



Snyderville Basin Special Recreation District
Board Meeting Minutes
Wednesday, June 16, 2010
Schefter Conference Room - Trailside Park
5715 Trailside Drive
Park City, Utah

Board Members in Attendance: Tracey Douthett, Scott McClelland, Ron Perry, Scott Siemon, Kevin Simon, Marilyn Stinson.

Absent: Jay Burke

Staff/Employees Present: Rena Jordan, Bonnie Park, Maikella Parker, Senta Beyer, Bruce Dickens, Brian Hanton, Matt Strader

Attending Guests: None

The meeting of June 16, 2010 was called to order by Chair Perry at 6:06 pm.

PUBLIC INPUT

There was no public input at this point in the meeting.

2009 INDEPENDENT AUDIT REPORT: GREG OGDEN, CPA

Greg Ogden distributed copies of the Independent Audit for year ending December 31, 2009.

Ogden said there was only one finding in the Management letter due to the fact that he helped draft the financial statements, which is not uncommon with other governmental entities he works with. Ogden directed Board members to page 1 of the financial statements, defining his responsibility to perform and express an opinion on the audit, and the District's responsibility for the accuracy and completeness of the financial statements. He said the Management Discussion and Analysis has informative information for the Board to review. On page 9 of the audit, he noted the significance of revenues attributed to property taxes. These taxes make up 79% of the District revenues. In total, cost recovery based on charges for services is 13%. On page 13, economic factors are described which includes helpful information specific to the local economy which would be of interest to those wishing to invest in the area. On page 16, the first two schedules are presented on true accrual basis of accounting like most businesses would present. He noted one important difference from 2008 to 2009 is that District capital assets, after debt, is a positive number. In 2008 it was a negative number due to the issuance of \$10 million in open space bonds without holding the acquired land as an asset. Unrestricted general revenues total \$4.5 million which represent a change in net assets of positive \$995,919 in 2009. On page 17, a summary by department depicts expenses, revenues, and the need for property taxes to support services provided by the District. Overall, Ogden said the District is in good financial shape. He

cautioned the Board on how the proposed 2010 open space bond is to be managed with respect to its impact on District financial statements.

MOTION: To accept the 2009 Annual Independent Audit as presented by CPA Greg Ogden. [McClelland/Douthett] All in favor: Tracey Douthett, Scott McClelland, Ron Perry, Scott Siemon, Kevin Simon, Marilyn Stinson. None opposed. Absent: Jay Burke. Motion carries.

Ron Perry commented on the excellent job that Ogden does in preparing and presenting the audit.

Because the meeting was ahead of schedule this time, the agenda was rearranged.

RATIFICATION OF WILLOW DRAW CONNECTOR TRAIL RECLASSIFICATION NOTICE

Bonnie Park provided a brief history on the Canyons Amended and Restated Development Agreement approved in March, 2009. As a part of that agreement, the District reserved the right to reclassify the Willow Draw Connector trail from a Class A "community" trail to a Class B trail. The trail will no longer be a public trail to be owned, operated and maintained by the District, rather it will be a trail that is open to the public, but managed and maintained by the RVMA. The reasoning, as discussed in former Board meetings, is that the trail design was intended to be a 4' wide backcountry trail between the Millennium Trail and Mid-Mountain trail. As proposed, it will be a trail in conflict with ski runs, service roads and the Canyon golf course, and does not meet the original design intent. On May 27th, a draft of the reclassification notice was complete and Board Chair Ron Perry signed the notice and Clerk Kevin Simon attested. The notice will be held in escrow and recorded at the time the East and West Willow Draw plats are recorded.

MOTION: To authorize and ratify the execution of the Willow Draw Connector Trail Reclassification Notice. [McClelland/Stinson] All in favor: Tracey Douthett, Scott McClelland, Ron Perry, Scott Siemon, Kevin Simon, Marilyn Stinson. None opposed. Absent: Jay Burke. Motion carries.

SERVICE PROVIDER/PLANNING UPDATE

Bonnie Park reported Jeremy HOA Grant of Easement for dedication of trails is complete and will be recorded.

District staff submitted an application for a Development Code Amendment to define trailheads. Currently there is no provision for trailheads in the Code. The issue was raised due to a complaint from a property owner adjacent to the Summit Park trailhead. The item was discussed at the Planning Commission meeting on June 8th. The item was continued to a future meeting when the District will present the need for trailheads, how they function and the support they provide to the trail system. At this point in time it looks like the planning approval process may fall under a Conditional Use Permit, rather than a low impact permit.

