional staff, governing board members, committee members, members, etc.
2. Broad categories of need
 - a. High: projects that are essential and impending
 - b. Medium: essential but do not need to be funded immediately
 - c. Low: create benefit but not enough to merit inclusion.

5. Miscellaneous

Financial forecasting shall be utilized when developing the CIP to ensure a financially sound program. Estimated costs shall include but not be limited to inflation, planning and architectural fees, legal fees, and permitting. Estimated project timelines and anticipated funding sources shall be identified. Funding for approved or in-progress capital projects carry over from one year to the next until completion.

⊖ **Capital Improvement Program and Capital Budget**

1. The Capital Budget is the annual appropriations for capital projects and acquisitions, which are approved by the Board of Directors. A Capital Improvement Program (CIP) is a forecast of major capital projects over a selected period of time. If a capital project remains a high priority, it is eventually placed in the Capital Budget for funding approval by the Board. The first year of the Capital Improvement Program becomes the basis for the Capital Budget. Both shall be prepared and adopted as part of the annual budget process. Board approval of the Capital Improvement Program (CIP) indicates not only the Board's acceptance of the CIP, but also its recognition that the document represents the general direction that the organization plans to take in meeting future capital needs.

2. Preliminary planning and design for a capital project, excluding Maintenance, Repair, and Replacement Reserve Fund (MRR-A only) projects, since they are addressed separately, typically occurs before the project is approved; the cost for this work is usually charged to the appropriate fund, but may be charged to the Operations Fund. If the project is approved, the preliminary planning and design costs for it may be charged to the project, with the project budget reimbursing the fund to which the work was originally charged. If a project is not approved, the cost of the preliminary planning and design for it are absorbed by the fund originally charged.

3. **Policy and Process**

The Board of Directors, advisory committees, and staff consider any master plans, needs assessments, feasibility studies, the strategic plan, member surveys, etc. when assessing and prioritizing projects.

1. Staff develops the recommended Five-Year Capital Improvement Plan (CIP) and the Capital Budget (the first year of the CIP, including estimated costs). However, any member in good standing may submit a proposal for a capital improvement project. There are two paths to fund capital improvement projects:

Type I: CURRENT YEAR UNPLANNED/UNBUDGETED CAPITAL IMPROVEMENT PROJECTS - Each year, when the budget allows, GVR will earmark an identified amount in the Non-Reserve Capital Budget for the purpose of

funding unplanned and unbudgeted non-reserve capital improvement projects. Funding and inception of these projects begin in the current year. These projects tend to be smaller in scope and do not generally require much planning or lead time. Proposal rounds for these funds open twice each year, given funds remain available for Round 2.

Round 1: January 1, with funding allocated and scheduled April 1

Round 2: June 1, with funding allocated and scheduled September 1

Staff provides an initial review by following the listed process:

1. Does the proposed project meet the definition of a capital improvement project? See Part 5, Section 1, Subsection 5.1.1. If yes, then proceed to #2.
2. Is the proposed project:
 - i. unplanned and unbudgeted?
 - ii. under an estimated cost of \$50,000?
 - iii. anticipated to begin in current year?
 - iv. not included in the MRR Reserve study?
 - v. not a club responsibility per the CPM and Club Agreement?

If all questions can be answered in the affirmative, the proposal may qualify as a Type I capital improvement project. Proceed to Assessment Phase.

Type II: FUTURE AND LONG-TERM CAPITAL IMPROVEMENT PROJECTS - Each year, GVR staff will develop a recommended Five-Year Capital Improvement Plan (CIP) and Capital Budget accordingly for such capital improvement projects from capital reserve funds and capital non-reserve funds. Funding and inception of these projects begin in subsequent years. These projects tend to be larger in scope and require significant planning.

Staff provides an initial review by following the listed process:

1. Does the proposed project meet the definition of a capital improvement project? See Part 5, Section 1, Subsection 5.1.1. If yes, then proceed to #2.
2. Is the proposed project:
 - i. unplanned and unbudgeted?
 - ii. anticipated to begin in a future year?

- iii. not a club responsibility per the CPM and Club Agreement?

If all questions can be answered in the affirmative, the proposal may qualify as a Type II capital improvement project. Proceed to Assessment Phase.

Assessment Phase

Staff completes the Capital Improvement Project Assessment for all completed and timely applications.

