



Snyderville Basin Special Recreation District
Board Work Session Minutes
Wednesday, May 20, 2009
Schefter Conference Room - Trailside Park
5715 Trailside Drive
Park City, Utah

Board Members in Attendance: Tracey Douthett, Scott McClelland, Sharon Odell, Ron Perry, Kevin Simon

Absent: Scott Siemon, Marilyn Stinson

Staff/Employees Present: Bonnie Park, Rena Jordan, Brian Hanton, Matt Strader

Attending Guests: None

The work session meeting of May 20, 2009 began at 6:08 pm.

Business Update

Rena Jordan reported that the District is pursuing the warranty claim on Fieldhouse turf replacement with ProGrass. Legal Counsel on retainer with the District attended the mandatory pre-bid meeting for the project. The ProGrass representative was informed that the District will pursue the claim concurrently with the bid process. All vendors were made aware that a warranty claim is being pursued as well.

Rena Jordan provided a Board handout to preface the final presentation of the District's 2008 independent audit to be presented by CPA Greg Ogden at the June 3rd Board meeting. Jordan pointed out the negative net assets for year end 2008 which reflects the District's donation of \$10 million of open space to the County. The negative number is a result of issuing debt with no asset to show for it.

Jordan expects the District's Bond rating will be affected negatively. If the Board wanted to go for out for a bond next year, the financial position of the District at year end 2008 is significantly different when compared to the District's 2007 financials due to the open space transaction. At year end 2007, total net assets were \$15 million. By comparison at year end 2008, total net assets are \$7.7 million with \$23 million in debt. Board discussion followed on the District's role as a pass through entity to fund open space. Park has prepared a detailed footnote for the audit.

Jordan briefed the Board on the denial of the leasing company to sign the lease agreement for Fieldhouse weight equipment due to the swing in the District financials. She said if the Board chooses to consider future transactions of this type the District will need to hold title. Discussion followed on the financial exposure related to maintaining open space property. Jordan explained it is the same scenario for improvements made to

other properties, including school district athletic facilities and the Park City ice arena. The cost in investment of those decisions do not end up on the District's balance sheet as an asset.

Recreation Department Update

Brian Hanton summarized efforts being made to increase camp registrations. Jordan said she and the recreation team will review enrollment weekly. They will cancel those camps that are not viable due to low enrollment and add additional sessions of those camps with wait lists.

Jordan provided copies of a power point presentation prepared by Park in 2003, at which time the District was engaged in a lengthy process defending the public purpose of Fieldhouse improvements, particularly the programming of the "loft area" which eventually became the weight room. She suggested the Board revisit the intended uses of the Fieldhouse as a facility that would provide affordable fitness opportunities for all income levels. Jordan said is trying to understand what is legally or politically permissible because commitments of the past continue to be raised, when looking toward future strategic planning. With the recreation team she will continue to drive the District to make the best use of the assets the District has. She believes there are many opportunities as to how the Fieldhouse can be more fully utilized during slower times. Referring back to the 2002 Needs Assessment, she believes the District could better serve constituents. The present strategy discussion addresses what else the District can provide using District facilities, such as spin and fitness classes at an affordable cost. This could be in collaboration with private fitness trainers, or provided by employees or contractors of the District. Scott McClelland posed a rhetorical question as to whether the District should be in the business of allowing private parties to utilize the Fieldhouse for their private business. The recreation team has proposed introducing some of these fitness class opportunities during the slow summer period when Fieldhouse use is down. Jordan said she and Matt Strader have been working on ways to add classes at an affordable rate. They have discussed a collaborative effort with the entrepreneur of Bootcamp. Jordan provided an estimate of net operating income to a private provider for their business, and included a scenario of what it would cost a patron per class. Jordan cautioned the Board against creating a feeling of entitlement with an entrepreneur running a class where affordability for District patrons should be considered. Jordan said the proposed staff objective is to cover the cost of the class. Strader believes District classes will not compete with Bootcamp, they are intended to accommodate beginner level fitness including core, stretching and cardio. Jordan requested that the Board give direction as to whether they oppose staff pursuing District run programs. Strader and Hanton agreed there are patrons who would attend fitness classes if offered. Board members expressed general consensus to try offering the District-run programs.

Splash Pad

Jordan reported that the county attorney's office is reviewing the District's request to use RAP tax grant funds for the splash pad at the Fieldhouse location, rather than Trailside Park. Park said the Summit County staff planner on the Newpark project has outlined the approval process, which will include the Newpark design review committee, planning commission and county commission. A parking study will also need to be done.

Future Board Strategy

Jordan requested the Board provide feedback on any other matters they would like staff to work on from a strategic planning standpoint. Perry said without a Bond in the foreseeable future, options for a large capital project are limited. Jordan said guidance from financial advisor Brian Baker would be helpful, but she does not believe a bond in the next two to three years is unrealistic. She added in the next few years the bond market is a safer investment. Discussion followed as to whether the Board would like to pursue a smaller Fieldhouse expansion project without a bond. The expansion would need to reflect a design strategy that would not require demolition with a larger phase II plan. It was also suggested the District revisit with the Summit County Council the District's role with respect to future open space bonding.

With respect to recreation program offerings, an emphasis on providing programs for underserved populations was recommended. Discussion followed on the District scholarship program and its criteria.

Jordan summarized the need for the District to create a positive platform for a future bond so that patrons will support it. She also emphasized the need for the District to utilize the assets it has without affecting current tax rates.

Board members were reminded of the Memorial Day fun run at Willow Creek Park and National Trails Day on June 6th. Jordan also reported on guided trail hikes currently being offered which are free to the public.

Bonnie Park read aloud from email correspondence she received on her Blackberry between Assistant County manager Anita Lewis and RAP committee chair, Tim Douglas sent this evening. Douglas suggested the District submit a document explaining why the splash pad move to the Fieldhouse is proposed. He will circulate that information to the RAP committee for their consideration. He indicated he is in support of the site due to the cost savings. Jordan said staff will follow-up with the requested information. In addition she wants to determine the cost associated with architectural fees for the splash pad project.

Jordan said third quarter work sessions will address activity in the Trails Department.

The work session concluded at 8:04 pm

Minutes prepared by Bonnie Park

Clerk/Board Member Approval:

