Board Members in Attendance: Nate Brown, Cathy Kahlow, David Kottler, Gary Resnick. Aaron Newman arrived at 6:16pm.

Absent: Ben Castro, Carrie Westberg

Staff Present: Stacy Carpenter, Director Brian Hanton, Brian Kadziel, Justine Kadziel, Ben Liegert, Matt Strader, Megan Suhadole

Attending Guests: Greg Ogden, Certified Public Accountant

CALL TO ORDER AND PUBLIC INPUT
The meeting of June 6, 2019 was called to order by Vice Chair Brown at 6:11pm.

There was no public input.

Vice Chair Brown closed public input at 6:12pm.

REVIEW AND APPROVAL OF 2018 ANNUAL FINANCIAL REPORT
Board members received the 2018 annual financial report in their Board packets prior to the meeting and received a hard copy during the meeting. Greg Ogden, the Certified Public Accountant who performed the audit, was at the meeting to present the findings.

Ogden reported that the District is in great shape financially. He applauded the District for being conscientious about how it addresses risks. There was no management letter, which is rare, and he applauds staff for that.

At this point, Ogden went through some of the notes within the financial statements.

Note 3-A is a breakdown of the District’s cash, which consists of $455 cash in hand, $159,286 cash in checking accounts, and then $31,451,642 in PTIF accounts.
Note 3-B is in regard to receivables. The District has two key receivables: property taxes to be collected within 60 days at the end of the year equaling $711,356 and $18,824 of receivables from other various sources by the end of the year.

Note 3-C shows the capital assets of the District, such as its parks, trails, buildings, etc. He highlighted that the District has $62 million in undepreciated assets.

Note 3-D shows the breakdown of the debt outstanding for the District. The ending balance of debt was $50,346,728. Ogden pointed out that the maturity dates are coming up quickly and the 2008 bond was paid off in 2018. The District is doing good job of paying off its debt.

Note 3-E shows the money transferred between the various funds. Ogden shared a significant change that affects local districts from the 2019 legislative session which allows the District to retain more in its General Fund balance. The maximum amount allowed is now the most recently adopted general fund budget, plus the current year’s property taxes.

Board member Newman arrived at 6:16pm.

Note 4-B provides general information about the District’s retirement plan with Utah Retirement Systems. Ogden felt that the most interesting number is $402,536, which recognizes the liability that the District has outstanding for employees that might be retiring in 10-30 years from now. This entry came into effect because it was recognized that a lot of governments were over promising and not setting aside enough money to cover those promised benefits. Actuaries were brought in to estimate what the liability would be down the road. He stated that projections are iffy, but this is a best guess.

Ogden said that the remaining notes deal with the District’s various interlocal agreements and its open space acquisitions.

Kahlow shared that she like the inclusion of the different District agreements and Ogden said that was all done by Suhadolc.


**CONSENT AGENDA**

1. REQUEST TO APPROVE MINUTES FROM 4/3/19 and 5/1/19
2. REQUEST TO APPROVE THE PRIOR MONTH’S EXPENDITURES
3. REQUEST TO APPROVE CONTRACT FOR BIKE PARK IMPROVEMENTS
   Staff Request: To approve and award the contract for the Trailside Bike Park upgrades to Jeff Riehl Construction for $39,050 and to allow the District Director to execute documents that pertain to that transaction.
Regarding the bike park contract, Kahlow asked if the company was already working on it. Liegert responded that the work being done up there is not for the bike park but rather for the Learn to Ride Loop, as well as work being done by the water company.


**DISCUSSION AND POSSIBLE APPROVAL OF JOINT USE AGREEMENT**

Board members received a staff report from Brian Kadziel in their Board packets prior to the meeting. Within the staff report, B. Kadziel provided relevant background of the Interlocal Agreement for Joint Use of Facilities for Recreation ("Joint Use Agreement") between Basin Recreation, Park City Municipal Corporation and the Park City School District. The purpose of the Joint Use Agreement was to maximize the school sites and the use of community recreation facilities for the benefit of the residents and taxpayers within all jurisdictions and to enable the parties to utilize a unified approach in providing recreational resources. The parties acknowledged that, over time, needs may change and agreed to negotiate in good faith to amend the Joint Use Agreement as necessary to accomplish its intent.

