

1 **South Davis Recreation District**
2 **Administrative Control Board Meeting**

3 August 9, 2022, at 8:00 a.m.
4

5 Board Members present in person:

6 Todd Meyers, County Representative
7 Mayor Brian Horrocks, North Salt Lake
8 Councilmember Spencer Summerhays, Centerville City
9 Marti Money, County Representative
10 Rick Earnshaw, County Representative
11 Mayor Ken Romney, West Bountiful
12 Mayor Ryan Westergard, Woods Cross
13 Councilmember Kate Bradshaw, Bountiful City
14

15 Staff in attendance:

16 Tif Miller (Executive Director), Scott McDonald (Aquatic & Fitness Director), Mary Gadd
17 (Office Manager), Tom Lund (Maintenance Supervisor), Kaylie Glissmeyer (Customer Service
18 Manager), Chad Reimschuessel (SDRC Head Swim Coach), Wendy Jones (Fitness Coordinator),
19 Jayme Blakesley (District Attorney), Whitney Ward (VCBO Architecture), Tyson Beck (District
20 Clerk), Galen Rasmussen (District Treasurer), Jay Baughman (LYRB), Jason Burningham (LYRB),
21 Randy Larsen (Gilmore & Bell)
22

23 Other in attendance:

24 Ken Leetham (North Salt Lake City Manager), Cynthia Ong (Bountiful), Michael Glissmeyer
25 (Bountiful), Ron Mortensen (Bountiful), Alex Densley (Bountiful), Kathleen Anderson (Bountiful),
26 Megan Wells (Centerville), Lyndie Wells (Centerville), John Norman (Bountiful), Alexa Lou Olson
27 (Centerville), Jessica Trauner (Farmington), Mindy Hopfenbeck (Centerville), Stacy Edholm
28 (Farmington), Richard Higginson (Bountiful), Blanca Snow (Bountiful), Gina Mitchell (North Salt
29 Lake), David Robbins (Bountiful), Gail Cheever (Bountiful), Bryce King (Layton), Christi Majors
30 (Centerville), Melanie Mortensen (Bountiful), Jennifer Nielsen (West Bountiful), James Keddington
31 (Bountiful), Derek Nelson (Bountiful), Rusty Cannon (Farmington), Karen Lindsay (Bountiful), Torri
32 Smith (West Bountiful), Kara Hale (Centerville), Lizie Allen (Salt Lake City), Kendalynn Harris
33 (Bountiful City Mayor)
34

35 **WELCOME**

36
37 Chairman Meyers opened the meeting at 8:01 a.m.
38

39 **CITIZEN MATTERS**

40
41 In addition to the public comments provided in the packet, Chairman Meyers opened public
42 comments and asked that they be kept to a maximum of two minutes.
43

44 Blanca Snow commented that she has been asking for years for better accessibility for those
45 with disabilities that would allow for entry closer to the pool, a bathroom on the second floor, and
46 changing the handicap parking layout.
47

48 Kathleen Anderson commented that she is in support of the master plan that has been defined.
49 She recognizes that the Board must do the research and make decisions in advocating this plan to the
50 community. She stated that people will have concerns with taxes and another thing being added to the
51 ballot but believes the community will support the master plan. She believes the Recreation Center is
52 good for all ages in improving physical and mental health.
53

54 Rusty Cannon urged the Board to vote against any proposal until the budget deficit has been
55 righted and find funding for any ongoing deficit. He added that the operational costs of any new
56 facility be reviewed to reduce the burden to the taxpayer.
57

58 Alexa Olson commented that she supports the taxes she'll pay if it means the kids have a
59 place to go swim and while the District may be operating lower because of covid, that the way to
60 build it back up is by growing programs.
61

62 Karen Lindsay commented that she has been involved with the Recreation Center for many
63 years and the current facility is not meeting the needs. The needs are a restroom on the second and
64 third floor, additional lap lanes and pool space, and increased handicap accessibility into the deep
65 water.
66

