PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
JUNE 27, 2002

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building City Council Chambers, 445 Marsac Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, June 27, 2002.

AGENDA

Closed Session

2:45 p.m. Property disposition

Work Session

3:15 p.m. Council questions/comments
3:45 p.m. Traffic calming
4:15 p.m. Old Town Needs Assessment Study
4:45 p.m. Extended recycling and hazardous waste program - Kevin Callahan
5:00 p.m. Review of regular meeting
- Nutriceutical application
- Water rate fees
- Racquet Club pool
- Other consent agenda comments/questions

5:50 p.m. Break

Regular Meeting

6:00 p.m.

I ROLL CALL

II PUBLIC INPUT

III COMMUNICATIONS FROM COUNCIL AND STAFF

IV CONSENT AGENDA PUBLIC HEARINGS

1. Ordinance approving a plat extension for combining lots in Block 52, Park City Survey, Park City, Utah, located at 128 - 134 Ontario Avenue

2. Ordinance approving an amended record of survey for Three Kings Condominiums, located at 1420-1585 Three Kings Drive, Park City, Utah

3. Ordinance approving an amended record of survey plat for Sterlingwood Condominiums, located at 7800 Royal Street East, Park City, Utah

4. Ordinance approving the amended record of survey for the Royal Plaza Condominiums Subdivision, located at 7620 Royal Street, Park City, Utah

5. Ordinance approving a two lot subdivision plat for 1550 Lower Iron Horse Loop, Park City, Utah

6. Ordinance approving an amended record of survey for Stag Lodge located at 8200 Royal Street East, Park City, Utah

7. Ordinance amending Title 8, Chapter 2, Section 2 of the Criminal Code of the Municipal Code of Park City, regarding the crime of stalking

8. Ordinance amending Title 13, Chapter 1 of the Water Code, of the Municipal Code of Park City to address the changes in water rate billing

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8. Ordinance amending Title 13, Chapter 1 of the Water Code, of the Municipal Code of Park City to address the changes in water rate billing

9. Authorization to staff to execute a letter of intent with Snyderville Basin Special Recreation District for reimbursement of the Round Valley Connector Trail in an amount of $20,000

10. Award of contract to VCBO for engineering and design services for the Racquet Club Pool in the amount of $22,800

11. Memorandum of Understanding between Park City Municipal Corporation and American Skiing Company

VI PUBLIC HEARING

1. Resolution amending Section 2, Water Fees, of Resolution No. 27-01, and replacing Resolution 27-01 in its entirety

2. Ordinance amending Section 15-2.14-2 (b)(15) RDM zone of the Land Management Code - applicant Nutriceutical

VII NEW BUSINESS

1. Resolution amending Section 2, Water Fees, of Resolution No. 27-01, and replacing Resolution 27-01 in its entirety

2. Ordinance amending Section 15-2.14-2 (b)(15) RDM zone of the Land Management Code - applicant Nutriceutical

VIII ADJOURNMENT

Posted: 06/24/02
See parkcity2002.org

PARK CITY WORK SESSION NOTES
SUMMIT COUNTY, UTAH
JUNE 27, 2002

Present: Mayor Dana Williams; Council members Peg Bodell, Candace Erickson, Jim Hier; and Fred Jones

Toby Ross, City Manager; Frank Bell, Director of Olympic Planning; Mark Harrington, City Attorney; Jerry Gibbs, Public Works Director; Patrick Putt, Planning and Zoning Administrator; Tom Bakaly, Assistant City Manager; Colin Hilton, Contract Consultant; Kevin LoPiccolo, Planner; Kathy Kelly, Racquet Club Manager; and Bob Johnston, Leisure Services Director

Rory Murphy, United Park City Mines Company; Gary Lawton, Prospector Park Association; Kevin Callahan, Summit County Public Works Director

Absent: Council member Kay Calvert

1. **Council questions/comments.** The Mayor and City Attorney presented a plaque and a gift to retiring Director Frank Bell, noting his 20 years of service to the City. Mr. Bell served as Chief of Police from 1982 and Director of Olympic Planning from 1997 and is taking a position as the City Manager in Crested Butte, Colorado.

Peg Bodell reported on the interagency meeting held this week, where school bus service was explained. She pointed out the importance of designing walkways and bus stop areas for pedestrians. There is an opportunity for wastewater pilot programs through the Snyderville Basin Reclamation District and there was a report on the $173 million state budget shortfall, and the legislature is considering cutting road funds. She continued that Summit County will send a copy of its fireworks ordinance to the City. Candace Erickson referred to a letter from resident Linda McReynolds complaining about the condition of Norfolk Avenue. Jerry Gibbs explained the process in scheduling street repairs, and the pothole will be repaired in the next two weeks. Many Old Town are not a part of the pavement management program because they have a pavement quality less than four, requiring reconstruction. The Mayor added that he received letters regarding properties that should have a larger meter for irrigation and don't, which places them in a higher block rate. Jerry Gibbs explained that owners decide the meter size at the time of installation and equalizing multi-family reflecting a per unit basis would compare to single family; this is a Council policy decision. (See discussion later during work session on water rates.) Mayor Williams continued that he and the City Manager met with the developers proposing a medical campus in the Quinns Junction area. They were informed of the inter-local planning agreement with Summit County to study Quinns Junction which should be completed before discussions are initiated on the project.

In response to a comment made by the Mayor, Pat Putt stated that the

Wasatch County Planning Commission approved the Bonanza Mountain Resort prompting subsequent concerns from the public about a 40,000 square foot lodge. The development agreement with regard to Bonanza Mountain sets forth parameters including 280 unit equivalents for residential development and in addition, there is provision for a 20,000 square foot club house, and 75,000 square feet of commercial. The 40,000 square foot lodge is a condominium which is debited against the 280 unit equivalents. Rory Murphy of UPCM indicated that he spoke with an interested constituent to clarify the project, noting that it isn't the club house project.

Peg Bodell discussed a Chamber/Bureau marketing concept targeting males from 18 to 25 years old, specifically an ad that she felt was in poor taste. She asked that other members take a look at it as she would like some feedback. The City Recorder reminded Council of a social hosted by the Summit County Commission on Wednesday, July 17.

In response to a question from Jim Hier regarding appeals on April Mountain, the City Attorney explained that he is working with both parties to determine a time line for the various actions on this project. The plat amendment and determination of the timing of the MPD appeal will be scheduled on July 11, and all three items, including an appeal of the CUP, will be scheduled for consideration on July 18.

2. **Traffic calming.** Jerry Gibbs stated that traffic calming has been a project since 1999 and at that time, Council was presented with a draft policy. This was prompted by a number of citizen requests dealing with traffic problems. Ultimately, Council decided to take an informal approach rather than formally adopting a policy. As a result, situations are examined by staff on a case-by-case basis by him, the City Engineer, and a representative from the Police Department to formulate tests and solutions. A number of traffic calming studies have been performed as well as the installation of temporary speed humps on Holiday Ranch, Solamere and Buffalo Bill. It was discovered that the speed humps on Holiday Ranch slowed down drivers, but created a noise nuisance for the adjacent neighborhood. There were multiple vehicles traveling in excess of 70 mph. Last year, staff developed a median plan including landscaped containers and striping which was effective. This year staff will meet with the neighborhood to develop a plan for three medians.

The policy before Council today proposes setting up a technical committee or citizen advisory committee and Colin Hilton would be the City contact. Fred Jones felt that the citizen advisory committee would be more broad-based while most problems are unique to a neighborhood. Formulating solutions specific to a neighborhood is the correct approach and asked if the process is working without a formal policy.

Mr. Gibbs explained that when there is a call, staff decides if it can be resolved by signing or striping. Under the policy, a response would require more than one

person in a neighborhood; five residents must agree on identified problems. Fred Jones felt the involvement is constructive as buy-in is important. The Public Works Director discussed the first phase involving petitioning the City and the next step is to meet with the neighborhood to identify the scope of options. A study is then conducted and a meeting is again called with the residents for consensus on proceeding with the action(s). Fred Jones reiterated the importance of obtaining buy-in from the neighborhood and not just responding to one caller. There was discussion about informing neighborhoods about this process through home owner associations. Peg Bodell suggested researching police records to identify traffic issues throughout the City and Mr. Gibbs believed that if residents were aware of the traffic calming policy, there would be participation. The Mayor felt that proactive marketing, like public service announcements, would be helpful. Jim Hier asked the downside of adopting a formal policy. The City Manager explained that the current process is more liberal and Peg Bodell interjected that a formal process is more objective than just reacting to complaints. Mr. Gibbs concurred with an earlier comment made by Council member Hier regarding the timing of an application as initiation of the process in the spring may result in a more prompt solution. The Streets Department is scheduled for a variety of projects in July and August. He is hopeful that a formal process will accommodate scheduling and responsiveness. The City Manager added that once identified, traffic calming projects can be considered as a part of the budget review process every year. Council concurred to proceed with a formal policy and it was relayed that $95,000 is in place for the program. There was discussion about blocking driveways with medians and avoiding landscaping maintenance. Follow-up meetings with neighborhoods are necessary to ensure that everyone's expectations are consistent.

Gary Lawton explained his frustration in dealing with traffic issues on Buffalo Bill and Sidewinder for three years. The neighborhood has stopped calling the Police Department and residents are actually chasing offenders. There are motorists traveling 30 mph through stop signs. Speed bumps were installed on Buffalo Bill, but speeding isn't the problem. The problem is running stop signs and he didn't think things will change unless there is more enforcement and that can't be solved by adopting policies. Mr. Lawton emphasized that the neighborhood's safety issue needs to be addressed now but suggested a temporary solution. To encourage slower speeds when approaching the intersection, install speed bumps 50 feet before the stop sign. He asked who is going to take responsibility for a death? The neighborhood needs help now and following the policy will take too long. Being a resident in the area, the Mayor felt Mr. Lawton's idea is reasonable. There was discussion about the no-left hand turn traveling west on SR248 onto Buffalo Bill Drive and compliance when there is a police car in the area. When the police are not there, drivers will travel through Buffalo Bill and other side streets to cut time on their commute. He believed that these may very well be the people speeding through stop signs and very little is going to provide disincentives to them to slow them down unless there is an enforcement aspect. It's doubtful that obstructions other than a gate, will keep them from speeding through the neighborhood. The Mayor directed staff to test Mr. Lawton's suggestion. Mr. Gibbs agreed and added that traffic counts should be conducted

before after a traffic calming device is installed. Peg Bodell volunteered to participate in neighborhood traffic calming efforts.

3. **Old Town Needs Assessment Study.** See staff report. Tom Bakaly discussed studies completed for Old Town including a 1993 streets analysis and the Downtown Action Plan. As a result of UPAPA's request to underground utilities, the Council directed the production of an Old Town Needs Assessment Study where other areas are addressed like Main Street and the Marsac Avenue neighborhood. The study is budgeted at $200,000 for consultant and technical costs. He added that the HMBA has made a request to the City to maintain the white lights installed on buildings on Main Street for the Olympics at an estimated cost of $20,000 a year, which could be folded into this analysis.

Colin Hilton stated that the study will research, examine, publicly discuss and prioritize capital needs projects for Old Town. The boundaries encompass the Historic District designated on the zoning map and lower Park Avenue from Empire and Deer Valley Drive. Priority projects will be based on an evaluation process factoring costs, scheduling, funding sources, public preferences, imminent infrastructure needs, and professional recommendations. Funding options would also be presented as well as policies for evaluation and approval of capital projects. He added that he is the project manager for the process with the assistance of professional consultants. The plan includes reviewing costs, prioritize and investigating financing options for streets, sidewalks, storm drainage, sewer, water, and utility reconstruction; and lighting, and pedestrian-friendly enhancements. The second major area is to review recent parking studies to enhance parking capacity in the Old Town area, identified as the number one priority of the HMBA. Conceptual drawings for a parking facility north of the China Bridge lot, contemplated by the 1996 Wilbur Smith, will be produced. Mr. Hier expressed concerns about proceeding with designs for a parking structure without fully exploring other options. Mr. Hilton responded that parking data is being collected and will be examined before moving ahead with conceptual drawings of a parking structure which will helpful to facilitate discussions with the public. Mr. Hier emphasized that spending $55,000 on the parking structure is too much and Mr. Hilton pointed out that it will also include traffic circulation and traffic calming projects. With regard to under-grounding utilities, it is proposed to only project costs for all neighborhoods, not to actually proceed with construction/design drawings. There may be additional qualified capital projects identified during the public process which would be included in the final report. It is anticipated that this phase would occur in July and August and the public and interested groups would have an opportunity to review the analysis of these capital projects produced internally and with consultants. Council would review this list and approve proceeding with RFPs with a target date of November 1 for completion of the Old Town Needs Assessment Study.

Fred Jones stated that he believes this is a good outline and strongly encouraged Mr. Hilton to utilize previous studies and available information before

embarking on new studies. Colin Hilton agreed that there is a lot of information readily available but sees a need to engage some professional cost estimating for undergrounding utilities and a parking structure. The Mayor felt that the benefits of eliminating paid parking should be included, i.e., selling the meters and a cost analysis of returning customers to Main Street. Colin Hilton understood from meeting with the HMBA that they were more interested in enhancing the number of parking spaces than debating the paid parking issue, and the Mayor commented that that is not what he is hearing. The parking system demands a lot of money for maintenance and enforcement and he is not convinced of its financial viability. The City Manager explained that the study will not focus just on a parking structure as a solution, and there is a lot of current data and information on parking meters. Moving away from paid parking is essentially another project which has cost implications. Fred Jones believed that funding a parking structure through paid parking is probably a discussion that needs to occur in this study. Peg Bodell expressed that programming is extremely important to maintain the synergy of the district and Colin Hilton pointed out that this process is bringing groups together like UPAPA and the HMBA and there may be multiple benefits from conducting this study.

4. Extended recycling and hazardous waste program. Summit County Public Works Director Kevin Callahan explained that when BFI was retained in 2000, a pilot program for curbside recycling was initiated. The Commission desires to expand the program and invite a City Council representative to serve on a task force for the next two and a half months. BFI has proposed changing to an automated curbside recycling system with a single container but would like to obtain more community input before implementing the program. Currently there are 2,000 households served and it is felt that 3,500 could be accommodated with an automated system. He added that Summit County is still working with an allocated budget of $100,000, but an automated system is significantly more efficient. There will be marketing to promote the program and options for recycling to fit customers' individual needs which are the keys to success.

In March, the Summit County Commission adopted a storm management plan, including household hazardous waste collection at the landfill. There have been initial discussions to provide quarterly collections at various locations and this will be paid for by imposing a tipping fee. In response to a question from Peg Bodell about these efforts impacting Recycle Utah, Mr. Callahan explained that this will also be examined by the task force in discussing the overall transition. Mayor Williams volunteered to serve on the committee. In response to a question from Candace Erickson about the effectiveness of the current curbside program, Mr. Callahan explained that about 24 tons a month are collected. However, the program has not been promoted; there is about a 55% participation rate and there is a lot of room for growth.

5. Review of regular meeting.

Nutriceutical application. Kevin LoPiccolo explained that the applicant is

requesting Council consideration of an amendment to the RDM zone which would allow an office as a primary use, currently it is a secondary use. A fiscal analysis has been prepared by Tom Bakaly, as requested by Council. Mr. Bakaly distributed more current financial information. Jim Hier pointed out that this is a land use consideration and not an economic development issue. The Mayor understood that there could be a variance for the parcel and the City Attorney emphasized that a use variance would be illegal and this is the proper approach. Fred Jones agreed with Mr. Hier's comments. Mr. LoPiccolo noted that there will be a formal presentation at the regular meeting and described the amendment to the RDM section of the Code relating to a footnote change. Fred Jones recalled that the footnote was added after Saddleview was built and occupied, and the footnote was added for a good reason. Mr. LoPiccolo acknowledged that the intent of the RDM zone is to maintain a residential component along the entry corridor and to discourage strict commercial uses and the Planning Commission found that the application did not comply with the General Plan. Fred Jones commented on the difficulty on controlling the intensity of office use, and Mr. LoPiccolo added that Nutriceutical plans on the building being its corporate headquarters. Mr. Jones warned that the allowed use will remain after Nutriceutical is gone.

Water rate fees. Jerry Gibbs distributed an amended fee resolution reflecting meter sizes that were inadvertently omitted from the document. He reported that he checked out the Four Lake Village situation and the new rate structure will increase their costs by 24%. However, there is provision in the Code for him or the City Manager to review special requests and grant up to a 20% reduction if justified for unique circumstances. Adjustments can be made by analyzing base rates and meter sizes and applying the appropriate rate, which has been the argument expressed by multi-family projects. Fred Jones stated that greater equity for users and promoting conservation should be our goals but didn't feel that multi-family is equivalent to single family by virtue of land use, and treating them the same may not be fair to single family. Both sides need to be evaluated to reach our ultimate objective of not draining the tanks. Ms. Erickson added that affordable housing projects, like Silver Meadows, should be given some consideration and Mr. Gibbs believed the rate amendment will result in about a 5% increase.