Over the past two years, the Regional Recreation Committee has met to discuss necessary amendments and B. Kadziel detailed those within the staff report. Additionally, County Attorney, David Thomas, reviewed all changes.

Newman applauded staff as he knows this has been a big project.

Resnick asked if staff had concerns or were particularly worried about the equities of the District. Kadziel responded that he felt good after meeting with the School District. Director Hanton added that staff would be cautious of putting District assets on school district property until its master planning process is complete.


**DISCUSSION AND POSSIBLE APPROVAL OF CONTRACT FOR CONSTRUCTION OF DISCOVERY TRAILHEAD**

Board members received a staff report from Brian Hanton, Ben Liegert and Melissa O’Brien in their Board packets prior to the meeting. Pursuant to a Memorandum of Understanding between Basin Recreation and Discovery Ridge, LLC ("Developer"), the Developer donated a one-acre parcel for the purpose of developing a trailhead, which may contain a parking lot, bike racks, bathroom and other amenities common to a trailhead. Staff issued a Request for Proposals seeking a firm to construct such trailhead consistent with the stamped plan set and technical
specifications prepared by Bowen Collins and Associates. Three firms submitted proposals. After receiving the Restaurant Tax Grant Committee’s recommended funding of $80,000 for this project, Acme Construction’s proposal, with the restroom, is attainable and is staff’s recommendation.

Kahlow shared that she was thrilled to find out there would be a restroom at the trailhead. Liegert said that he was also pleased that funding was awarded to the project from the Restaurant Tax Grant. He shared that there would be 28 parking stalls at the trailhead which should make the Summit Park residents happy.

Brown asked how this trailhead is accessed and Liegert responded that it will be right behind Weilenmann School. Staff was required to leave the large Ponderosa Pine tree that marks the location.

**MOTION:** To approve and award the contract for the Discovery Ridge Trailhead to Acme Construction and to allow the District Director to execute documents that pertain to that transaction. [Kahlow/Resnick] All in favor: Nate Brown, Cathy Kahlow, David Kottler, Aaron Newman, Gary Resnick. None Opposed. Absent: Ben Castro, Carrie Westberg. Motion carries.

**DISCUSSION AND POSSIBLE APPROVAL OF COURT RESURFACING CONTRACT AT WILLOW CREEK PARK**

Board members received a staff report from Brian Kadziel, Ben Liegert, and Melissa O’Brien in their Board packets prior to the meeting. Staff issued a Request for Proposals seeking a firm to resurface and line tennis and pickleball courts at Willow Creek Park. Three firms submitted proposals. $20,000 was allocated from the District’s Capital Replacement funds and an additional $40,000 was donated by a private entity to be put towards this project. Safe Play Pro was familiar to staff and has an excellent reputation in the community and is therefore staff’s recommendation. The remaining $3,000 will be paid for from the Capital Contingency.

Kadziel said there would be eight pickleball courts and two tennis courts and hopes it will be a good fix for both communities.

Newman asked for clarification about the additional funds of $40,000. Director Hanton shared that the donation received was for general District operations and not just for pickleball. He met with the trustee member to clarify.

Resnick asked if Director Hanton has considered doing a press release to explain the donation considering the sensitivity of the issue. Director Hanton said he has not but will proceed with a press release.

**MOTION:** To approve and award the contract for the Willow Creek Court Resurfacing Project to Safe Play Pro and to allow the District Director to execute documents that pertain to that transaction. [Kahlow/Newman] All in favor: Nate Brown, Cathy Kahlow, David Kottler, Aaron Newman, Gary Resnick. None Opposed. Absent: Ben Castro, Carrie Westberg. Motion carries.
DISCUSSION ON WHETHER TO PROCEED WITH TRUTH IN TAXATION

Board members received a staff report from Megan Suhadolc in their Board packets prior to the meeting. Suhadolc provided information regarding Truth in Taxation (TNT), including a history of the District’s property tax rates. The District’s property tax rate (not including debt service) has been declining since 2012 and is expected to drop again in 2019. Staff recommends proceeding with TNT this year to ensure levels of service are maintained for years to come for all aspects of District operations, primarily additional funding for operating expenses for the District’s open space acquisitions and additional funding for capital replacement. Suhadolc provided estimates from staff of future costs to maintain open space and to fund capital replacement. Should the Board support this recommendation, staff will perform a more in-depth analysis of the additional operational needs of the District and provide that explanation at the August Board meeting. At that time, the Board can still decide to halt the TNT process. Staff must have a final decision by the September Board meeting to ensure all the necessary requirements of the Utah State Tax Commission are completed in a timely manner.

Suhadolc said that the District is restricted to a maximum tax rate of .0006 for operations and maintenance. If the District goes through the TNT process and requests going to the maximum rate, this would generate a huge percentage increase that may be alarming to some people.

Kahlow asked how the Truth in Taxation process works. Suhadolc said that should the Board recommend going through the process, staff would have to present to the County. If the County approves it, it would be in conjunction with the District’s budget hearings. It would all take place between October and December of 2019 with the budget process.

Resnick complimented Suhadolc and asked if this is a cursory look and then should the Board approve, staff would present a more detailed look. Suhadolc said that was correct. Resnick made a suggestion to replace the words “wish list” with unfunded requirement. Resnick asked if the assumption is that this process would happen again in five years. Suhadolc replied that it was her feeling that when Silver Creek Village was approaching, staff would look at this process again. Suhadolc said that, when talking with the County and the State Tax Commission, they both recommend going through this process every 3-5 years. Resnick suggested trying to firm up the horizon.

Kottler asked about the timing relationship between this process and a potential bond. Suhadolc shared that she saw the TNT process helping with the District’s operations and maintenance costs. Kahlow felt that Board and staff will need to be strategic in how they talk about that because while bond money paid for open space, people forget that it costs money to manage it. Kottler didn’t know if there was a possibility of going for a bond before undergoing the TNT process.

Board asked staff to continue with their process and then felt this would be great for strategic discussion at the Board Retreat next month.

Suhadolc also mentioned that the 2019 proposed property tax rates were just made available. As expected, the District’s total rate will decrease from .000912 to .000801. Due to timing, the
Board will officially accept and recommend the debt service and operations and maintenance rates during the July Board meeting.

QUESTIONS ON DEPARTMENT UPDATES
Board members received Department updates from staff in their Board packets prior to the meeting.

Kahlow thanked Fieldhouse staff for working on the yoga room sound issues.

Resnick shared his enjoyment of the new glute machine purchase at The Fieldhouse.

Newman asked if there was lightning detection at the Trailside Bike Park. Liegert responded that there was not but he would look into it.

Brown asked about whether the District has to go through public notice regarding the fee increase that is taking place at The Fieldhouse. Strader said that it does not because the increased fees are still within the allowed ranges.

UPDATES FROM DISTRICT COMMITTEES
STANDING COMMITTEES:

District Director Liaison & Annual Review Committee (Chair Gary Resnick, Aaron Newman): Resnick shared that the committee met and reviewed the upcoming Board meeting and strategic plan milestones that were due in May. They talked about Director 2019 goals and the tracking of those. Resnick also shared that Suhadole had created a SurveyMonkey for the annual performance plan. He asked if Board members were comfortable in keeping with the rating of 1 through 5 in .5 increments. Suhadole said she would create a new SurveyMonkey account for Board members.

Personnel Committee (Chair David Kottler, Aaron Newman): Kottler said that they reviewed job descriptions but did not meet separately.

Audit Review Committee (Chair Ben Castro, all Board Members): did not meet.

Trails Committee (Chair Nate Brown, Cathy Kahlow): did not meet.

Open Space Committee (Chair Cathy Kahlow, David Kottler, Carrie Westberg): Kahlow said they are working on an open space plan book and hopes to be able to share at an upcoming Board meeting. She said this would be a great dynamic document for the District as it evolves on managing its open space. Kottler added that the document includes a nice inventory of the open space but the main thrust of the document deals with management.

AD HOC COMMITTEES:

Recreation Committee (Chair Nate Brown, Carrie Westberg): did not meet.

Capital Investment Committee (Chair Gary Resnick, David Kottler): did not meet.

BOSAC Committee (Cathy Kahlow): Kahlow shared that the committee looked at how the ratings of the properties came in and is going to re-rate them, as the rating criteria may need to change.
DIRECTOR COMMENTS

Director Hanton told the Board that he would be sending out a doodle request for a date selection of the Board retreat.

He commented that the Community Recreation Survey is complete, and that staff has been able to review some of the raw data from both the scientific survey and the open-ended survey. He was happy with the results, with just under 400 respondents from the scientific survey and over 1,000 from the open-ended survey. The plan is to have Y2 Analytics present to the Board at the Board retreat. Kottler asked if there were any notable findings that stood out compared to the previous surveys. Director Hanton mentioned the pickleball community being a louder voice. He shared that the Summit Park area seems to be looking for more amenities in that area. The want of a leisure pool is still prominent, and everyone continues to really love trails and open space.

Director Hanton made the Board aware that the Silver Creek Village contractors have been allowed some storage area on the property for their materials. This will limit the amount of truck traffic and help control the invasive species that could potentially come with the dirt. This storage spot would be near the water treatment plant, out of the view shed, in an area that will be minimally used when the District develops the park. Additionally, the contractors have allowed District staff to use materials when the park is being built. Kahlow asked why the contractors don’t have their own property to use. Newman commented that he was unaware of this and felt strongly that the contractors should be paying the District money to use the property for storage.

Director Hanton shared that there is an agreement, but Newman responded that he and fellow Board members have not seen that agreement. Newman has an issue that this agreement never went through the review process with the Board. Kahlow added that it would seem reasonable for the District to be compensated by the developer and that there is always the potential of them contaminating that space. Newman was frustrated that County Council met on the Board’s behalf and none of the Board members were made aware of that. Newman asked if there was the ability for further review or if this was a done deal. Director Hanton answered that County Council signed off on it but that staff has a 90-day notice to cease. Kottler suggested sending the agreement to the Board. Resnick asked who is responsible for monitoring the site and Director Hanton said District staff is. Resnick asked if it was put on the agenda by County Council or District staff. Director Hanton shared that it was his fault for not sharing with the Administrative Board. Kottler asked why it got approved by the County and Suhadolc responded that it is an easement. Suhadolc shared that the underlying easement had expired, and the amendment extended the term. Kottler asked if when this was presented to County Council, was it informed that the Administrative Board did not know about the easement renewal. Director Hanton said it was not aware.

Lastly, Director Hanton said he is meeting in Salt Lake City about the Triangle parcel and the floating 5 acres within that property.

BOARD MEMBER COMMENTS AND REVIEW OF ACTION ITEMS

Resnick spoke about OHSA and how he was happy that staff invited it out. When reading the report, he noticed there were a few serious hazards identified and he encourages the District to have these reviewed at the department head level. Some of the items identified could be generic...
to other departments such as the item about formal plans for hazard communication. He would encourage staff to use this as a learning opportunity. Strader shared that staff has already knocked off a few items from the list. Director Hanton added that staff has invited OSHA to the Trailside building, and it will be coming this month.

Brown has received compliments from Pinebrook residents about the reroute of the trail and the connection to Road to Arcylon.

Resnick added that the Run-A-Muk area is in great condition.

CLOSED SESSION: PERSONNEL

At 7:31 pm, staff was dismissed, and Vice Chair Brown called for a motion to enter into executive session to discuss personnel. Director Hanton was invited to stay for the discussion regarding personnel.

Vice Chair Brown signed a closed meeting affidavit for discussion of personnel.

Those in attendance were: Nate Brown, Cathy Kahlow, David Kottler, Aaron Newman, Gary Resnick, Brian Hanton.

MOTION: To enter into executive session for the purpose of discussing personnel.

At 8:06 pm, Vice Chair Brown called for a motion to close executive session for the purpose of discussing personnel and adjourn the meeting.

MOTION: To close the executive session for the purpose of discussing personnel.


MOTIONS:

MOTION: To approve the 2019 Interlocal Agreement for Joint Use of Facilities for Recreation.

MOTION: To approve and award the contract for the Discovery Ridge Trailhead to Acme Construction and to allow the District Director to execute documents that pertain to that transaction. [Kahlow/Resnick] All in favor: Nate Brown, Cathy Kahlow, David Kottler, Aaron Newman, Gary Resnick. None Opposed. Absent: Ben Castro, Carrie Westberg. Motion carries.

MOTION: To approve and award the contract for the Willow Creek Court Resurfacing Project to Safe Play Pro and to allow the District Director to execute documents that pertain to that transaction. [Kahlow/Newman] All in favor: Nate Brown, Cathy Kahlow, David Kottler, Aaron Newman, Gary Resnick. None Opposed. Absent: Ben Castro, Carrie Westberg. Motion carries.

Minutes prepared by Justine Kadziel

Clerk/Board Member Approval: [Signature]