67 Jen Nielsen commented that she has never bought a membership because it is useless when
68 the only outdoor pool is for ages 3 and younger. As the parent of swim team children, it was a long
69 tenure being here at the facility with her kids swimming on top of each other because the pool is just
70 not big enough.
71

72 Megan Wells urged the Board to vote yes and allow it to go onto the ballot in November. She
73 agrees to there should be increased accessibility and asked the Board to take note of the support that
74 has shown up for the bond. She commented that voting yes supports many different community
75 members and addresses many different issues.
76

77 Alex Densley commented that after passing an 18 million bond in 2005, the District ran 2.7
78 million over budget and cuts were made. He commented that a second ice rink for hockey was one of
79 those cuts and that the current bond comes with no guarantees for the land. He continued that the
80 bond language automatically assumes that the District has the land in place already. He urged the
81 Board to vote against the bond.
82

83 James Keddington addressed that of the things he has heard that go against the bond is that the
84 community needs more green space, that the High School should pay for it and those who don't use it
85 don't want to pay for it. He said the space should be useable space and a place that people can come
86 and be healthy. He commented that he has seen some programs decline because there is no room and
87 that the District should increase the capability to serve the community because it serves the wellness
88 of all.
89

90 Jessica Tanner commented that she coaches Viewmont High School and Layton Swim Team
91 and has seen the impact swimming makes on the youth. She agreed that swimmers are packed in their
92 lanes and the current split of pool times is not a long-term solution. She added that Layton's team
93 would rent 50-meter lanes instead of traveling up to Logan.
94

95 Melanie Mortensen voiced support to see the bond be put onto the ballot. She commented that

96 money is spent on parks and trails to enrich the community and they do not generate revenue. She
97 commented that this is a space that if expanded would see additional revenue and increase programs.
98 She stated that the District has been operating with less subsidy and number of full-time employees
99 than other similar recreation centers.

100
101 Michael Glissmeyer commented that there are things the Recreation Center could do
102 differently in terms of management and programming to help bring the budget back in line. There is
103 no reason that initiatives to do that can't be done at the same time as the bond moves forward. He
104 agreed that the District doesn't have the land, but that is because the Bountiful City Council will not
105 address the issue until the bond is decided on.

106 107 **MEMBERSHIP REPORT DISCUSSION**

108
109 Mr. Miller reported that membership sales are still increasing but not at the number seen in
110 2019 and that could be from covid, inflation, and the cost of goods. Mary Gadd explained that
111 provided in the report are total membership sales, from January to July, of each year since 2017. Mr.
112 Miller added that from 2021 to 2022 there are an additional 1,100 membership sales and hopes that
113 trend continues going forward through the year.

114
115 Mr. Miller reported that staff continues to review ways to increase membership sales and
116 understands that sales are a large revenue source of the center. Scott McDonald added that
117 admissions are seeing an increase since users are not buying memberships and opting to pay the
118 admission rates. Mr. McDonald reported that past sales show when something new or exciting is
119 changed or added every couple of years that sales would show an increase in memberships. Mr.
120 McDonald stated the new toy in the leisure pool is helping increase sales but membership price
121 increases and another gym opening in the area could be hindering sales.

122 123 **VICE CHAIR REPORT**

124
125 Mr. Earnshaw reported that he has served in Wood Cross on the planning commission, on the
126 city council, and as the mayor and has been on this District Board for 9 years. He stated that the
127 previous 2 years have been the hardest in his years of community service with all the different issues.
128 Mr. Earnshaw said that during the closure of the center that staff was able to be retained and ensure
129 the future viability of the District and the programs offered.

