



**MINUTES OF THE MID-YEAR RETREAT
OF THE CITY COUNCIL
OF THE CITY OF SPRINGVILLE, UTAH
AUGUST 22, 2014 – 12:00 P.M.**

The following are the minutes of the Mid-Year Retreat of the Springville City Council. The meeting was held on **Friday, August 22, 2014 at 12:00 p.m.** in the Springville City Civic Center Multipurpose Room, 110 South Main Street, Springville, Utah. Adequate notice of this meeting, as required by law, was posted in the Civic Center and on the City's website, and delivered to members of the Council, media, and interested citizens.

Mayor Wilford W. Clyde presided. In addition to Mayor Clyde, the following were present: Councilmember Rick Child, Councilmember Craig Conover, Councilmember Christopher Creer, Councilmember Dean Olsen, Councilmember Chris Sorensen, City Administrator Troy Fitzgerald, Assistant City Administrator/City Attorney John Penrod, Assistant City Administrator/Finance Director Bruce Riddle, and City Recorder Kim Rayburn.

Also present were: Public Safety Director Scott Finlayson, Administrative Services Manager Rod Oldroyd, Buildings and Grounds Director Alex Roylance, Museum of Art Director Dr. Rita Wright, Public Works Director Brad Stapley, Library Director Pam Vaughn, Community Development Director Fred Aegerter, Power Director Leon Fredrickson and Recreation Director Charles Keeler, Sonny Braun, Craig Norman

LUNCH

The Mayor and Council met in the Multi-Purpose Room for informal discussion and lunch. No action was taken on any items.

WELCOME AND INTRODUCTION

12:45p.m.

City Administrator Fitzgerald welcomed everyone and opened the meeting. He asked the Council what they would like staff to accomplish and said they will get it done. The forecast tends to be a best case scenario. Also a review of the new pond at Bartholomew Park will be discussed.

RECREATION CENTER DISCUSSION – City Administrator, Troy Fitzgerald

Administrator Fitzgerald reviewed with the Council the available funds and asked what they would like for Pool options, what they want to build, what is the budget and when to move forward.

Mayor Clyde remarked to start working on land sales now because they can be uncertain. Councilmember Sorensen stated he has discussed with the Nebo School District, the property that may be available. He commented the school district would very much like a facility as would the City.

Councilmember Conover noted he had talked to others and they are more than happy to discuss a facility. A property that was suggested was the old Suntana Raceway property, with the option of an off ramp. Mayor Clyde noted a possible off ramp could be a problem. Administrator Fitzgerald explained there are other school properties in the area. Councilmember Sorensen asked if it was prohibited because of sewer. Administrator Fitzgerald said the sewer is in however, to setup a special services district would take a whole different approach.

Councilmember Conover commented it may be worth having a conversation with other cities. Administrator Fitzgerald stated other cities have been open to a shared facility, Spanish Fork more so, Mapleton not so much. Councilmember Sorensen will schedule a meeting with other cities and the school district to discuss possibilities.

Councilmember Creer will arrange a meeting with Mayor Clyde, City Administrator Fitzgerald, Councilmember Sorensen and other City Councils to discuss options. City Administrator Fitzgerald will notice the meeting. Administrator Fitzgerald noted if the facility is regionally located more will be open to participate. Councilmember Sorensen stated there needs to be a conversation with other cities and to see where we go from here.

Mayor Clyde asked the Council and staff if closing the pool for two years should be an option. Councilmember Creer stated it would not be a good idea. Discussion of donors towards the facility was made as well as a possible RAP tax. Mayor Clyde expressed he would like to see what it looks like on paper and what it would cost citizens. He said there should be a way to come up with funds and build the entire facility with a more basic concept without a tax. Councilmember Sorensen stated we need to get it done. Mayor Clyde advised even if it is a smaller facility it needs to be nice with a competitive pool and leisure outside pool area.

Councilmember Conover commented the location needs to be decided before going out to bond. Discussion of areas to consider ensued with the following options, Arts Park, old Grant School property, old Westside School and property on 400 south. By consensus of the Council it was stated a committee of citizens would be needed to give their feedback of where to locate the facility.

