

Memorandum

March 10, 2020

To: City Council

From: Dustin Fratto, Senior Management Analyst

Subject: Alta Canyon Special Service District (SSD), Board Authority

What authority does the Alta Canyon Administrative Special Service District (SSD) have?

Each SSD shall be governed by the legislative body of the municipality that creates the SSD, subject to any delegation of a right, power, or authority to an administrative control board (Those powers that have been delegated to the Board are highlighted in green).

Per Utah Code 17D-1 "Special Services District Act," the powers of an SSD are as follows:

1. Enter into a contract that the governing authority (City Council) considers desirable to carry out SSD's functions.
2. Acquire and construct facilities
3. Acquire real or personal property
4. Sell, convey, lease, exchange, transfer or otherwise dispose of the SSD's property or assets
5. Mortgage, pledge, or otherwise encumber the SSD's property or assets
6. Enter into a contract with respect to the use, operation, or maintenance of the SSD's property or assets
7. Accept a government grant or loan
8. Use an officer, employee, property, equipment, office, or facility creating City
9. Employ personnel
10. Designate an assessment area and levy an assessment
11. Contract with a public utility
12. Borrow money and incur indebtedness
13. Issue bonds for the purpose of acquiring, constructing, and equipping any of the facilities required for the services the SSD is authorized to provide
14. Impose fees or charges for services provided by the SSD
15. Provide service to an area outside of the SSD's boundary
16. Provide additional services that the governing body (City Council) determines will more effectively carry out the purpose of the SSD
17. Adopt an official seal

At any time, the legislative body (the City Council) that creates a SSD may delegate to the administrative control board (the Alta Canyon Board) the exercise of any right, power, or authority that the legislative body possesses with respect to the governance of the SSD. Except, the legislative body may not delegate the following powers (Utah Code 17D-1-301):

1. Annex an area into an existing SSD, or add a service within the area of an existing SSD
2. Designate the classes of SSD contracts
3. Levy a tax
4. Issue bonds payable from taxes
5. Hold an election for the authorization of a property tax or bond issuance
6. Levy an assessment
7. Issue interim bonds payable from an assessment
8. Appoint a board of equalization

In Sandy, the Council has delegated authority to the Alta Canyon Board by referencing specific sections of the Special Service District Act, found in State Code from 1981. These sections include 11-23-13, 11-23-15, 11-23-18, 11-23-19, and 11-23-20. While at the time, these references made sense, presently it makes it difficult to know exactly what authority the Council delegated to the Alta Canyon Board. As staff we visited the State Archives and worked with their staff to locate most of the antiquated sections (Section 11-23-15 was not located).

In conclusion, we have a partial picture of the full authority originally delegated by the City Council to the Alta Canyon Board. We can say with confidence, that the Board was granted the powers highlighted above in green. We can also say that there are certain powers that current law absolutely forbids the Council from delegating to the Board. Unfortunately, we can't know what powers were originally granted but have been lost in state code updates and changes over the past forty years.

Memorandum

March 10, 2020

To: City Council
From: Dustin Fratto, Senior Management Analyst
Subject: Alta Canyon Special Service District (SSD), Expansion and Bonding

Expanding a special service district

It is the sole authority of the legislative body (City Council) of the municipality that created the SSD to expand the boundaries of the district. The legislative body cannot delegate this authority (Utah Code 17D-1-301) to the administrative control board (Alta Canyon Board). Expansion of the district would follow the same process required to create a SSD. That is, the municipality must:

1. Initiate the creation/expansion of a SSD by resolution of the legislative body (City Council) by resolution. The only other way the process can be initiated is through a petition filed with the legislative body and signed by 10% of voters and/or property owners within the boundaries of the proposed district.
2. Be noticed, have a public hearing, and have a public protest period of 60 days following the public hearing.
3. Adopt an ordinance creating (expanding) the district and file it with the lieutenant governor's office for approval.

The municipality may:

4. Levy a property tax.
 - a. Cannot be done until approved by lieutenant governor's office and approval is filed with the County Recorder.
 - b. Each property tax levy is subject to the prior approval of a majority of the registered voters of the SSD during an election for that purpose.
 - c. Following the same process of issuing a bond, as described in the second to last paragraph in this memo, the Council must adopt a resolution at least 75 days prior to the election in which the property tax levy is being presented to the voters.
 - d. If the voters elect to do so, then the governing body may levy the property tax

Bonding

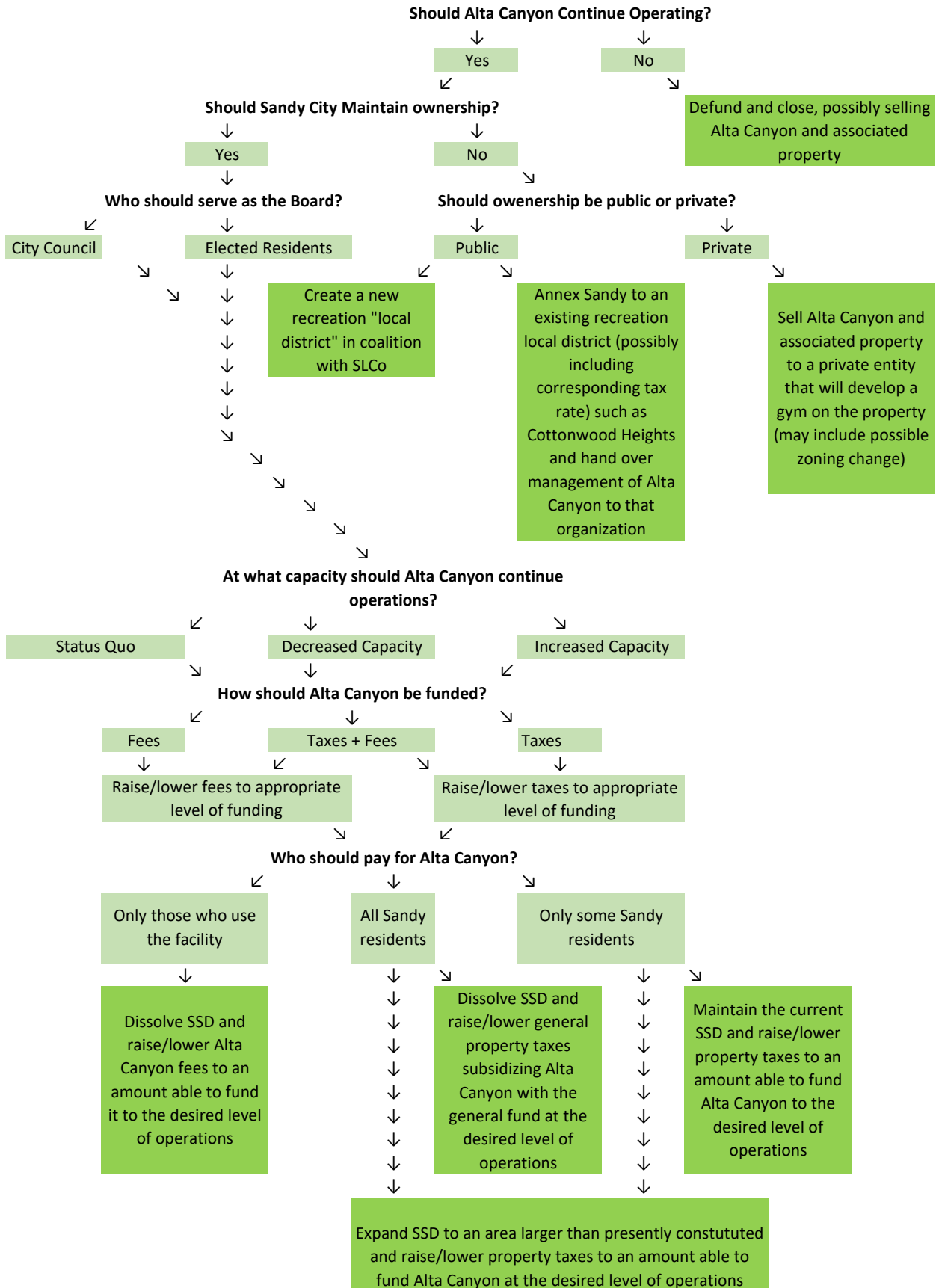
A SSD can issue general obligation bonds, revenue bonds, or guaranteed bonds. Prior to being issued general obligation bonds must be presented to and adopted by the

voters during an election. Revenue bonds may, but are not required to, be presented to the voters during an election. They can be adopted without voter approval. Guaranteed bonds must go through a more complicated process that includes the preparation of a report (including specs, costs, annual debt service, project completion date, etc.) that is submitted to the Governor's Office of Economic Development (GOED) for approval. If GOED approves the bonds, then they must be approved by voters during an election.

Should it be determined that issuance of a new bond for a SSD that requires a bond election is desirable, then the governing body shall, at least 75 days before the date of the election, approve a resolution submitting the question of the issuance of the bonds to the voters of the SSD. The bond election may be held on the same date as the regular general election, the municipal general election, or at a special election called specifically for the purpose of voting on the bond in question.

The governing body (City Council) is the only entity that can issue bonds payable from taxes (general obligation), including those for any SSD. However, the power to issue bonds not payable from taxes may be delegated to the administrative control board (Alta Canyon Board) by the governing body. In the case of the Alta Canyon Board this authority may or may not have been delegated to it by the City Council in 1981. Since we don't know if the authority was delegated to the board, I'd argue that we should act as if it wasn't.

Deciding the Future of Alta Canyon



Sandy City Council Discussion on Alta Canyon Sports Center

March 10, 2020



Overview of Alta Canyon Sports Center Neighborhood Meeting

January 28, 2019



Presentation Overview

- Welcome and Introductions
- Alta Canyon Special Service District History
- Overview/Objectives
- Public Discussion

Introductions

City Administration

- Mayor Kurt Bradburn
- Matthew Huish, CAO
- Evelyn Everton, Deputy Mayor
- Scott Earl, Parks & Recreation Director
- Dan Medina, Parks & Recreation Deputy Director
- Todd Asay, Assistant Director
- Jetta Valentine, Alta Canyon Center Manager

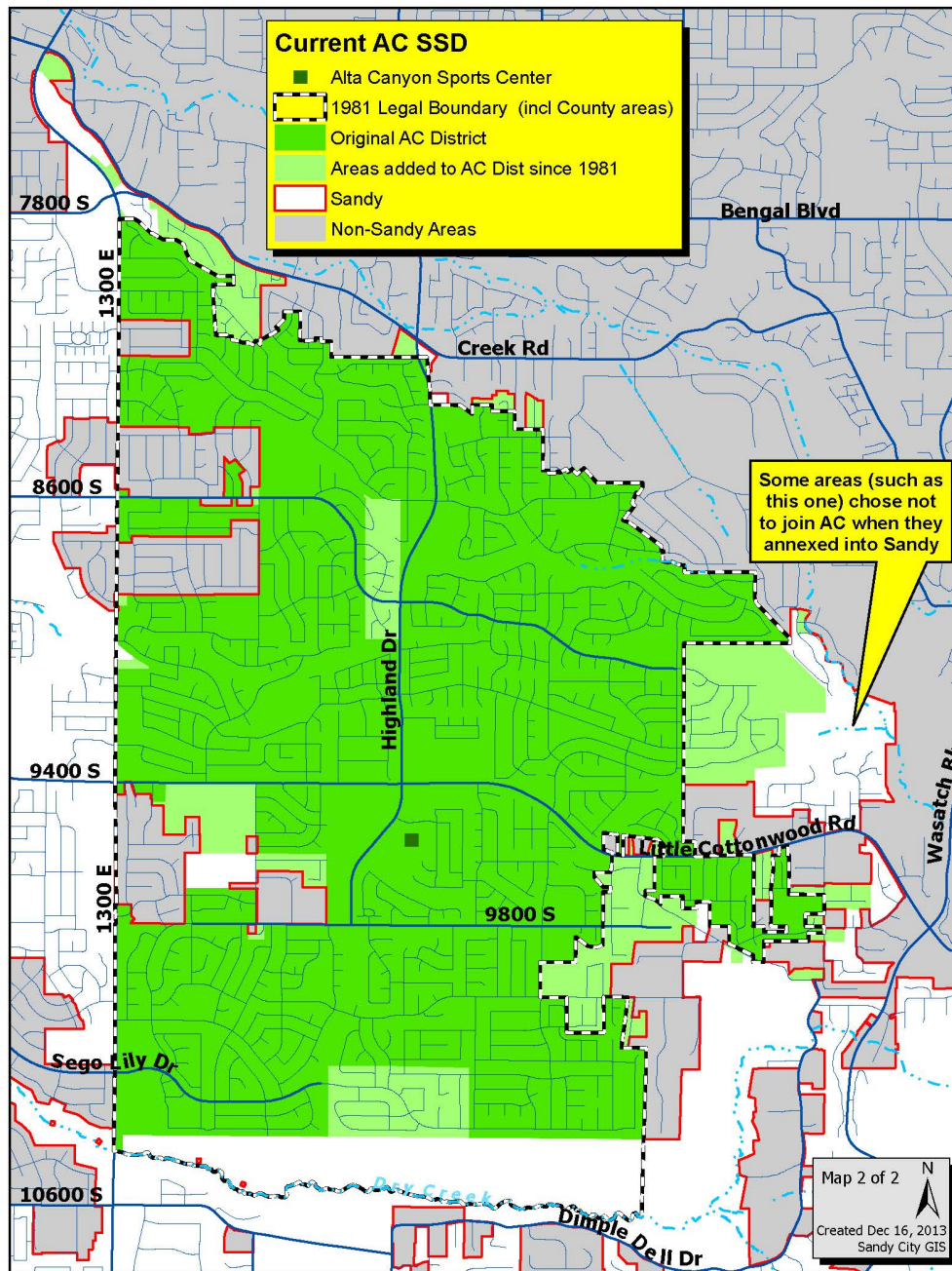
Alta Canyon Board Members

- Stephanie Juhl – Chair
- Monica Koronkowski – Vice Chair
- Shauna Rohbock
- Carol Lupus
- David Holdsworth
- Liz Kennington
- Glen Hoover

Special Service District Overview

A special service district may be created by a city or a county to provide any combination of the following services:

- Water
- Sewer
- Drainage
- Flood Control
- Garbage Collection and Disposal
- Health Care
- Transportation
- Recreation
- Fire Protection (includes emergency medical services, ambulance, search and rescue)
- Correctional and Rehabilitation Facilities
- Consolidated 911 and Emergency Dispatch
- Animal Shelter and Control
- Receipt of Federal Mineral Lease Funds to Mitigate Impacts from Mining
- Extended Police Protection (in counties of the first class)
- Control or Abatement of Earth Movement or Landslide



Alta Canyon Sports District History

- 1981 - Alta Canyon Sports District was formed
 - 7 member elected board formed
 - District bonded \$3,000,000 to construct:
 - Alta Canyon Sports Center
 - Alta Canyon, Willow Creek, Falcon & Buttercup Parks
 - District retained Ownership, Operations, & Maintenance of Alta Canyon Sports Center and Sandy City maintained the parks

District History Continued

- 2002
 - Inter-local agreement with Sandy City
 - District maintained financial responsibility and policy making ability
 - Sandy City manages operations
- 2005
 - Applied for Salt Lake County ZAP
- 2007
 - District voted to approve tax rate increase
- 2008
 - Center expansion planned, but put on hold due to economic recession
- 2015
 - Applied for Salt Lake County ZAP Tax funding to expand and remodel - denied funding

Proposed Improvement Plans 2015 Zap Application

Addition of 27,000 sq. ft.
to include:

- Indoor multipurpose gym
- Indoor elevated track
- Multi purpose room/aerobics
- Weight & cardio rooms
- Parking
- Storage

Remodel of the following:

- Pool mechanical equipment
- HVAC & air handler
- Front lobby
- Locker rooms
- Child care areas & classrooms

2008 Design and 2009 Bid. Canceled due to Recession

Addition of 44,000 sq. ft.
to include:

- Items in 2015 Zap Application
- Parks & Rec Offices
 - Administration
 - Recreation
 - Parks Superintendent and Supervisors
 - Additional storage/ancillary facilities

Phase II of 2008 Plan:

- Indoor Pool
 - 15,000 sq. ft.
 - 5 lane lap
 - Shallow pool for water aerobic classes
 - Additional storage/ancillary facilities

Other Expansion Options Discussed

- Indoor Tennis Courts
- Indoor Pickleball Courts
- Climbing wall
- Leisure Pool
- eSports
- Indoor Multipurpose Field (Lacrosse, Soccer, Volleyball, Football,...)

2008 Main Floor Plan

- 1. ENTRANCE LOBBY
- 2. CONTROL POINT
- 3. INTERNET / LOUNGE
- 4. OFFICES 7,284 SF

- a. program specialist
- b. training rm. temp
- c. temp / seasonal
- d. comm events, mgr
- e. comm events, sec
- f. box office
- g. secretary
- h. rec coordinator
- i. division head
- j. conference room
- k. cemetery room
- l. expansion
- m. supply workroom
- n. office manager
- o. record storage
- p. comm events open office
- q. pool office
- r. aquatic office
- s. division manager
- t. assistant division
- u. supervisors
- v. meeting room
- w. department head
- x. assistant department head
- y. executive secretary
- z. break room / kitchen

- 5. STORAGE 2,006 SF
- 6. MULTI-PURPOSE ROOM 2,928 SF
- 6a. MULTI-PURPOSE RM STORAGE 323 SF
- 7. REST ROOM
- 8. LARGE CLASSROOM 1,729 SF
- 9. SERVICE CORRIDOR
- 10. MECHANICAL ROOM

- 11. DOCK
- 12. BASKETBALL COURT 8,000 SF
- 13. STORAGE
- 14. MAINTENANCE STORAGE
- 15. PARTY ROOM 481 SF

- 16. FAMILY CHANGE ROOM
- 17. SMALL CLASSROOM 950 SF
- 18. INDOOR POOL 7,035 SF
- 19. POOL STORAGE / EQUIPMENT
- 20. WEIGHT / FITNESS 1,995 SF
- 21. AEROBICS ROOM 2,510 SF
- 22. MAINTENANCE
- 23. JANITOR
- 24. SPINNING ROOM
- 25. SPLASH PAD

- 26. FIRST AID
- 27. LIFE GUARD
- 28. POOL CONTROL POINT
- 29. CHILD CARE
- 30. EXISTING FACILITY
- 30a. MECH / ELECTRICAL / STORAGE

- 31. RUNNING TRACK 3,885 SF
- 32. NEW PARKING
- 33. VAN / BUS PARKING
- 34. TENNIS COURTS
- * PHASE TWO
- LINE OF EXISTING BUILDING



THE SANDY CITY PARKS AND RECREATION ADMINISTRATION
COMMUNITY CENTER AT ALTA CANYON RECREATION CENTER
CONCEPTUAL SITE / FLOOR PLAN LEVEL ONE

EDA ARCHITECTS / MARCH 14, 2008

2008 Upstairs Floor Plan

1. ENTRANCE LOBBY
2. CONTROL POINT
3. INTERNET / LOUNGE
4. OFFICES 7,286 SF

- | | |
|-----------------------|------------------------------|
| a. program specialist | o. record storage |
| b. training rm, temp | p. comm events open office |
| c. temp / seasonal | q. pool office |
| d. comm events, mgr | r. aquatic office |
| e. comm events, sec | s. division manager |
| f. box office | t. assistant division |
| g. secretary | u. supervisors |
| h. rec coordinator | v. meeting room |
| i. division head | w. department head |
| j. conference room | x. assistant department head |
| k. cemetery room | y. executive secretary |
| l. expansion | z. break room / kitchen |
| m. supply workroom | |
| n. office manager | |