Next week's service provider meeting will review a 36-unit condo plat in Promontory, as well as the workforce housing in the Boyer project at Kimball Jct.

APPROVAL OF MINUTES 5/12/10

Chair Perry called for comments or questions and a motion to approve the minutes of May 12, 2010.

MOTION: To approve the minutes of May 12, 2010, as written. [Siemon/Douthett] All in favor: Tracey Douthett, Scott McClelland, Ron Perry, Scott Siemon, Kevin Simon, Marilyn Stinson. Opposed: None. Absent: Jay Burke. Motion carries.

APPROVAL OF INVOICES

Board members received payables to review in their Board packets.

MOTION: To approve the payables dated May 8 – June 7, 2010 in the amount of \$320,835.64. [Douthett/Stinson] All in favor: Tracey Douthett, Scott McClelland, Ron Perry, Scott Siemon, Kevin Simon, Marilyn Stinson. Opposed: None. Absent: Jay Burke. Motion carries.

CONSIDERATION OF BID AWARD FOR FIELDHOUSE CARDIO EQUIPMENT

Board members received a staff memo in their Board packet (attached). Matt Strader explained the three-year Fieldhouse cardio equipment lease is due to expire July 1st and briefed the Board on some pieces under the lease that will be purchased out of the O&M Budget. Strader reviewed the bid process for new equipment and summarized the selection committee recommendation to award the bid to Fitco. If the Board approves the recommendation, the target installation date is Friday, July 9th. Following discussion, Chair Perry called for a motion.

MOTION: To award the Basin Recreation Cardio Fitness Equipment Bid to Fitco, in the amount of \$68,500, based on equipment quality, pricing and customer service. [McClelland/Simon] All in favor: Tracey Douthett, Scott McClelland, Ron Perry, Scott Siemon, Kevin Simon, Marilyn Stinson. Opposed: None. Absent: Jay Burke. Motion carries.

CONSIDERATION AND ADOPTION OF RESOLUTION ENTERING INTO EQUIPMENT LEASE

Following the bid award on the fitness equipment, discussion continued on equipment financing, also detailed in the staff report. The District will enter into a lease agreement with Zions Bank, at a rate of 3.35%. Following brief discussion, the Board took action on the proposed resolution.

MOTION: To adopt Resolution 2010-2 approving the Lease Purchase Agreement and form of the Equipment Lease Agreement by and between Zions First National Bank, Salt Lake City, Utah and the Snyderville Basin Special Recreation District. Finding that it is in the best interest of Snyderville Basin Special Recreation District to enter into said Agreement, and authorizing the execution and delivery thereof. [Douthett/Stinson] All in favor: Tracey Douthett, Ron Perry, Scott Siemon, Kevin Simon, Marilyn Stinson. Scott McClelland recused himself due to his employment with Zions Bank. Opposed: None. Absent: Jay Burke. Motion carries.

CONSIDERATION AND ADOPTION OF RESOLUTION FOR BOND ELECTION

As a member of the BOSAC committee, Board member Scott McClelland reviewed the proposed bond amount and its uses. The District has identified \$8 million in trails projects; BOSAC had proposed \$15 million for open space, but was encouraged by the County Council in work session to consider \$17 million for a total bond amount of \$25 million. Based on the average home value in the Basin, the tax impact is \$99 per year on a home of \$651,750. Financial Advisor, Brian Baker, explained the impact of the Truth in Bonding Act which requires local government to use the average home value, and identify the tax impact, in the ballot language. McClelland reflected

on the threshold of willingness to pay for a recreation bond in a former District needs assessment. Jordan said some discussion about being flexible with the \$8 million trails portion took place with the County Council if the need for additional open space funding was identified. Based on past experience of the District it is important to be clear on the expenditure plan and it is her recommendation to keep funding for the trails portion of the bond intact. Baker provided examples of other entities whereby the voters have the information to vote up or down on specific projects. Prior acquisitions by BOSAC will improve voter confidence and trust and should be used as examples of the types of properties to be purchased. Park observed that the \$10 million open space bond allowed for trails and trail related improvements, but the entire bond was used for open space land acquisition. That thought should factor into the District's position on the \$8 million trails allocation. Jordan emphasized the need for the recreational component which led to further Board discussion on the need for public trail access on open space parcels. The trails component brings recreational activity to open space areas.

Ron Perry stated his opinion that the District is at risk of losing a future election for Fieldhouse expansion and he is not supportive of the proposed bond. He believes the timing is wrong and questioned if the District should wait and conduct another needs assessment before doing anything. Kevin Simon was interested in the voter threshold of willingness to pay, and questioned if the amount should be given further thought. Scott McClelland said he is compelled to support the bond based on the properties that are being discussed by BOSAC, but also expressed concern if the bond amount is too high then the risk of losing it all is a possibility. He is comfortably in support of the \$23 million amount.

Park read from the District's 2007 Needs Assessment which clearly reflects constituent support for open space and trails. With respect to threshold of willingness to pay, in 2007 58% were willing to pay \$75 per year; in April, 2008, 56% were willing to pay \$75 per year, but she noted that this threshold was for a Fieldhouse expansion. Open space and trails are attractive to a broader constituent base. Jordan provided informal survey results from the 2010 Community Open Houses which also validate current support for open space and trails. She noted that recreational use of trails is inexpensive for participants. Trails are free and are now used on a year round basis.

Stinson said mobilization of outside support organizations such as Mountain Trails will be needed to help spread the word with clear and honest information about this bond. As a resident of the District, \$99 is an amount her household could support. Kevin Simon anticipates those who would vote against the bond would be those that are fiscally conservative, or are in financial straights. He is cautiously in support of the proposed \$25 million and its related tax impact. Scott Siemon says he is fundamentally in support of programs and recreational opportunities of the District, but shares the concerns of Ron Perry. He would be more supportive of a lesser bond amount. His perception is that constituents are happy with the trails system, but that the Fieldhouse has reached a critical mass. Expansion of that facility is at risk of delay due to the large amount of this bond. Tracey Douthett expressed her support for both the open space and trails portion. As a BOSAC member, she supports the properties that have been discussed, and also recognizes the need for completion of trails projects, such as Highland Drive.

MOTION: To adopt Resolution #2010-03 requesting the County Council of Summit County, Utah, to call a special bond election to be held on November 2, 2010, for the purpose of submitting to the qualified electors of the Snyderville Basin Special Recreation District, Summit County, Utah, the question of the issuance of not to exceed \$25,000,000 general obligation bonds

of the District for the purposes of acquiring recreational open space property, constructing trails and trail-related improvements, and paying the costs and expenses, and the levy of a tax to retire said bonds, and related matters. [McClelland/Stinson] All in favor: Tracey Douthett, Scott McClelland, Kevin Simon, Marilyn Stinson. Opposed: Ron Perry, Scott Siemon. Absent: Jay Burke. Motion carries.

Ron Perry requested that his reasons for voting against the resolution, as stated previously, be noted for the record.

CONSIDERATION AND APPROVAL OF RECREATION DEPARTMENT TRAVEL REQUEST TO ATTEND INTERNATIONAL YOUTH SPORTS CONFERENCE

Board members received a travel request from Brian Hanton in their Board packet. Hanton stated this conference and congress will re-certify his Youth Sports Administrator certification. Scott McClelland verified that funds have been budgeted for this use. Following brief discussion, Chair Perry called for a motion.

MOTION: To approve the travel request for Brian Hanton to attend the International Youth Sports Congress in the amount of \$1,318.99. [McClelland/Simon] All in favor: Tracey Douthett, Scott McClelland, Ron Perry, Scott Siemon, Kevin Simon, Marilyn Stinson. Opposed: None. Absent: Jay Burke. Motion carries.

CONSIDERATION AND APPROVAL OF RECREATION DEPARTMENT TRAVEL REQUEST TO ATTEND ATHLETIC BUSINESS CONFERENCE

Board members received a travel request from Matt Strader in their Board packet. Chair Perry called for a motion.

MOTION: To approve the travel request for Matt Strader to attend the Athletic Business Conference in the amount of \$1,318.99. [Douthett/Stinson] All in favor: Tracey Douthett, Scott McClelland, Ron Perry, Scott Siemon, Kevin Simon, Marilyn Stinson. Opposed: None. Absent: Jay Burke. Motion carries.

CONSIDERATION AND APPROVAL OF TRAILSIDE SHADE SHELTER BID AWARD

Board members received a staff memo in their Board packet. Bruce Dickens provided background on the bid process, with a recommendation to award the bid provided the Board is in agreement with a capital budget amendment.