130
131 Mr. Earnshaw said that the last Executive Director, John Miller, kept trying to look for
132 property for a satellite facility and field space. When Tif Miller was chosen as the new Executive
133 Director he tasked the Board to define the mission of the District and to develop a master plan and the
134 Board has done that. When the original concept of the District was proposed to each City Council it
135 was indicated, that in the future, the District would have to expand the proposed facility, as well as
136 into other cities of the District, in order to facilitate population growth and the expansion of
137 programs. Mr. Earnshaw commented that the Recreation Center aids in the quality of life and activity
138 level of the community and provides positive social interactions. There are liability issues that should
139 be addressed like overcrowding and providing proper locker room access and restroom facilities.

140
141 Mr. Earnshaw reviewed that the survey results from the master plan process showed that
142 residents recognize the overall value to the community that District amenities provide beyond their
143 household utilities and that 92% of residents report that the Recreation Center is an asset to the

144 community. When residents were asked the question of if they would support a tax increase to fund
145 future improvements to the District that 60% said yes, 25 % said they may or may not and 15% said
146 they would most likely not. Mr. Earnshaw reported that the District has made a considerable
147 investment in coming up with the master plan and was unanimously accepted by the Board in
148 December 2020. Implementation of the master plan was expected to occur in 2021 but was postponed
149 because of other tax initiatives and bonding that were on the ballot.
150

151 Mr. Earnshaw reported that bonding address capacity, the population growth, capturing new
152 events and income sources, and distribution of services in the District. Mr. Earnshaw agreed that
153 there are budget course corrections to be made and the bond addresses cash flow concerns, reserve
154 and replacement, levy options, reductions, fees, and outsourcing. Mr. Earnshaw added there is an
155 urgency as the bond proposal increased 7.2% in just one year. There was concern over the bond
156 rating due to the cash position of the District, but after speaking to Jason Burningham the rating is
157 expected to not be impacted as the rating is figured at the original levy allowance and no bond
158 payments have been missed.
159

160 Mr. Earnshaw asked the Board to implement and support the master plan after the thorough
161 process of producing the plan to meet the aggressive growth, going through robust public
162 engagement, the demonstrated need for improvements and additional facilities, and securing the
163 pledge of funding from the School District.
164

165 **MASTER PLAN REVIEW AND PROPOSED PROJECT PRESENTATION**

166

167 Mr. Miller reviewed the plans for the second facility and the proposed improvements at the
168 current facility:
169

- 170 • Communication with the public was received and surveys were conducted to discover the
171 wants and needs of the community
- 172 • The communities are growing and the District should grow to meet the demands and
173 every city will see the benefits
- 174 • Current facility improvements are the new entrance, changing the locker room layout,
175 expanding fitness space and daycare, and a teen oriented water attraction
- 176 • The second facility amenities include additional gym space, more pool space with an
177 indoor lap lane pool and a seasonal outdoor attraction, and some minor fitness space
- 178 • Possible land acquisition for play fields
179

180 Whitney Ward noted what comprises the \$46 million bond:
181

- 182 • \$21.6 million for current facility improvements
- 183 • \$26 million for the second facility located in North Salt Lake
- 184 • \$4 million for land acquisition for play fields
- 185 • Recognizes the \$6 million that Davis School District has pledged in funding
186

187 Councilmember Summerhays asked who worked on the operational costs that were proposed
188 for the second facility. Mrs. Ward replied that VCBO and District staff created it by using the current
189 facility operations and maintenance trends. Chairman Meyers asked what the subsidy is the District
190 would need for the current facility, the second facility, and the proposed play fields. Mrs. Ward

191 answered that the second facility is projected to have a \$417,000 subsidy and deferred to Tyson Beck
192 regarding the current facility. Mr. Miller added that he recommends that the current facility subsidy
193 be increased 50-100%, if not in one year, then over the course of several years, and that in the past
194 the delay of increasing the subsidy has affected the current budget concerns.
195