Mayor Clyde asked if it would be possible to rearrange the property at the Arts Park to accommodate a facility. Administrator Fitzgerald replied staff has reviewed an aerial map of the Arts Park and high school area. Councilmember Creer asked for a clarification if it would include a competition pool with a recreation portion. Mayor Clyde replied yes, with an outdoor element. Councilmember Creer agrees it needs to have a recreational element.

Councilmember Creer asked about branding rights from a corporation. Administrator Fitzgerald said it could be looked into. Administrator Fitzgerald noted there have been two paths

discussed, public bonding and private partnership. Mayor Clyde commented the City should go with public bonding along with funds from the budget for the facility, keep the current pool going until the new facility is complete.

Councilmember Sorensen expressed the importance of having an exact calendar of days needed to be done for Council. He also stated the importance to conform to finance rules. He discussed using public relation articles, videos and mailers. Include the tax payer association. He noted the Council will need to be committed for a facility. He asked when the architect would be ready. Administrator Fitzgerald replied he will look into an architect the deadline is coming up to have it ready in a year.

Councilmember Conover remarked to involve the boards and have them involved. Mayor Clyde advised to talk to those opposed and get their viewpoint. Administrator Fitzgerald reviewed a calendar of the process, and the possible risks.

Administrator Fitzgerald explained Finance Director Riddle has received information about refunding the bond on the Community Park that would save the City a considerable amount in interest. Administrator Fitzgerald and staff will give a written plan to Council.

Mayor Clyde asked the Council and staff to recommend names for committee.

GOLF COURSE DISCUSSION – Assistant City Administrator/Finance Director, Bruce Riddle

Finance Director Riddle reported the Hobbie Creek Golf Course is facing some challenges and they are working very hard for promotions and marketing in light of the downturn in the industry. Director Riddle asked for direction from the Council going forward. He reported the golf industry is down, courses are closing and players are leaving the sport. Players between the ages of 18-34 have gone down 13% due to other popular more active sports. Director Riddle reviewed the national golf rounds played report, showing a decrease in rounds played. He noted most of the country is experiencing these challenges.

Director Riddle stated this year rounds played at Hobbie Creek are currently flat. He reviewed revenue over the last five years. March 2014, was the biggest in five years, due in part to heavy promotions; April was down some, May was flat, June was flat and July was down. The projected revenue for the remainder of the season is no different than from five years ago. Director Riddle explained the Hobbie Creek forecast in revenue has been overly optimistic. He showed a graph of historic operating results, noting there is no significant change in looking forward and is not likely to increase over the next few years.

Director Riddle reviewed numbers from Hobbie Creek compared to other courses in the County. He noted most are losing money or breaking even and some courses have spent money on improvements and the debt shows as a loss while others are having a hard time covering debts.

Director Riddle explained the current budget for FY 2015 at about \$920,000.00 in revenues and \$912,000.00 in expenditures. He detailed a change in regard to staffing effective

January 2015; retirement of the Head Pro, replacement at a lower grade; Assistant Pro position to a non-benefitted seasonal position, reduction of one full time benefitted employee in golf maintenance operations; hours replaced with a seasonal employee. He noted this would be a drastic change and still not hitting the needed budget.

Director Riddle reported the projected revenue for the current fiscal year is about \$865,000.00 and noted by doing everything that has been budgeted for it will be in the negative \$52,000.00. Director Riddle went on to explain in FY2016 having done all this with the forecast for golf, Hobbie Creek will not see a dramatic change.

Mayor Clyde asked with other courses in the County do they have administrative and transfer costs. Director Riddle replied the transfers are real costs he didn't have numbers for other cities, he did understand some cities charge for hard costs like utilities.

Director Riddle remarked having done all we can to this point it does not include Capital improvements. He noted the clubhouse is showing its age and at some point irrigation on the back nine will need to be addressed. Mayor Clyde stated years ago when he was on the Council they voted to increase golf fees to replace the irrigation on back nine. Golf Director Braun replied that was only a portion of what was needed each year. City Administrator Fitzgerald stated the funds helped pay for some of the irrigation on the front nine.

Director Riddle asked to have some dialogue about a possible new revenue source from traditional uses to non-traditional uses. He stated it is important to do what we do better, increase marketing and customer service. Another option is non-traditional, other courses are changing how they operate their courses. Director Riddle posed the question why is it people are leaving the game. Some alternative ideas have been to focus on nine holes, or offer ala carte golf and pay by the hole. He asked do we want to offer something another course is offering such as Foot Golf, where a soccer ball is kicked around the course and they pay greens fees.