MOTION: To rescind the motion of May 12, 2010 providing an allocation of \$15,000 for the Trailside shade structure to supplement a \$25,000 RAP grant award, and to authorize an expenditure not to exceed \$27,000 to be presented and approved as a 2010 capital budget amendment. [McClelland/Douthett] All in favor: Tracey Douthett, Scott McClelland, Ron Perry, Scott Siemon, Kevin Simon, Marilyn Stinson. Opposed: None. Absent: Jay Burke. Motion carries.

Chair Perry called for a motion to approve the bid.

MOTION: To approve and award the bid for the construction of the Trailside Park Shade Shelter, a "Classic Recreation Charleston Shade Pavilion," to North Ridge Construction in the amount of \$46,200.00, as the lowest responsive and responsible bidder. [Simon/Siemon] All in

favor: Tracey Douthett, Scott McClelland, Ron Perry, Scott Siemon, Kevin Simon, Marilyn Stinson. Opposed: None. Absent: Jay Burke. Motion carries.

DIRECTOR QUESTIONS/COMMENTS

Rena Jordan reported on the current status of the Fieldhouse splashpad. Jordan said the opening date is yet to be determined, as it is contingent on final signoffs and testing. Boulders have been utilized to avoid the expense of forming concrete stairs due to grade changes. A landscape architect was hired to prepare a plan for Newpark and County approval, but the installation has been largely a design build project. Concrete will be placed in the crevices between the rocks. Boulders were hand picked and provide for seating areas. She commended Michael Everett of the trails team for his talent in placing the rock. Jordan reported the District will be under the budgeted amount by \$23,000 due to the deployment of the District team. She said the boulders provide a barrier to the parking lots. Children climbing on rocks will need to be managed. Dickens said the heater and filtration systems have been installed as requested by the Board. A grand opening will be promoted in conjunction with the kids' carnival on July 17th.

Jordan reported on restaurant tax grants that have been awarded, including \$6,000 for infield sand at Ecker Hill; \$30,000 for multiuse trails in the UOP; \$54,000 for the connector trail from Silver Star to Pinecone Ridge/Crest trail; \$26,925 for Fieldhouse flooring.

The Skatepark contractor has committed to a completion date mid to late July, which is later than anticipated. Part of the delay was based on the timing of the notice to proceed for the expanded park, which was made possible following a RAP grant award. Jordan and McClelland met with representatives of Skullcandy to partner with the District in some fashion. Skullcandy will bring back a partnership proposal request for consideration of the District.

A playground at Ecker Hill will be installed by the Park City School District on the south side of the Aquatic Center.

Jordan reported on the proposal put forth by trails planners and the UOP for Nordic trails on the Kimball Junction open space, which include a 5k and 3k loop. She described other uses that are being planned on the parcel purchased from Boyer Development; trails impact a very small portion of the entire parcel. Beyer said the proposed trails will be an excellent beginner mountain bike opportunity in the summer months. Current projects underway at the UOP will help to save money on Nordic trail improvements by utilizing equipment and manpower already on site; Jordan expressed the urgency for approval. A detailed MOU will be needed between the District and the UOP to identify the vested interests in winter grooming. Jordan added part of the bond strategy will be to present how open space parcels like this are used for recreation. The non-motorized transportation improvements on the parcel will also be funded by the trails portion of the bond. Park explained that county planning is preparing a master plan on the property to identify roads, a church parcel, and a cemetery parcel, among other uses.

Jordan informed the Board she would like to pay a bonus to key staff members who exceeded their job description duties in completing the splash pad rock work. Scott McClelland expressed some concern due to the message it sends to taxpayers, but acknowledged this is a decision delegated to the Director. The Board concurred.

BOARD MEMBER QUESTIONS/COMMENTS

At 9:31 pm Chair Perry called for a motion to adjourn the public meeting and requested a motion to enter into executive session for the purpose of discussing a potential District liability incident at Willow Creek Park.

MOTION: To close the public portion of the meeting and enter into executive session for the purpose of discussing a District liability incident. [McClelland/Douthett] All in favor: Tracey Douthett, Scott McClelland, Ron Perry, Scott Siemon, Kevin Simon, Marilyn Stinson. Opposed: None. Absent: Jay Burke. None Motion carries.

MOTION: To close the executive session and adjourn the meeting of June 16, 2010. [McClelland/Douthett] All in favor: Tracey Douthett, Scott McClelland, Ron Perry, Scott Siemon, Kevin Simon, Marilyn Stinson. Opposed: None. Absent: Jay Burke. None Motion carries.

The meeting adjourned at 9:42 pm.

MOTIONS

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Minutes prepared by Bonnie Park

Clerk/Board Member Approval:

