



Town of Payson
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COUNCIL DECISION REQUEST

DATE: November 10, 2022

SUBJECT: Council Decision Request by Troy Smith, Town Manager, to approve a budget transfer to fund preliminary conceptual design of a community recreation facility.

SUBMITTED BY: Kevin Artz

AMOUNT BUDGETED: 0

EXPENDITURE REQUIRED: \$200,000

POSSIBLE MOTION: I move to APPROVE (DENY) a budget transfer in the amount of \$200,000 (\$100,000 from operating contingency and \$100,000 from the event center capital project) to fund preliminary conceptual design of a community recreation facility (IDENTIFY SPECIFIC AMENITY).

SUMMARY OF THE BASIS FOR POSSIBLE MOTION: On January 28, 2021, Council directed staff to initiate discussions with Rim Country Educational Alliance (RCEA), for the development of a community center.

On May 13, 2021, Council authorized the Mayor to sign a memorandum of understanding (MOU) with RCEA to initiate a preliminary planning phase for the construction and operation of recreational facilities, fields, and other public improvements.

In July 2021, town staff and the RCEA project team began several reoccurring meetings to begin to effectively evaluate projects and a potential partnership. Soon after the meetings started, it was determined that a community center would not fit on the park site located near Mud Springs Road and Granite Dells. RCEA proposed a new site located near University Way and Highway 260. The RCEA then focused on construction and delivery of the Granite Dells Park as their top priority. Near the beginning of 2022, programming and design functions of the community center were put on hold. These functions were at the exclusive control and expense of the RCEA.

In July 2022, the MOU to explore the development of facilities, generally including a park and a community center, between the Town and the RCEA expired. The MOU has not been renewed.

Recent discussions with the RCEA have reached a consensus conclusion that the Town should take the lead in designing and constructing its own recreation facility (community center, pool, etc.) on Town owned property. The RCEA has indicated it would consider a financial contribution to assist the Town with funding for a future facility.

The current FY 2022-23 Town budget does not include a capital project for a community recreation facility. Therefore, if Council desires for staff to initiate a conceptual and preliminary design for a community recreation facility, it will require Council to authorize a budget amendment to begin the process.

If Council desires to proceed with the conceptual and preliminary design, staff requests consideration of the following two items:

1. Identify the specific recreation amenity (indoor pool, outdoor pool, community center, etc.) that the Council desires to initiate design.
2. Approve a budget amendment in the amount of \$200,000 to fund the conceptual design.

PRO: Advancement of a community recreation facility.

CON: NA

FUNDING: Funding was not included in the FY 2022/23 town budget for design or construction of a community recreation facility. In order to move forward with a design contract, a budget amendment is required. Staff has identified two potential funding sources for the budget transfer.

The first funding source is the operating contingency fund, which has an available balance of \$500,000.

The second funding source is the capital project for the event center design work. \$840,000 is currently appropriated for the event center project. The project has not started and no funds have been expended. The Town will not spend the entire \$840,000 in this fiscal year. Funds could be transferred from the event center project to the design for a recreation facility and then funds re-appropriated in the FY 2023-24 budget to make the event center budget whole.

Staff recommends authorizing a \$100,000 transfer from the operating contingency and a \$100,000 transfer from the event center capital project, if Council desires to proceed with the design of a community recreation facility.

ATTACHMENTS:

[Recreation Facility Budget Transfer for Design_Powerpoint Presentation.pdf](#)