196 Councilmember Bradshaw asked Mr. Beck for his opinion on the proposed operational costs.
197 Mr. Beck stated that he hasn't analyzed these numbers to current facility numbers but a cursory
198 glance at the personnel costs that currently an FTE position is \$81,000 on average. Mr. Beck
199 expressed concern of getting the current facility and operations solvent and said that a 100% subsidy
200 increase would be needed for the current facility. Mr. Beck added the original subsidy levy could not
201 accommodate that 100% increase and the additional \$417,000 subsidy for the second facility.
202

203 **REVIEW WITH BOND COUNSEL AND BOND DISCUSSION**

204
205 Chairman Meyers asked what the Board is allowed to do in advocating the bond approval. Mr.
206 Blakesly stated that if the board passes the bond resolution today, that things will change with what
207 they can and cannot do. Restrictions like you cannot use District resources, such as email, computers,
208 phones, and facilities take effect. As individuals, using their own resources, the board can operate like
209 any other citizen, just be clear that you are doing such as an individual and not on behalf of the
210 District. The District will serve a roll putting together ballot information that would include For and
211 Against statements.
212

213 Councilmember Bradshaw asked for advice on navigating the hybrid make-up of the board,
214 since it includes mayors and councilmembers and using their city emails and resources. Mr. Blakesly
215 answered the statute uses the term "public resources" and not the entity, that the safest course of
216 action would be to avoid using those resources.
217

218 Mr. Earnshaw asked if after the current bond expires the approximately \$1.25 million annual
219 bond payment, would be money coming back into the District. Mr. Beck replied that is not correct as
220 the property tax levy would expire. Mr. Earnshaw asked if the public tax rate drops when the initial
221 bond expires, and Mr. Beck agreed so long as another bond is not issued.
222

223 **A RESOLUTION PROVIDING FOR A SPECIAL BOND ELECTION**

224
225 Mr. Burningham gave a brief review of the operations and maintenance component of the
226 bond levy. Mr. Burningham remarked that because the levy at .0002 has been voted upon and is
227 perpetual that bond rating agencies would look to that favorably. Councilmember Summerhays added
228 that is not known for certain until a bond passes. Randy Larsen addressed the concerns over the
229 language and reported that it is legislatively required to be written in that manner.
230

231 Mr. Earnshaw inquired if the bond resolution doesn't pass today, how that may affect the
232 ability to bond next year. Mr. Burningham answered that it is no different than postponing the vote in
233 2020. Councilmember Bradshaw asked what a timeline is for truth-in-taxation periods. Mr. Blakesley
234 said annually there is a deadline set by the legislature and then most entities hold their hearings in the
235 month of August. Mrs. Money commented that cash flow was on the high side for many years and
236 doing a truth-in-taxation hearing or additional levies was not necessary but was that a missed
237 opportunity. Mayor Romney said that he advocated for an increase in the levy for many years, but
238 that timing wasn't right, and eventually the decision to raise fees was made to try to close the gap in

239 operations and maintenance.

240

241 Mayor Horrocks commented that he at first wasn't in favor of giving the land in North Salt
242 Lake, but he has since reversed that view and is excited for this opportunity. He remarked that North
243 Salt Lake is committed to this project and the entire council is supportive.

244

245 Mayor Romney commented that the existing facility budget concerns can be corrected by the
246 board. The board is aware and has started processes to look at each program's efficiency, realizing
247 that recreation opportunities exist on a subsidy. He continued that the District has seen an increase in
248 demand on Jr. Jazz and has added recreation soccer and baseball programs. He added that he wants
249 the board to be united and would prefer to have a known location of the 50-meter pool before a bond.
250 He remarked that the support is there from North Salt Lake and Davis School District to take
251 advantage of.

252

253 Mayor Westergard commented that he looks at the financials and thinks it is not just covid
254 that has caused the dip into reserves. He doesn't believe the best solution is taxing the whole district
255 more and that the right level needs to be found in the appropriate amount of subsidy for everyone
256 versus the fees charged for program participation. He remarked that the District doesn't need to take
257 on every recreation program and that the community will find a way to run some of them on their
258 own. He would like more detailed solutions to correct the budget before going out to take on more
259 debt. He is supportive of what the District does, supportive of recreation, and the benefit it brings to
260 the community.