Administrator Fitzgerald in addition noted Jolley's Ranch is one of the best disc golf courses in the state, it's busy every Saturday and it's free. He wanted the Council to keep in mind the demographic is changing.

Director Riddle reviewed the personnel question facing the golf course stating if the budget model is not followed there will be a gap needing to be filled. He explained come the end of December there will be a need to take action and asked the Council for their input. He went on to explain Capital improvements are needed, do we further delay them or are we willing to issue debt. He noted it is not a palpable change and reviewed optional business models.

The Mayor and consensus of the Council agreed it is difficult when employees have given so much time to the City to be faced with reductions. Administrator Fitzgerald agreed and noted that had been the case with other departments within the last three years and they have laid off city employees.

Director Riddle clarified that the Council wants to follow through on the current budget model with consideration of existing employees and revisit at the end of the year.

Administrator Fitzgerald commended Director Braun for doing a good job with the dollars he has received. Mayor Clyde concurred and stated the City is well run and the directors are doing a great job providing services to the citizens.

Councilmember Olsen asked why there is not fee to play disc golf at Jolley's Ranch. Mayor Clyde replied in order to do that the City would need to provide personnel and a way to monitor the activity. Mayor Clyde asked the Council how they feel about disc golf at the golf course. Councilmember Conover and Creer stated in the later afternoon's use of nine holes could be an option. Administrator Fitzgerald said he would look into it further.

3:00 p.m. **Break**

A break was called at 2:57 p.m. The meeting was reconvened at 3:09 p.m.

CANYON WATER ISSUES - Assistant City Administrator/City Attorney, John Penrod

Attorney Penrod addressed the issue of water up left hand fork in Hobbie Creek Canyon. He explained in the 1980's and 1990's the State Engineers office passed applications and issued water shares giving more water shares than they should have. Springville Irrigation Company (SIC) protested and the City protested but nothing has happened until recently. The State Engineer started checking water shares up left hand fork in Hobbie Creek Canyon. One property owner has come to an agreement and others are expected to in the near future. Because of this process the Springville Irrigation Company has asked the State Engineers office to review all water rights. Attorney Penrod reviewed with the Council the amount of water shares the City has and what is used.

Councilmember Child explained Springville is unique with how water is distributed. He went on to say the State of Utah owns all the water in the state and back in the 1800's Springville as a city put all of their water rights into one company Springville Irrigation, and they issue water shares. Springville is in a good situation because the water is attached to an area not a property.

Attorney Penrod explained the shares were divided into canyon shares and valley shares and one cannot be used for the other. He showed a map illustrating Upper Bartholomew has 267 shares (4cfs) (cubic feet per second) based on irrigation season or 1068 acre feet with (7cfs) power right-return. Attorney Penrod noted the City needs to start measuring what is used up the canyon.

Attorney Penrod detailed other shares owned by the City; 67 SIC water shares, Jurg Springs has (1cfs) only getting 53 gpm (gallons per minute), Jolley's Springs at 8.5 acre feet. He explained the water use in those areas and noted about 71 acres are unmetered.

Councilmember Sorensen asked if the City has any water rights in Upper Whitimore. Attorney Penrod replied the City does not.

Attorney Penrod explained they are currently figuring the total water used versus water needed and a rough estimate is the City is short approximately 700 acre feet of water. Attorney

Penrod outlined possible solutions. He explained the first would be to move water, that would include 420 acre feet of water from Highline (city interest only), SIC (Springville Irrigation Company) Valley Shares, this would require a takeover of SIC and move a portion of the 2,000 acre feet not being used from Plat A Irrigation and move it up the canyon. Second would be to do nothing and turn the wells on more often, however that would involve more power costs; or third fight for more water rights in the Canyon. Attorney Penrod explained back in the 1940's and 60's the City leased the water and recently the City was reprimanded for doing so, however individuals have been using the water since the 1940's-60. The State Engineers Office has asked the City to work with the individuals so they can continue to use the water that is owned by Springville City.

