



Cottonwood Heights Rec Center Bond vs. Kearns Oquirrh Rec Center Bond

The Utah Taxpayers Association strongly opposes the \$12 million Kearns Oquirrh Rec Bond.

The Utah Taxpayers Association remains neutral on the \$4.9 million Cottonwood Heights Rec Bond.

What is the need for the bond?

Cottonwood Heights Recreation Center has gone to great lengths to identify immediate essential projects in order to maintain the safety and basic functions of their facility. The \$4.9 million will go specifically to repairing the unstable, failing roof, replacing the aging, deteriorating piping and outdated, unreliable boiler and updating out of code, faulty irrigation systems. Without drastic improvements to their infrastructure, Cottonwood Heights Rec Center risks a serious accident or service failure.

Kearns Oquirrh Recreation Center has proposed a \$12 million bond to expand their fitness center and build a cover for their fifty-meter pool. Neither project has a safety or maintenance function and the cost for the two projects is less than half the total bond request. The remaining \$7 million of the bond remains undesignated, to be used as a slush fund for pet projects, such as a lazy river, water slides, an indoor running track and other popular, but unknown requests from the community.

How will the bond money be spent?

Cottonwood Heights has identified specific and necessary facility improvement and maintenance projects in accordance with their 2004 master plan. Using a pay-as-you-go strategy, Cottonwood Heights has been able to avoid debt and use ZAP funds to attend to the replacement and remediation of aging components. However, current improvements require additional funds and Cottonwood Heights has identified those specific projects and requested only the necessary amount to cover those projects.

Kearns Oquirrh has taken a strikingly different approach. Without a master plan or even detailed spending plan, Kearns is asking taxpayer dollars to add unnecessary features to their already highly functional rec center. Even worse, Kearns is asking for over \$7 million in undesignated dollars to spend as they see fit, without accountability or transparency. In essence, Kearns Oquirrh is asking taxpayers for a \$7 million slush fund.

What are the terms of the bond?

The \$12 million Kearns Oquirrh rec bond is proposed to be repaid over twenty-five years, resulting in \$8 million of interest for the \$12 million principle. Paying over 60 percent in interest is an outrageous bond repayment structure. Even worse, the bond itself is designated to pay for "wants" that won't even last the length of the bond repayment. Citizens of Kearns would still be repaying the bond long after the waterslides and lazy river additions become inoperable or need to be replaced.

The Cottonwood Height rec bond is proposed to be paid back over 12 years, saving hundreds of thousands of dollars in interest than if the bond repayment were extended to 20 or 25 years. In addition, bond funds are specifically designated for long lasting, infrastructure projects such as replacing the original rec center boiler and roof, both of which have lasted over 40 years.

When will the bond election be held?

Voter turnout in November is double voter turnout in June. In Eagle Mountain in June 2008, a presidential election year, 515 voters or 8 percent of registered voters, participated in the election. While in November 2008 over 4,800 voters turned out, or more than 70 percent of registered voters.

Increased voter turnout should be the number one priority of an election, especially when a city is proposing to increase their debt and the burden on taxpayers. As a result, the Utah Taxpayers Association will not endorse a June bond election.

The Cottonwood Height Rec Center Bond is a rare case of necessity, fiscal moderation and responsibility. Therefore, the Utah Taxpayers Association has decided to remain neutral.

The Kearns Oquirrh Rec Center Bond is a case of wasteful spending, poor planning and taxpayer abuse. The Utah Taxpayers Association strongly opposes the bond.