The following apply only to Type I Capital Improvement Projects:

1. Staff evaluates proposals and notifies the Board of Directors of the approved project proposals. Project(s) moves forward with no further review or approval required.
2. If funding is left over after round one, members will be invited to apply again for round two (opening June 1 each year) and all steps will be repeated.

The following apply only to Type II Capital Improvement Projects:

1. Upon annual staff assessment and recommendation of projects and plans, Staff presents the recommended Five-Year Capital Improvement Plan (CIP) to the Planning and Evaluation Committee (P&E). The P&E Committee develops a recommendation of the Five-Year Capital Improvement Plan (CIP) to the Board of Directors for consideration during the annual budget approval process.
2. Staff presents the recommended Five-Year Capital Improvement Plan (CIP) and the Capital Budget to the Fiscal Affairs Committee (FAC). The FAC develops funding recommendations of the Five-Year Capital Improvement Plan (CIP) and the Capital Budget to the Board of Directors during the annual budget approval process.
3. Staff presents the P & E and FAC recommendations to the Board of Directors, and notes any

discrepancies between the two committees and/or with staff recommendations, of the Five-Year Capital Improvement Plan (CIP) and the Capital Budget. The Board of Directors considers approval of the Five-Year Capital Improvement Plan (CIP) and Capital Budget as part of the annual budget approval process.

Project Planning

1. Begins in January of the project inception year.
2. Staff conducts member/user groups outreach, if necessary.
3. If necessary, staff works with an architect to develop high-level concept drawings and cost estimates.
4. Staff presents any concept drawings and associated cost estimates to the Board of Directors for approval.
5. If rejected, staff repeats steps 3 and 4 until a concept is approved by the Board of Directors, or until the Board of Directors provides alternative direction.
6. Once and if approved, Staff pursues construction documents and permits and goes out for bid per policy.
7. Staff reviews bids or proposals and brings a recommendation to the Board of Directors for consideration.
8. Board of Directors awards a contract.

4. Prioritizing

1. Project prioritization is based on the following:
Experience based judgment – based on the judgement of professional staff, governing board members, committee members, members, etc.
2. Broad categories of need

- a. High: projects that are essential and impending
- b. Medium: essential but do not need to be funded immediately
- c. Low: create benefit but not enough to merit inclusion.

5. **Miscellaneous**

Financial forecasting shall be utilized when developing the CIP to ensure a financially sound program.

Estimated costs shall include but not be limited to inflation, planning and architectural fees, legal fees, and permitting. Estimated project timelines and anticipated funding sources shall be identified. Funding for approved or in-progress capital projects carry over from one year to the next until completion.

Capital Improvement Project Assessment

Project Name: _____ Proposed by: _____
 Proposed Inception Year: _____ Proposed Completion Year: _____

Criteria/Assessment	Rating	Details	
If this is a request for new or expanded club space, has the Club taken steps to maximize utilization?	Yes No	If No, stop assessment. Club should take appropriate steps and reapply in the future.	
Does the request conform to the CPM?	Yes No	If No, stop assessment and re-categorize request (ex. Club responsibility)	
Does this request support GVR's mission and vision and align with the 5-year strategic plan?	Yes No	If No, project will not be considered at this time without extenuating circumstances.	
Are there health & safety impact/benefits tied to this project/request?	Yes No	If Yes, stop assessment and reallocate request (ex. Operations) for alternative resolution	
Would the project improve member accessibility?	Yes No	If Yes, stop assessment and reallocation request for alternative resolution	
What are the 3-5 year participation trends related to the recreation amenity affected by this proposal?	Unknown Decreasing No change Increasing N/A	0 0 2 4	Consider in-house attendance data or research of national/regional trends.
Does this project improve GVR's marketability and/or competitive advantage?	No Moderately Yes	0 1 2	Consider: growing trends, what is offered elsewhere, etc.
Estimated additional annual maintenance costs (E.g., Long-term costs? Annual replacements? Additional staff required?)	Decrease or 0 1-5% increase 5-10% increase 10-15% increase	4 3 2 1	If proposal would add or remove services that exceed 5% of operating budget, a vote of the membership is required.
Rate the interest level of this improvement to the general membership	Limited Moderate Broad	1 2 3	Examples: <i>Limited:</i> Enhances a smaller club with modest anticipated growth trends <i>Moderate:</i> An emerging sport <i>Broad:</i> A pool or fitness center
Would this request have an adverse effect on another group or GVR members?	Yes No	0 1	
Total Score			

Capital Improvement Project Assessment

Scoring Range	
Will not be considered at this time	<7
Will be considered this round	= or >7

Aggregate Score

Notes:

Additional Considerations:

- Club's history of Capital Funding Requests reviewed and included?**
Review data sheet of previous requests and awards, include in report

Capital Improvement Project Assessment

Project Name: _____ Proposed by: _____
Proposed Inception Year: _____

Assessment Questionnaire

1. If this is a club request, is the request a club responsibility per Part 6, Section 3 of the CPM? _____
(If Yes, stop assessment. Club should take appropriate steps to comply with the CPM requirements)
2. If this is a request for new or expanded club space, has the club taken steps to maximize space utilization? _____
(If No, please stop assessment. Club should take appropriate steps to first attempt to maximize space utilization and then reapply if necessary)

Please explain any steps taken to improve efficiency and space utilization:

3. Have more cost-effective alternatives been considered? What are they and why are they not the preferred option?

4. Please explain how the project advances the goals of Green Valley Recreation:

5. What are the 3-5 year participation trends related to this capital project request?

6. Please explain how this capital project supports the interest level of the general membership:

Capital Improvement Project Assessment

7. Would this request have an adverse effect on another group or GVR members? _____
(If Yes, please provide rationale as to the greater benefit this project will provide given that another group or the general membership may be displaced or impacted)

8. What are the anticipated annual operational costs associated with this capital improvement? \$ _____

9. What are the anticipated required annual maintenance and replacement contributions to the Reserve Study associated with this capital improvement? \$ _____

Criteria	Weight (1-5)	Clearly No	0	1	2	3	4	5	6	Clearly Yes	Total
Legal mandate											
Removes or reduces a hazard											
Advances organizational goals											
Improves efficiency											
Addresses participation trends											
Supports interest of general membership											
Does NOT create an adverse effect on another group or GVR members											
TOTAL											

Notes:

Capital Improvement Project Assessment

Additional Considerations:

- Club's history of Capital Funding Requests reviewed and included?***

Review data sheet of previous requests and awards, include in report



Green Valley Recreation, Inc.
Board of Directors Work Session
Corporate Policy Manual Change
For Smoking/Vaping Policy

Prepared By: Nanci Moyo, Admin. Sup.

Meeting Date: January 8, 2025

Presented By: Bart Hillyer, BAC Chair

<p>Originating Committee / Department: Board Affairs Committee (BAC)</p>
<p>Action Requested: Review the Smoking and Vaping policy in the Corporate Policy Manual (CPM) based on the survey by the members and recommendation from the BAC.</p>
<p>Strategic Plan Goal: Goal 1: Provide excellent facilities for members to participate in a variety of active and social opportunities.</p>
<p>Background Justification: Due to comments from members regarding smoking and vaping in and around the facilities, the GVR staff asked members in the eBlast there opinion on the matter. Current policy 1.2.6.K: Pursuant to the Smoke-Free Arizona Act (A.R.S.§36-601.01), GVR prohibits smoking in all indoor facilities and outside areas within 20 feet of entrances and windows. Smoking and vaping are allowed in designated outdoor areas only. The survey results: 2,751 people responded to a single query: "Per current GVR policy, members and guests are permitted to smoke and vape only in designated areas. Those designated areas currently have no fixtures. GVR needs to either equip designated smoking areas at each center (buy ashcans and benches) or decide it is time to go smoke and vape-free. 2,441 (88.73%) respondents prefer GVR goes smoke and vape free. 310 (11.27%) respondents prefer GVR stick with designated smoking areas. The Board has asked the BAC for their recommendations on this issue and the BAC recommendation is for the Board of Directors to approve a ban on smoking and vaping throughout all GVR campuses.</p>
<p>Fiscal Impact: Possible impact if GVR needs to provide ash cans and benches, or if GVR needs to provide signs stating no smoking or vaping.</p>
<p>Attachments: 1) Redline and Clean CPM Part 1: 1.2.6.K</p>

REDLINED

K. Pursuant to the Smoke-Free Arizona GVR prohibits smoking/vaping in all GVR campuses. ~~indoor facilities and outside areas within 20 feet of entrances and windows. Smoking and vaping are allowed in designated outdoor areas only.~~

CLEAN

K. Pursuant to the Smoke-Free Arizona Act (A.R.S. §36-601.01), GVR prohibits smoking/vaping in all GVR campuses.