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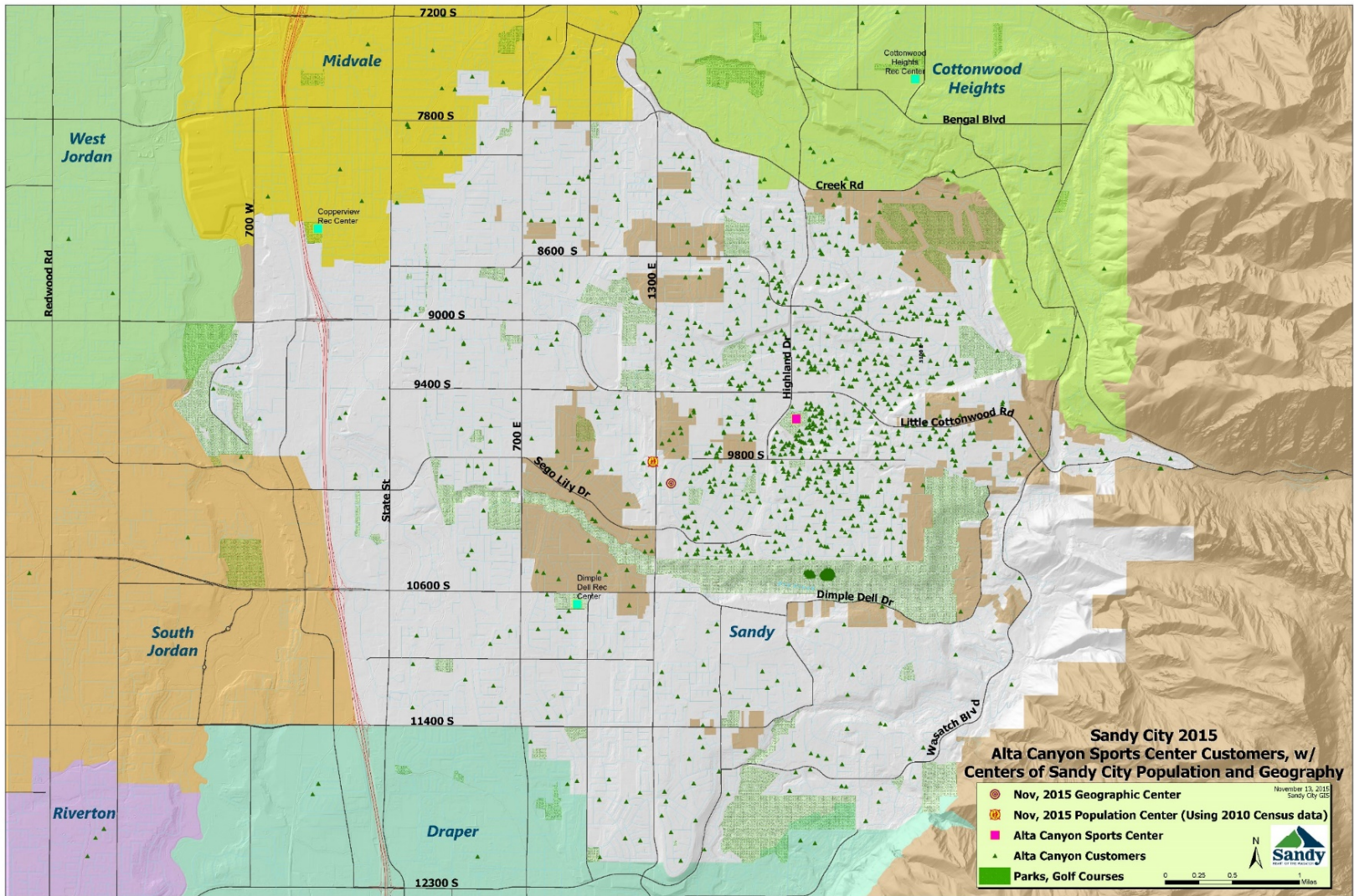


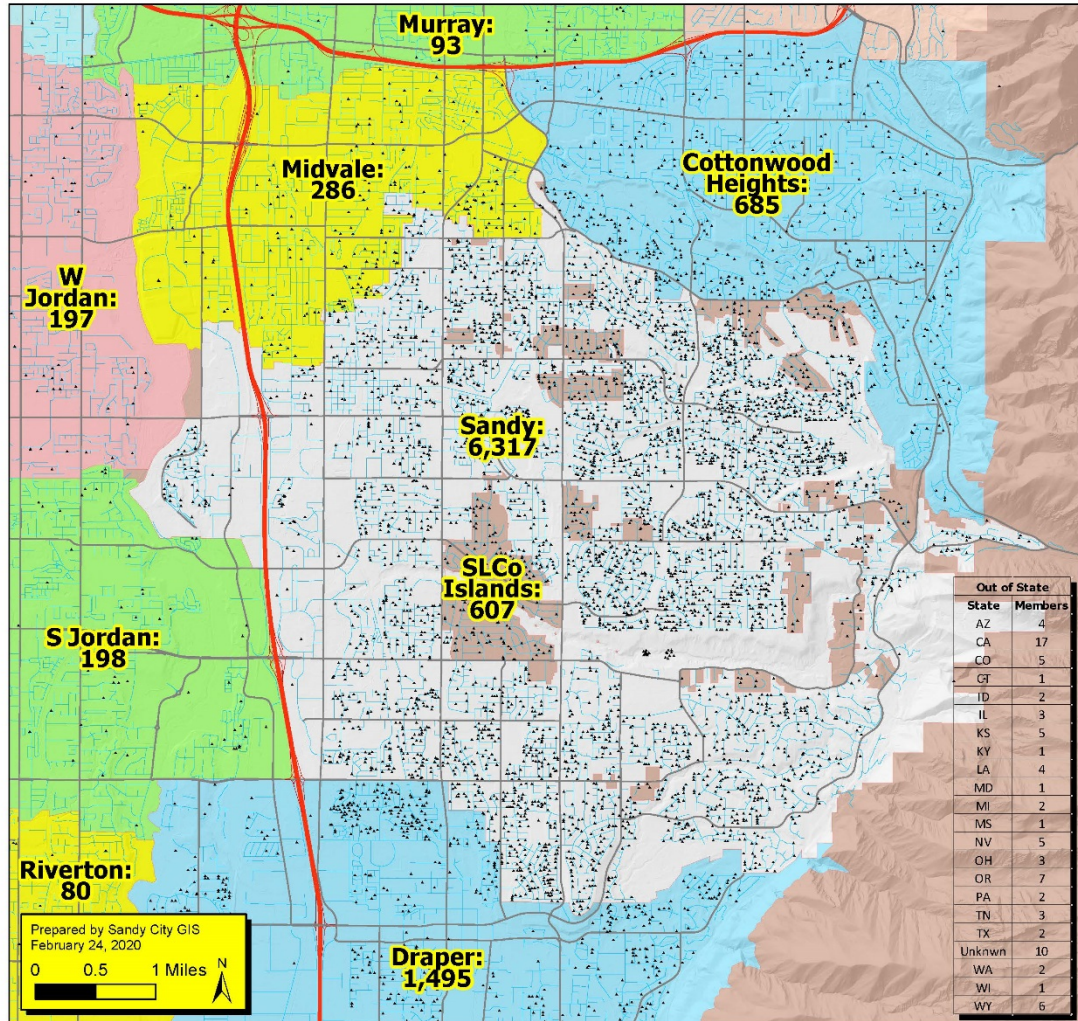
THE SANDY CITY PARKS AND RECREATION ADMINISTRATION
COMMUNITY CENTER AT ALTA CANYON RECREATION CENTER

CONCEPTUAL SITE / FLOOR PLAN LEVEL TWO



EDA ARCHITECTS / MARCH 14, 2008





Sandy Recreation Where are the Customers?

Location	Customers	Location	Customers
Sandy	6,317	Stansbury Park	7
Draper	1,495	Magna	6
Cottonwd Heights	685	Layton	5
SLCO Islands	607	Coalville	4
Midvale	286	Pleasant Grove	4
Holladay	286	North Salt Lake	4
South Jordan	198	Morgan	4
West Jordan	197	Syracuse	3
Millcreek City	174	Alpine	3
Salt Lake City	151	Stansbury Pk	2
Murray	93	Springville	2
Out of State	87	Park City	2
Riverton	80	Kaysville	2
Bluffdale	68	Ogden	2
West Valley City	66	Lake Point	2
Herriman	61	Woods Cross	2
Taylorsville	36	Logan	2
Lehi	33	Unknown	2
South Salt Lake	24	Flower Mound	1
Provo	24	Tooele	1
American Fork	15	Clearfield	1
Saratoga Springs	14	St. George	1
Kearns	13	Santaquin	1
Orem	10	Salem	1
Highland	10	Escalante	1
Eagle Mountain	9	Grantsville	1
Corinne	9	Roy	1
Bountiful	9	Erda	1
Data from 2018-2019 records	Grand Total:	11,125	

Alta Canyon Current Assets

District Assets

- Land - 9 acres (up to 7 residential lots)
- Tennis courts - 4
- Building – 21,500 sq. ft.
- Splash pad, slide, pavilion, & Olympic-size pool

Sandy City Assets

- Park (9.5 acres)
- Sports fields - 2
- Pavilion
- Playground
- Volleyball courts

Completed Projects

- Prior to 2000 - Racquetball court converted to cardio room
- 2000 - Parking lot
- 2005 - Roof replaced
- 2008 - Pool re-plastered
- 2009 - Hot tubs rebuilt
- 2010 - Splash pad & slide added
- 2012 - Exit gate installed
- 2013 - Carpet, paint, fire sprinkler upgrade
- 2015 - Locker space converted to classroom
- 2015 - Building sign and marquee installed
- 2015-2017 - Lights upgraded to LED
- 2016 & 2017 - New buses purchased
- 2017 - Snack Bar remodeled

Current Operations

- 6 full time and up to 160 seasonal/part-time employees
- Programs
 - Preschool, Karate, Racquetball Leagues and Tournament, Tennis Leagues and Lessons, Swim Team, Lessons, and Certification Courses, Lego Classes,...
- Events
 - Triathlon
 - Half marathon
 - Dippin' Dogs

Current Operations Continued

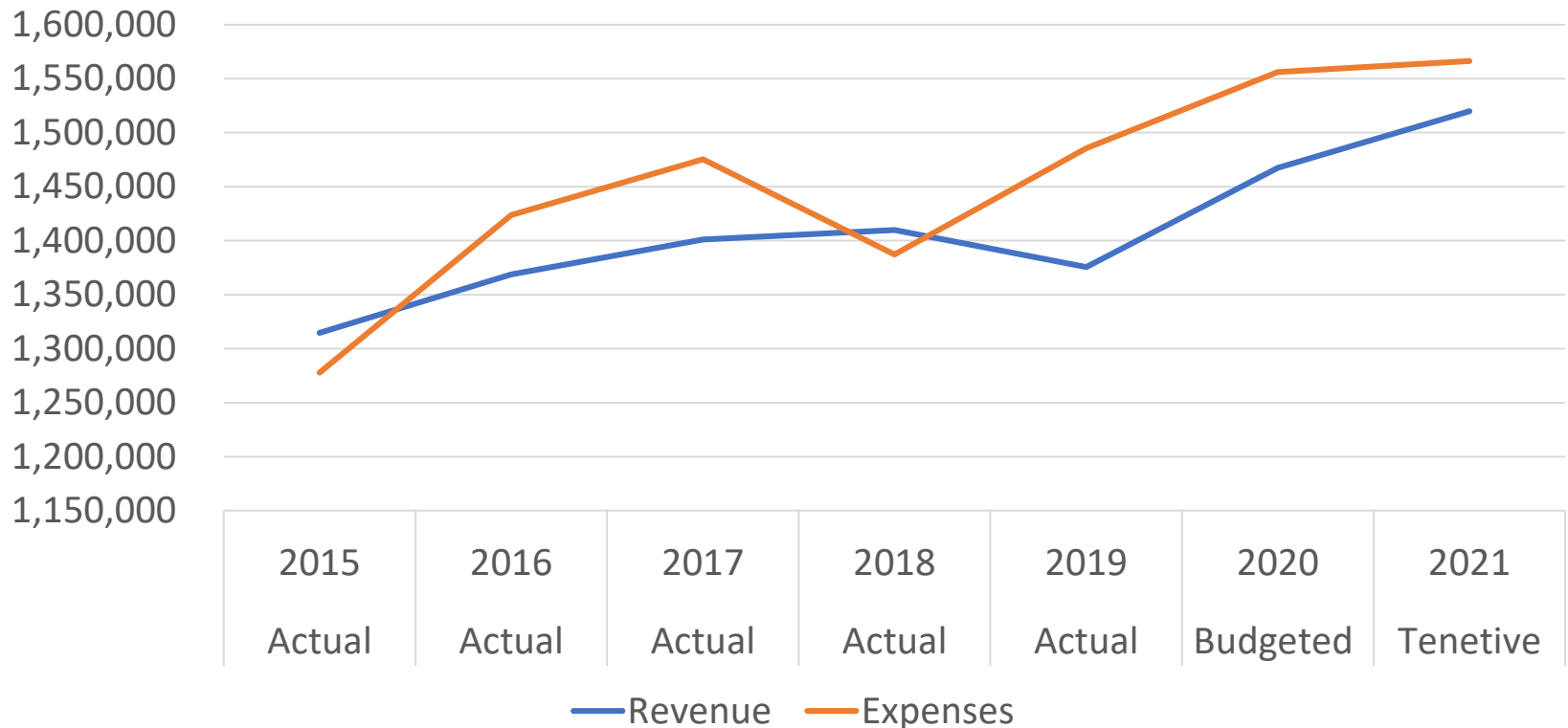
- Fitness
 - Fitness Classes
 - Personal training
- Childcare
 - Before and After School Care
 - Summer Camps
 - Childwatch
- Facility Rentals
- Membership: 2,268 annual memberships – 32% outside the district
- Daily Fee users: 16,738 day passes (per year) – 34% outside the district

