



CITY OF NORTH SALT LAKE

CITY COUNCIL BUDGET WORK SESSION NOTICE & AGENDA March 26, 2019

Posted March 21, 2019

Notice is given that the North Salt Lake City Council will hold a budget work session meeting at 5:00 pm on **MARCH 26, 2019** in the Police Training Room at City Hall, 10 East Center Street, North Salt Lake, Utah. Some members may participate electronically. The following items of business will be discussed; the order of business may be changed as time permits.

BUDGET WORK SESSION – 5:00 p.m.

1. Discussion of City Council Priorities for the Fiscal Year 2020 Budget
2. Discussion Regarding Eaglewood Golf Course Management
3. Adjourn

CLOSED SESSION

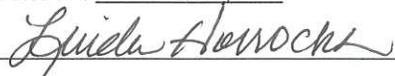
1. Possible closed session for the purpose of discussing pending or reasonably imminent litigation; to discuss the character professional competence, or physical or mental health of an individual; to discuss collective bargaining; or to discuss the purchase, exchange, sale, or lease of real property. *Utah Code 52-4-205*

The public is invited to attend all City Council meetings. If you need special accommodations to participate in the City Council meeting, please call the City office at 801-335-8709. Please provide at least 24 hours' notice for adequate arrangements to be made.

Notice of Posting:

I, the duly appointed City Recorder for the City of North Salt Lake, hereby certify that the foregoing agenda was posted on the Utah Public Notice website, at city hall, and sent to the required newspapers this 21st of March, 2019.

Dated this 21st of March, 2019.







CITY OF NORTH SALT LAKE COMMUNITY & ECONOMIC DEVELOPMENT

10 East Center Street, North Salt Lake, Utah 84054
(801) 335-8700
(801) 335-8719 Fax

MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Ken Leetham, City Manager

DATE: March 26, 2019

SUBJECT: Meeting materials related to special budget work meeting

A portion of Tuesday night's special City Council meeting will be the City Council portion of the budget retreat that we normally hold a little later in the year. I believe that the most effective preparation you can make for this meeting is to share with City staff and your fellow Council members any concerns, questions, directives, goals and any other ideas related to the City's budget or our operational performance.

While this will be an abbreviated budget retreat, I hope that you will feel free to share with me and with each other your ideas on our current and future state of affairs as a City. This is one opportunity, in addition to regular meetings, for you express your vision and opinions about the City and its progress and service to the City's residents.

I have attached last year's summary of our goals and objectives for your information and benefit.

Council Goals and Priorities – FY2019

Council Member	Description	Cost	Completion Date
Mayor	Form Based codes, including Cutler Drive.		
	Review CDA budgets and see what funds are available. What do we want to do with them?		
	Possible refresh on General Plan.		
	Review possible land acquisitions in City Center area.		
	Landscape and betterment plans for Redwood Rd. and Hwy. 89.		
	Look for ways to coordinate/integrate with other South Davis Cities that make sense; coordination of parks and trails maps, rec. programs, etc.		
	Work with hospitals in the area to improve outreach for better health outcomes.		
James	Have open and honest communication with citizens around Hatch Park regarding City's plans for park expansion.		
	Continue to remember that the Youth Council is an important part of the City.		
	Get a library.		
	Resolve landslide.		
Ryan	New City Ordinance to change Code Violations to Civil Penalties instead of Criminal.		
	Second Code Enforcement Officer – to proactively clean up code violations.		
	Set standardized Park Replacement Budget – NSL Live can then recommend how to use it.		
	Stop all apartment expansion in areas of the City where it is not desirable (Hillside and Foxboro).		
	Develop Hwy 89 Corridor and Town Center Correctly (“not a giant strip of apartment buildings”).		
	Improve Hatch Park.		
	Redwood Rd. Corridor re-development continuation.		
	Annex unincorporated areas.		