Racquet Club pool. Kathy Kelly explained that five formal proposals were received from the RFP for architectural and design services and the committee selected VCBO. She corrected the amount on the agenda from $22,500 to $22,800. In response to a question from Jim Hier, Ms. Kelly indicated that the staff report includes review criteria, including cost, creativity, past projects, customer service, etc. The RFP stated that the cost for the total project is $300,000 and bidders calculated costs in a variety of ways. The City Attorney added that rankings of bids are available for the Council to inspect, but not the general public. Jim Hier felt that advertising the cost of the project may not be the proper way to proceed with the project, and Ms. Kelly explained that staff is not sure what $300,000 will get us; some companies were reluctant or unwilling to bid on a small project

like this. Once the design is completed, bids will be let for the construction of the pool. Bob Johnston explained that staff felt it important to disclose cost parameters to designers, especially given the tight time-frame. The City Manager explained an alternative process where components are bid separately to attempt to control costs. Peg Bodell stated that meeting the time line is important to her. The architect from VCBO assured Council that the time line is attainable.

Other Consent Agenda comments/questions. None. See regular meeting minutes.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
JUNE 27, 2002

I ROLL CALL

Mayor Dana Williams called the regular meeting of the City Council to order at approximately 6 p.m. at the Marsac Municipal Building on Thursday, June 27, 2002. Members in attendance were Dana Williams, Peg Bodell, Kay Candace Erickson, Jim Hier, and Fred Jones. Kay Calvert was excused. Staff present were Toby Ross, City Manager; Mark Harrington, City Attorney; Kevin LoPiccolo, Planner; Jonathon Weidenhamer, Planner, Brooks Robinson, Planner; Jerry Gibbs, Public Works Director; and Tom Bakaly, Assistant City Manager.

II PUBLIC INPUT

The Mayor invited the public to comment on any matter of City business, not scheduled on the agenda.

Fireworks ban - Jerry Farley stated that he is a lobbyist for American Promotional Events who contracts with Dan's Foods, Albertson's, Smith's Foods, and Wal-Mart and represents clients in several states. Through a combination of actions by the City and Summit County, his client and their customers have been prohibited to sell state legal fireworks. His visit last year was unproductive and he hoped it would be different in 2002. All four retail locations applied for and received their state licenses in a timely manner. City permits were applied for on May 3 and as of yesterday, none have been issued and state law specifies that sales may begin on June 20. Both local and corporate representatives of Dan's and Smith's have expressed to him their problems with Park City over the years, making it difficult to impossible to sell fireworks. He discussed citations issued to Dan's and Albertson's for not having permits and expressed that he believes the ordinance adopted by Summit County is not legal and that neither the County or the City has the authority to prohibit sales or possibly even use. Mr. Farley stated that his clients will not sell fireworks. This has damaged their reputations within the community and has damaged them economically. There will be fireworks in Park City purchased *up the road*. American Promotional Events is the one company in the United States that has a continuous record of over 50 years to work with elected officials for safe use of fireworks, but that's not going to happen. He will leave but will obviously consider options and has mailed a registered letter to the City regarding the non-issuance of permits and authority to prohibit sales and use. His legal council is quite confident it could, but will not force the sale and use of fireworks in the City this year because it's too late. From this time forward *you're going to have a hard sell with me* because this is the second time. In his 22 years of representing this company, this is the only time actions of this nature have continued and he thought Park City could be different. Mr. Farley stated that his clients will do what is in their best interests, possibly legally and legislatively. He could have been a partner in preventing the sale of illegal fireworks, but that's not possible now. Mr. Farley then left the building.