Current Concerns

- Lack of space
- Lack of in-demand amenities (indoor multi-use courts, indoor jogging path, meeting space, etc.)
- Aging infrastructure
 - Out of date mechanical systems
 - HVAC (fans, pumps, boilers, chiller, control system, etc.)
 - Swimming pool pumps, filters, etc.
- Safety/Security limitations

Financial Overview

Alta Canyon Sports Center Revenue vs. Expenses



Carryover Balance

Alta Canyon Sports Center



2015	2016	2017	2018	2019	2020	2021
Actual	Actual	Actual	Actual	Actual	Budgeted	Tenative

— Carryover Balance @ Year End

Current District Tax Overview

Annual Cost

Tax District/Area	Tax Rate	Annual Tax Revenue Co	ANNUAL TAX ON \$400,000 HOME
Alta Canyon	0.000178%	\$ 368,230	\$ 39.16
Cottonwood Heights Parks & Recreation	0.000965%	\$2,359,382	\$212.30
Oquirrh Recreation & Parks	0.000916%	\$2,644,415	\$201.52

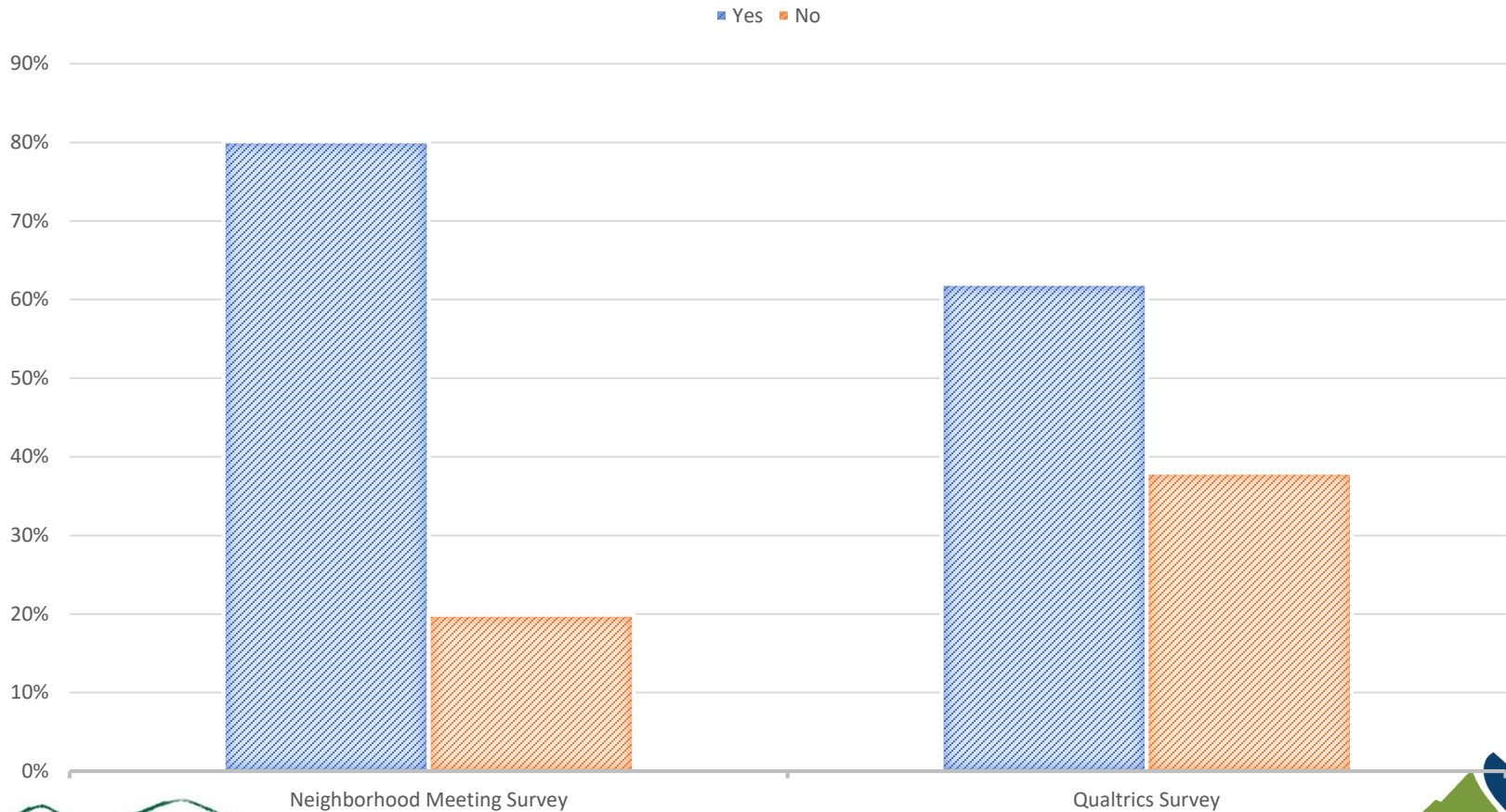
Alta Canyon Future?

- Existing Conditions
- Expansion/Remodel of Center
- Programs and Services
- District
 - Retain or dissolve
 - Add to city services by implementing a city-wide Parks and Recreation Tax

