



MINUTES
Joint City Council / Parks & Trails Advisory Board Work Session
Wednesday, December 14, 2022 6:00 PM

PRESENT: Laurie Smallwood, Councilor; Richard Sheldon, Councilor; Kathleen Walker, Councilor; Carl Exner, Councilor; Don Hokanson, Councilor; and Stan Pulliam, Mayor; Councilor-Elect Chris Mayton; David Breames, Board Member; Will Toogood, Board Member; Upekala Wijayratne, Board Member; Ryan Aultman, Board Member; and Kimberly Seigel, Board Member

ABSENT: Jeremy Pietzold, Council President, Don Robertson, Board Chair, Alexandria Gale, Board Member

STAFF: Jordan Wheeler, City Manager; Jeff Aprati, City Recorder; and Rochelle Anderholm-Parsch, Parks and Recreation Director; John Wallace, Community/Senior Center Manager; Tiana Rundell, Parks & Facilities Manager; and Chelsea Jarvis, Executive Assistant

MEDIA: (none)

1. Work Session on Parks and Recreation Cost Recovery

1.1. Cost Recovery and Financial Sustainability for Sandy Parks and Recreation

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Beneficiary of Services Virtual Workshop

Staff Report - 0638

The **Parks and Recreation Director** provided introductory remarks on the importance of cost recovery work in ensuring the long term sustainability of parks and recreation programming and the ability of the City to meet the parks and recreation-related needs of the community.

Jamie Sabbach, 110%, summarized her background and qualifications before beginning the presentation. A staff report and presentation slides were included in the agenda packet.

The presentation summarized a brief history of parks and recreation, context of parks and recreation spending trends in recent decades, relative spending on operations versus capital, impacts of economic factors and limited public resources, and the evolving importance of the cost recovery approach. A cost

recovery model was then introduced, which involved establishing service categories based on purpose. Those present (not including staff) were invited to rank categories along a continuum from common good to individualized benefits. Further development of the cost recovery plan will involve identifying cost recovery goals to each category on the continuum, with those toward the individualized benefit end expected to carry higher cost recovery targets.

Discussion during the presentation involved the following issues:

- Whether it is appropriate to use the term 'subsidy,' which some feel carries a negative connotation
- The need to determine what the City can afford and what level of cost recovery is needed
- Whether cost recovery can or cannot apply to functions that do not charge entry fees
- Whether actual costs of providing services should affect cost recovery percentage goals
- Whether attendance and participation should be considered during the ranking exercise
- Whether city residency should be considered during the ranking exercise
- Whether non-profit agencies should be considered during the ranking exercise

Discussion following the ranking exercise involved the following issues:

- Whether the Mountain Festival example should have been categorized elsewhere
- The possibility that some services may have unseen or unanticipated community benefits
- The possibility that the availability of a service may be a benefit in and of itself, regardless of how much it is used
- Whether social equity services was adequately defined
- The importance of ensuring that a cost recovery plan continues to evolve in the future in the case of changing circumstances and needs

Following the exercise, it was noted that next steps in this process will involve synthesizing results from the exercises, designing a Beneficiary of Service model, refining cost of service figures, holding a goal setting meeting, completing the Strategy Continuum along with goals, and developing policies.

Note: this meeting, which was conducted virtually via Zoom, allowed participants to use the 'chat' function. The chat record is attached to these minutes.

[Chat](#)

2. Adjourn



Mayor, Stan Pulliam



City Recorder, Jeff Aprati

00:38:07 Councilor Don Hokanson: I think this trend to greater Operating Expense vs capital is not unique to Parks - I think it is typical of any capital-intensive industry where the assets have long lifespans.

00:48:31 Councilor Don Hokanson: Why is the target 100%? Is that the target for cost recovery?

00:50:41 Councilor Carl Exner: it should be 100% of what we decide is our acceptable

00:53:06 Councilor Don Hokanson: I think we need to be careful when applying a framework or model (like this model). The framework will define terms like Tax use/subsidy for the framework. We just have to understand how the definitions are used in the framework.

00:53:43 Councilor Don Hokanson: And acknowledge that the term will have different interpretations in other situations.

00:58:01 Councilor Don Hokanson: I don't think this about charging for events as much as it is about applying comprehensive financial discipline to all aspects of short and long term parks and rec planning.

01:19:00 Councilor Don Hokanson: @Jamie: No need to read my comments or respond to my earlier comment

01:28:56 Councilor Don Hokanson: Similar to the mayor's question, should we ignore participation/utilization by out-of-the-city residents and just rank based on residents?

01:57:24 Kimberly Seigel (PTAB): Did we have access to this material before this meeting? I feel like it would have been good to do a little homework on this ahead of time. Maybe I missed an email.

02:01:11 Councilor Carl Exner: this is the type of decisions make Council very effective - I would love to see similar decisional formats in other areas

02:01:33 Jeff Aprati (City Recorder): The agenda packet was published on December 8th and the system sent notification emails to the Council and Parks Board email addresses we had on file on that day

02:02:50 Councilor Don Hokanson: Thank you!