261

262 Councilmember Bradshaw commented that she knows firsthand how growing up playing
263 sports can be impactful. Since joining the board, she has spent time getting up to speed with the
264 master plan and the financials and has been surprised by the budget concerns. She suggested that
265 perhaps the District should create a sub-committee to oversee the budget, a sub-committee to
266 continue discussions with Bountiful City, and a sub-committee about field space opportunities or land
267 acquisition. She would advocate that the master plan had plenty of public input but that it happened
268 during the pandemic and that could have limited the feedback and public participation.

269

270 Chairman Meyers commented that Board Members have a responsibility to ensure the facility
271 is financially taken care of and is being maintained properly. He remarked that he can see a problem
272 in working towards correcting the budget concerns and looking to bond at the same time. He added
273 that he has spoke to each Board member, and all are positive about the growth of the District, he has
274 spoke to a County Commissioner and they are positive about the growth as well. He commented that
275 if the Board is not united in support of the bond that there is a good chance it would not pass. He
276 would like to see a checklist of things to be done over the next year, and if they can be accomplished
277 that the Board would be in favor of bonding.

278

279 Mr. Earnshaw commented that the previous Board worked hard and had sub-committees, they
280 went out for survey's, engaged with the public and got their feedback. He added that the master plan
281 has gone through a lot of scrutiny. He recalled how Bountiful leaders, back in 2004, pushed to get the
282 District formed because they understood that the expansion was needed. He added that bonding is
283 part of the budgeting process, and the budget concerns can be addressed over the next year, but the
284 time to bond is now and he would support the bond.

285

286 Mrs. Money commented that she is a proponent of expanding recreation at this facility and the

287 proposed North Salt Lake facility. She supports the idea of the sub-committees, has served on sub-
288 committees herself and should the bond be approved for the ballot, that they should be initiated
289 immediately. She said that the levy is not the only revenue source as memberships can still increase.
290 She remarked about the progress made from a year ago, with the pledge from the School District and
291 North Salt Lake, being extremely hard fought and significant.

292
293 Councilmember Summerhays stated his greatest concern with a bond is public transparency.
294 He stated that it doesn't seem fair to support a ballot initiative and then 8 months later hold a truth-in-
295 taxation hearing that he knows must happen just not to what extent. Councilmember Summerhays
296 agreed that bonding is a part of the budgeting process and that the Board can review the budget with
297 the goal of getting the bond to ballot.

298
299 Councilmember Summerhays made a motion to table a bond vote until the next year pending
300 the following:

- 301 1. Continue to implement financial and program reform efforts.
- 302 2. Complete a full budget for the facility and identify correct subsidy level.
- 303 3. Complete an update comprehensive pro forma operational budget as it relates to this
304 facility and the proposed new North Salt Lake facility.
- 305 4. Establish a land committee to make recommendations on 50-meter pool.
- 306 5. Finalize commitment with Davis School District and get District support on ongoing basis
307 for operations and maintenance.

308
309 Councilmember Bradshaw seconded the motion. Mrs. Money commented that the bond can
310 be moved forward and all the mentioned items can be worked on at the same time.

311
312 Chairman Meyers asked for a roll call vote from the Board. Board Members Westergard,
313 Bradshaw, Summerhays, Romney and Meyers voted "aye." Board Members Earnshaw, Horrocks and
314 Money voted "nay."

315 316 **EXECUTIVE DIRECTOR REPORT**

317
318 None.

319 320 **NEXT BOARD MEETING**

321
322 The next board meeting is August 22nd, 2022 at 3:00 p.m..

323 324 **OTHER MATTERS**

325
326 At 10:48 a.m., Councilmember Summerhays made a motion to adjourn. Mrs. Money
327 seconded the motion.