Attorney Penrod explained an evaluation needs to happen to see the amount of water used and how much is needed. Administrator Fitzgerald noted the City does not use all of the valley water shares, and there have been discussions with the Springville Irrigation Company to use water in other areas.

RIVERS SUBDIVISION CANAL – Assistant City Administrator/City Attorney, John Penrod

Attorney Penrod discussed the canal near the Rivers Subdivision and whether to pipe the canal or keep it open. He went on to explain the Citizens would like to keep the canal open and Springville Irrigation Company who owns it would like to pipe the canal. Attorney Penrod explained if the canal is left open the City will have to maintain the canal and take liability. He asked the Council what they would like to do with the canal and noted by piping the canal it would eliminate the greenery and trees in the area.

Consensus of the Council is to keep the canal open.

BOARDS AND COMMISSIONS – City Administrator, Troy Fitzgerald

Administrator Fitzgerald reviewed the costs of boards and commissions and summarized the resources going towards them. He provided the Council with a list of the current commissions for the Council's review and asked if there was any that have fulfilled their responsibilities and disband them. Administrator Fitzgerald noted about 5000 hours are being used to support all City boards and commissions. He noted it does not include Council time, doing staff reports or attending council retreats.

Mayor Clyde asked to go through the list and discuss it with the Council. It was noted the Museum of Art Association is not a board of the City but is using a lot of staff time. It was suggested that the Museum Director negotiate with the Association the amount of staff time needed. Mayor Clyde expressed the Economic Advisory Commission needs to find a direction, Councilmember Conover stated he would like to give it more time and try to keep it going. Chief Finlayson noted the Emergency Preparedness Board is a value to the community. Funds going towards The Arts Commission were discussed and will be evaluated at a later date. Director

Keeler stated it is growing and is good for the community. Communities That Care, Mayor Clyde asked how the Council feels and if they want to keep the program. Attorney Penrod noted they are working with the County to better understand the model and get more people involved. Councilmember Child expressed the Water Board has some very knowledgeable members and are doing a good job.

Administrator Fitzgerald asked that Directors to get involved with the various boards and be in tune with the City Council and help create communication between the boards and Council.

Museum Director Wright commented City personnel are working with departments and boards in consolidating efforts and it is making a difference.

ECONOMIC DEVELOPMENT DISCUSSION – City Administrator, Troy Fitzgerald

Administrator Fitzgerald commented the City only has so much in money and resources and asked the Council to give direction on economic development for the City. He asked the Council what results they would like to see and the staff will come back to the Council with some ideas.

Administrator Fitzgerald explained there is a new generation, the millennials, (those who are 18 to 33 years old, born 1981–1996). A majority of their purchases are online and traditional store models are changing, moving from a point of sale to a space to experiment, be interactive and try the products. He asked the Council to discuss what type of results the City wants.

Mayor Clyde stated sometimes we chase the businesses to get sales tax, spend money on businesses to keep them working but it does not always provide sales tax. Mayor Clyde gave examples of options that may work; retail convenient for citizens, develop economic growth, bigger tax base; create jobs so individuals can live in the community; offer a local university to have a satellite site within the City.

Councilmember Sorensen stated the City needs to engineer an area for economic development, it has been in pieces. He explained to be proactive in creating a retail space. For example the industrial park the City created.

Councilmember Creer remarked bring in companies and businesses that others are finding elsewhere and bring them to Springville.

Mayor Clyde commented try to make downtown more vibrant, walkable, and revitalize houses. Look at options to change the look and feel.

Administrator Fitzgerald recited information received from the Economic Advisory Commission. He stated they see Springville as an “Americana Lifestyle.” They would like to build on the strengths and improve the downtown feel, protect the downtown; develop a small business incentive, work on the old main street motels, expand downtown lighting (funding needed).

Various ideas were discussed amongst the Council and staff with a consensus to continue working with the Economic Development Commission, develop a plan to look at the corridor

along 400 South, with examples or concepts of restaurants, theaters and businesses and have something to give to people and show them a plan and a vision.

WRAP UP/QUESTIONS AND CONCERNS

There were none.

ADJOURN

COUNCILMEMBER CONOVER MOVED TO ADJOURN THE CITY COUNCIL MID-YEAR RETREAT MEETING AT 5:32 P.M. COUNCILMEMBER CREER SECONDED THE MOTION, AND ALL VOTED AYE.