	Get a library.		
	Curb the theft problems starting in our City.		
	Bus rapid transit.		
	Improve walkability and alternative travel methods within our City.		
	Get City on Solar (alternative power, reduce costs, improve environment, possible be a Net-Zero City).		
	Review and obtain City Notification App for easy reporting of complaints, communication, be in the 21 st Century.		
	Stronger/easier business relationships – improved business licensing, streamlining review process, removing hoops to jump, etc. Make it easier to do the right type of business here.		
	Speed up PCE plume cleanup.		
	Improve air quality – maybe a giant Air Purifier in a city park – https://greencitysolutions.de/en/		
	Broadcast City meetings – cheap and easy setup.		
	Resolve landslide.		
	Bridge over railroad tracks on 1100 North.		
	Improve Foxboro Wetland Park.		
Brian	Invest in Eaglewood Clubhouse (asset that can make money). Illuminate the fountain, invest in wedding reception items, used more.		
	Turning NSL into a major sports mecca.		
	Utilize west side of Tunnel Springs.		
	NSL Live – outlived its usefulness? Maybe cancel Movies in the Park. Evaluate all activities for a cost/benefit.		
	Bridge over railroad tracks on 1100 North.		
	Improve Foxboro Wetland Park.		
	Resolve landslide.		
Lisa	Eliminate PCE Plume and expedite the mitigation process.		
	Resolve the landslide litigation and stabilization.		

	Establish a July 3rd NSL Fireworks Shuttle System.		
	Explore Tree City requests to plant fruit and nut trees, implement "Purge the Myrtle Spurge" project.		
	Install more street lights at Hatch Park.		
	Request better response time for garbage pickup in Tidwell's neighborhood.		
	Negotiate contract changes so NSL residents can dump waste at Btfl's landfill.		
	Introduce and educate the city council and legislators about Utah Foster Care, get agenda time to do so.		
	Purchase and install canopies to reduce summer heat at Tunnel Springs and Wild Rose parks.		
	Resolve the gravel pit issues.		
Stan	Completion of Jordan River Parkway Trail between Center Street and I-215.		
	Protection of Tunnel Springs Park.		
	Dog Park at Hatch Park.		
	Landslide resolution.		
	Obtain use of spring water at Tunnel Springs Park.		
	History effort (kiosk at city hall, functioning history committee, veteran's park improvements).		
Ken	Complete repair of Eaglepointe Landslide.		
	Finalize several codes and ordinances: Mining and gravel pit operations, code enforcement, form-based code.		
	Completion of market compensation and benefits study.		
	Steps 3 and 4 of Foxboro Wetland Park.		
	Completion of 5 year plans for all operations of the City (staffing, capital projects, financial plans, equipment (fleet, etc.), maintenance of infrastructure and facilities).		
	Plan and future investment in Veterans Memorial Park.		
	Completion of Hatch Park property acquisitions and long-range redevelopment plan.		
	Completion of SWI plan and set of agreements.		
	Establishment of annual investment in city-wide landscaping, beautification, tree planting – adoption of an annual endowment or ongoing source of funds for these activities.		

	Tree Planting on Center Street (specific project).		
	Beautification of north side of Eagleridge Drive between Orchard and Valley View.		
	Golf Course sprinkler repair.		
	Investment in Town Center trail system, including connections to Town Center project (old Orchard Lanes), connections to Hatch Park adjacent to the freeway and Main Street/US89 trail system.		
	<p>Comprehensive local transportation plan to create options, including funding, to address several transportation matters (excluding 1100 N bridge). These include:</p> <ol style="list-style-type: none"> 1) Solution to truck use of Center Street (between I-15/US89) 2) Re-construction of south terminus of Main St/US89 3) Re-construction of roundabout on Eagleridge/Orchard – new system to be safer for cars and allow for pedestrian crossing 4) Freeway access to town center-Center Street/Eagleridge flyovers 5) NSL Access to Legacy Highway 6) Semaphore on US89 at EagleGate Drive 7) Improved traffic circulation, if any, around the North Pointe Circle access issues <p>This list is not inclusive of all issues, but represent issues that City staff would like to address soon. This includes entering into a planning process to find solutions and answer these questions so that land use plans and long-term funding strategies can also be finalized.</p>		



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MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Ken Leetham, City Manager

DATE: March 26, 2019

SUBJECT: Meeting materials related to Eaglewood Golf Course Management

As we prepare for Tuesday night's special City Council meeting, it is important for you to know some background information about the current situation. I believe that I've spoken to each Council member and so some of this will be very familiar to you. I thought it would be good to provide you with some details in writing that might assist you in determining how to proceed. This memo will lay out two general courses of action which you will be reviewing in your meeting.