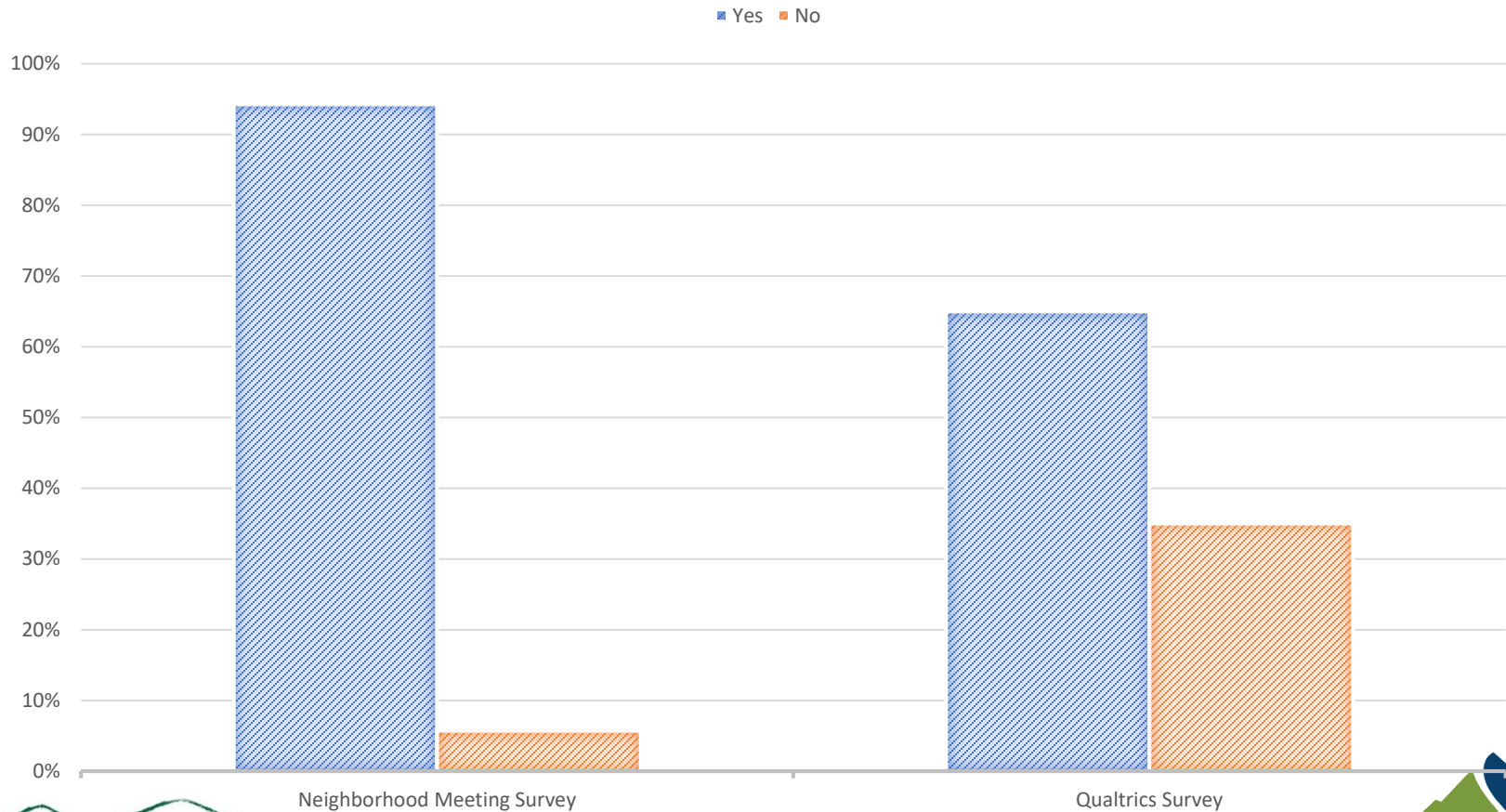
Survey Results from Neighborhood meetings and Qualtrics



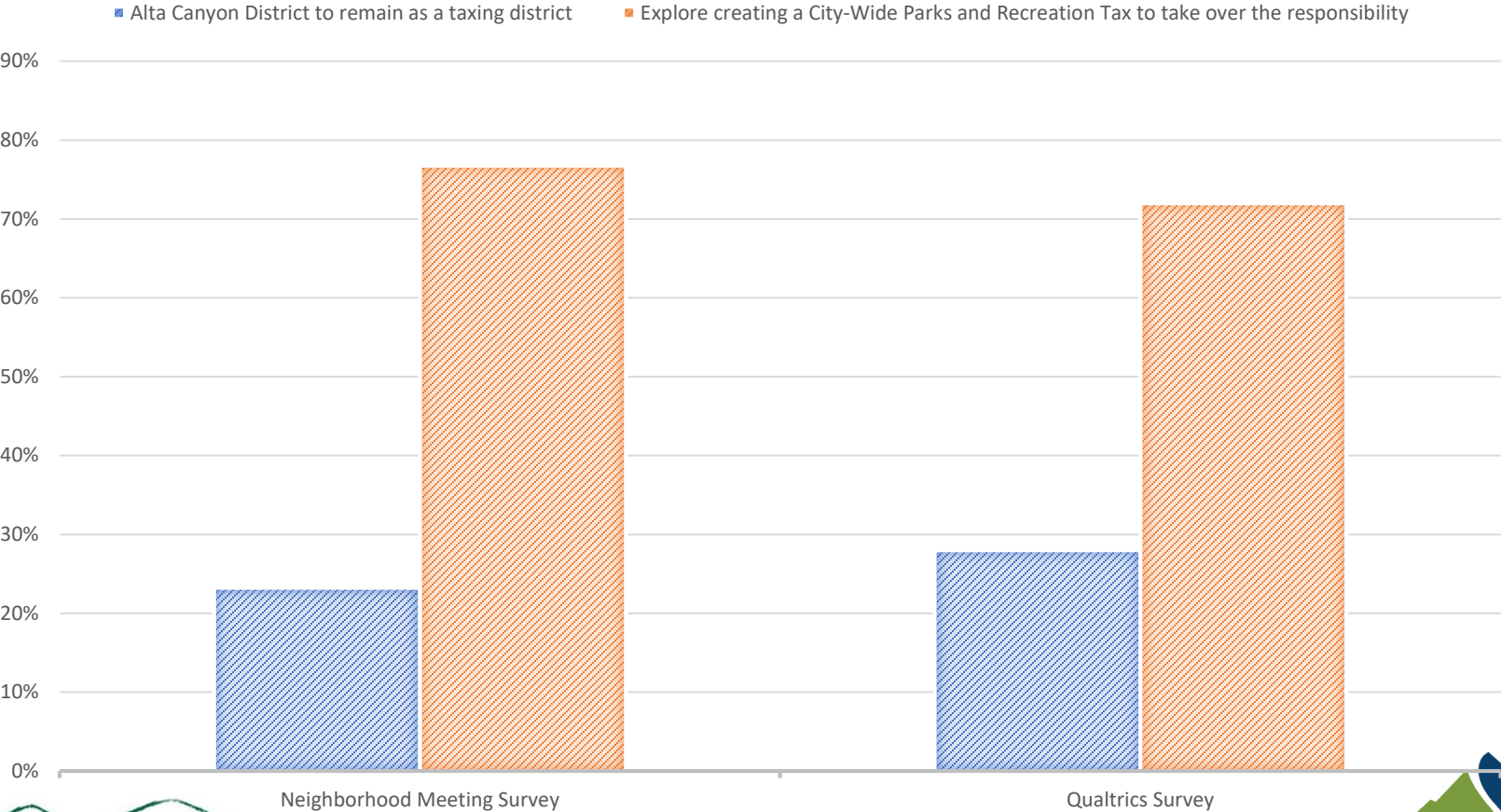
Do you currently live in the Alta Canyon Special District?