BACKGROUND ON LEASING TO GreatLife

As you know, the City was contacted by a Kansas-based company, GreatLife, with the idea that they would lease the Eaglewood Golf Course from the City and operate it as a part of their other courses and facilities in Utah and Nevada. The discussions began when local individuals approached us with a business model wherein they would be a franchisee of GreatLife. Additionally, their model is to either own or lease several facilities (golf courses and fitness centers) and then sell memberships that allow patrons to golf and use fitness centers as part of their membership benefits. They believe that Eaglewood Golf Course is a great course for them to add to their set of options for their members. Thus far, this franchisee has acquired the golf course in the City of Eagle Mountain and the Coral Canyon course in St. George and are now working on a course in Mesquite, Nevada. It is my general understanding that they are trying to obtain leases of some additional courses on the Wasatch Front.

In the discussions, I generated a set of questions that then turned into general terms that I felt that I should request prior to bringing this to the City Council. The following is a general list and GreatLife's response to these items:

- 1) Request: the franchisee recognize and take over the City's recent concessionaire contract with George longi. They have agreed to do one of two things: maintain this contract in place as written or in the case of wanting to terminate the contract, they have agreed to pay George longi's costs and investment that he has made thus far in the golf course.
- 2) Request: a \$500,000 deposit from the franchisee. I feel this is needed in the case of the City needing to take over the golf course again if the course or its facilities are in poor condition. With such a deposit, the City would have some capital immediately to use to get the operation

going again under City control. The franchisee has agreed to deposit \$50,000 now and another \$50,000 in the future so that the deposit would be \$100,000.

- 3) Request: the takeover of all existing golf course leases and obligations (golf carts, mowers and equipment leases) for the duration of the lease and the purchase of all of the City's equipment that it owns and is not under a lease or payment terms. They have agreed to take on such leases and to pay a fair market wholesale value for the equipment. I believe that we'll have disagreement over how much to sell the equipment for and they have also reserved the right to not purchase equipment that they do not want.
- 4) Request: Use of the course for City events without charge. They have stated that as long as such events do not negatively affect the course or require work of their staffs, they are willing to agree to this. Until this term is vetted through an agreement, I do not know if our events can continue operating without charge, particularly if such events cause a lack of play at the course or cause damage to it.
- 5) Request: Franchisee to pay the City's costs in the case of separation of employment of the City's five full-time employees. They have agreed to share these costs up to a limit of \$50,000. They have also agreed to offer full-time employment to the five employees. I estimate these costs to be approximately \$135,000.
- 6) Request: That the franchisee make a bond payment for the City's irrigation system on the course in the case that the City issue debt to replace the aging irrigations system. They have agreed to either make the bond payment for as long as they lease the facility or make the repair themselves, in which case, the City would pay an amortized cost if it takes over the course.
- 7) Request: the City maintain and keep its office leases (and accompanying revenues), including telecommunications tower leases. They have agreed as long as those leases do not interfere with their proposed operations. They would also like the chance to use the offices in exchange for paying fair market value lease rates to us if needed.

BACKGROUND ON PROPOSAL TO KEEP COURSE MANAGEMENT AS-IS

Naturally, the City's five golf course employees are anxious about the City considering an alternative operations model and the prospects of no longer being City employees. I met with them recently and they will be putting together a presentation for your meeting. Brent Moyes will present some specific ideas about managing the course in the meeting. I do not have many details of the presentation and so I can't provide you with details of what he may present on behalf of the course or its staff.

A second part of this presentation will be made by George Longi, the City's new concessionaire. As I've told most of you, George has made a large personal financial investment during his preparation to become the food concessionaire and operator of the reception center. He is very concerned about changing management structures at this point when he has made such a large investment and has not yet had a summer season to grow his new enterprise.

I believe that both Brent and George will be requesting additional time to work together to increase tournament and concessions revenues at the course. I believe that this is a reasonable request and one that you'll want to carefully consider.

CONCLUSION

Like most of the decisions that the City makes, these options each have their pros and cons. I think this

will be an opportunity for the Council to consider the options, ask additional questions and give the staff direction as to how you would like us to proceed. The only concern that I have with the GreatLife model is that the timing and its impact on our new concessionaire is truly unknown. George Longi has made a significant investment in the clubhouse and the café and reception facility. In my opinion, it is a reasonable request on his part to ask for additional time to allow him to work with Brent to increase tournament rounds (George's principal catering background is golf tournaments and events) and thereby increase course revenues. He has additional ideas to increase course and concessions revenues and so it may be a good idea to allow him the time he needs to make these increases and reduce the annual operations loss at the course.