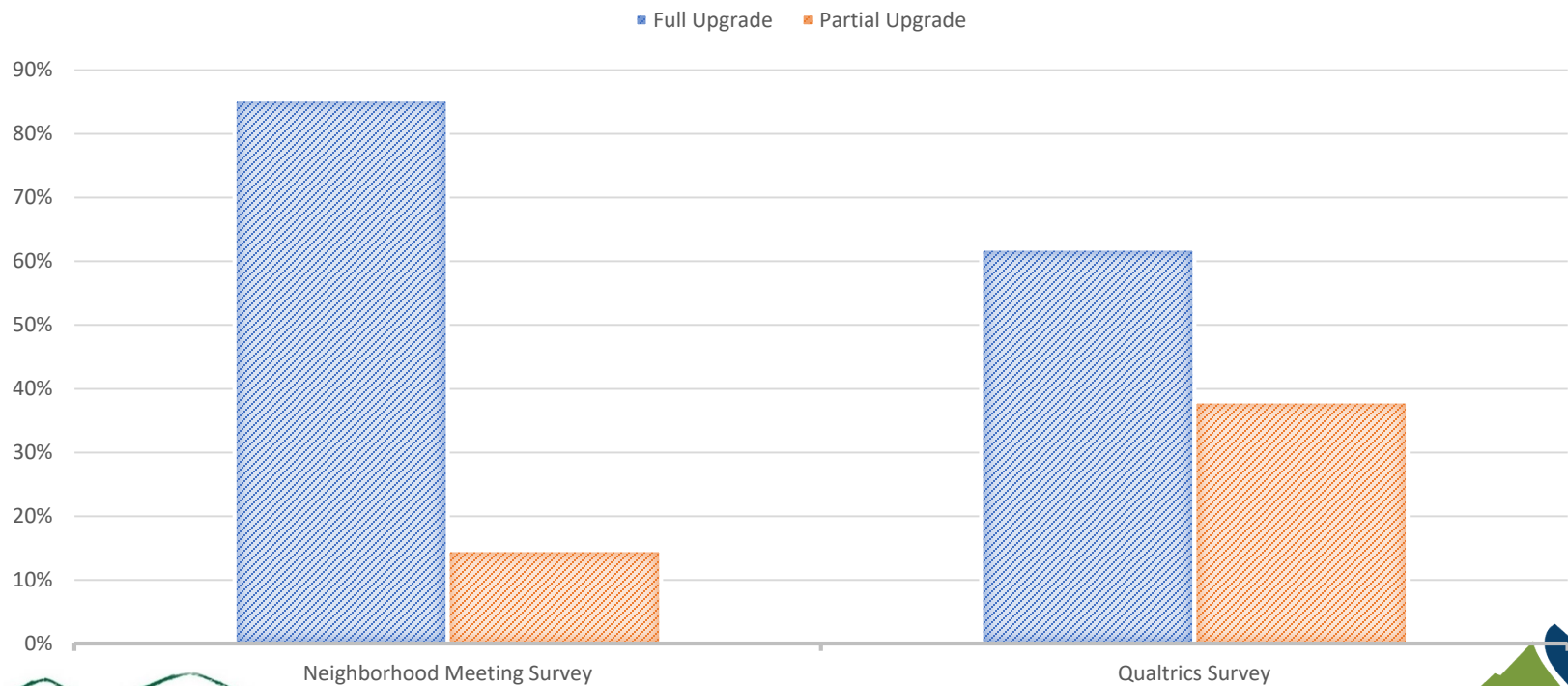
Have you or a family member used the facility in the past year?



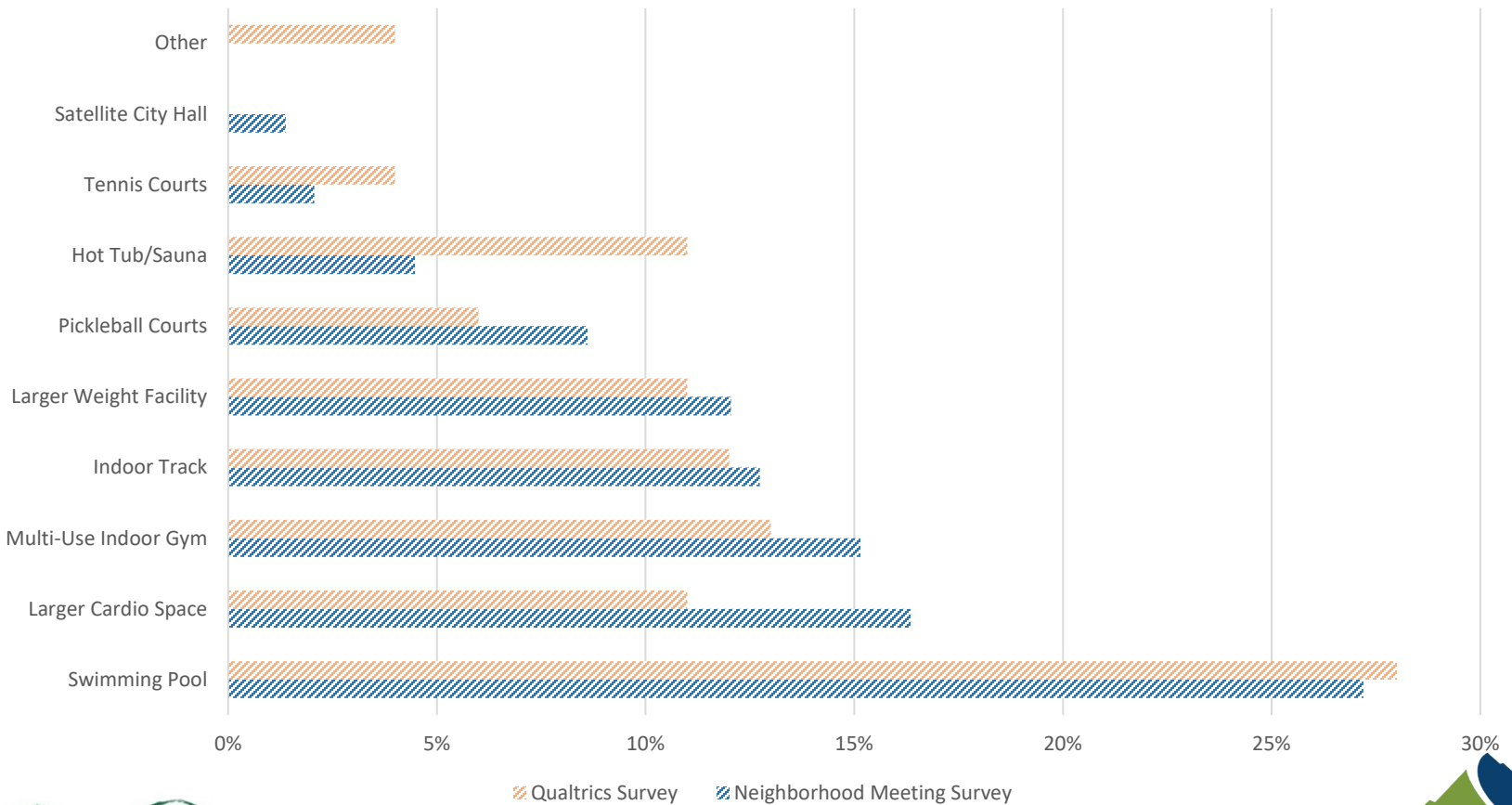
Which of the following would you prefer?



Assuming we implemented a City-Wide Parks and Recreation Tax, would you be in favor of a full or partial upgrade?



Which of the following would you pay money to use year round? (Select top 3 choices)



Which would you prefer?