Peg Bodell asked if he was successful in talking with anyone at the City. Fire Marshal Ron Ivie responded that he worked with Mr. Farley this year and last year on the same issue. Danger from the extraordinary drought conditions should be quite clear and he believes the City has statutory standing and he simply doesn't. Last year, there was discussion about a legislative solution, but with the shortened legislative session, this bill was never considered. This still needs to be done to clarify criteria. Mr. Ivie added that the City doesn't want to restrict their product, but must consider public safety first and act responsibly which is to prohibit the sale and use of fireworks and other ignition sources within the City boundaries of Park City. Although Mr. Farley made application for the locations in the City within the time prescribed, the City didn't process those permits waiting until a decision was made about the ban. The weather forecast is for hot temperatures, dryer than normal and Mr. Ivie discussed the wildfires in the West in the same environmental conditions. The ban has only been imposed twice in 20 years. He reiterated that he believes that a ban is the right thing to do but will support Council's direction. Mr. Harrington explained for the benefit of the Mayor, that Mr. Ivie's order will proceed without Council action. He added that the Legal Department worked with the Fire Marshal to ensure the order was effective in the event of a legal challenge. Fred Jones stated that he is in full support of Mr. Ivie's order and agreed with being very cautious. He understood economic damage, but it is Council's responsibility to take a longer economic view and a fire will have a much larger economic impact on all of us, than the second year of not selling fireworks. We must minimize the exposure as much as possible. Peg Bodell stated she agrees with Mr. Jones. Mr. Ivie clarified that he didn't want to issue permits and then rescind them, and the delay in the process was intentional. There will be a fireworks display on July 3 at Deer Valley and July 4 at PCMR. Jim Hier also supported the Fire Marshal's decision.

Hearing no further comments, the public input session was closed.

III COMMUNICATIONS FROM COUNCIL AND STAFF

None.

IV CONSENT AGENDA PUBLIC HEARINGS

1. Ordinance approving a plat extension for combining lots in Block 52, Park City Survey, Park City, Utah, located at 128 - 134 Ontario Avenue - Mark Harrington disclosed that Kay Calvert is one of the owners, but is absent this evening. Kevin LoPiccolo explained that although the staff report requests six months, the applicant is asking for a one year extension in order to work out details with the adjacent property owner. Mr. Jones pointed out that the letter from Alliance Engineering in the staff report indicates that an agreement was reached with Mr. Ivers for extension of the private driveway. Mr. LoPiccolo relayed that Alliance called today to request one year, but believed the plat could be recorded in six months. In response to a question from Jim Hier,

Mark Harrington explained that the one year approval was added as a standard condition of approval because there were approved plats *out there forever,* and lingered while circumstances and conditions changed. Taxes are assessed when plats are recorded and some owners take advantage of the economic benefits of a plat amendment without actually filing it, particularly with regard to vacation or dedication of rights-of-way. Staff doesn't feel strongly one way or another, but the City Attorney continued that he agrees with Mr. Jones in that Council should treat all applications the same and have sufficient findings for the extension. No concrete reason is given for the additional six month extension except that it would be nice to have. Fred Jones believed that if the property issue is solved that the plat can be recorded in relatively short order. Mark Harrington clarified that six months is standard, which is specified in the draft ordinance. The Mayor invited the public to comment. Hearing none, the public hearing was closed.

2. Ordinance approving an amended record of survey for Three Kings Condominiums, located at 1420-1585 Three Kings Drive, Park City, Utah - Jonathon Weidenhamer stated that the plat amendment contemplates conversion of limited common deck area to private. The Planning Commission unanimously approved and forwarded a positive recommendation to Council on June 13, 2002. Ms. Erickson commented that the Council is reviewing many similar requests. Mark Harrington explained that the process for amending records of surveys was very arduous as it required 100% owner support. The legislature was convinced by Park City to make a state code amendment in consideration of the merits of redevelopment to reduce that requirement to 66%. It makes these applications more possible legally and staff is continuing to pursue legislative options that may further accommodate improvements for properties. Hearing no further comments from Council, the Mayor opened the public hearing. Hearing no input, the public hearing was closed.

3. Ordinance approving an amended record of survey plat for Sterlingwood Condominiums, located at 7800 Royal Street East, Park City, Utah - Planner Jonathon Weidenhamer again explained that this application is to convert limited common area into private area. The Planning Commission forwarded a positive recommendation on June 12, 2002. Hearing no comments from the Council or the audience, the public hearing was closed.

4. Ordinance approving the amended record of survey for the Royal Plaza Condominiums Subdivision, located at 7620 Royal Street, Park City, Utah - Kevin LoPiccolo explained that the applicant is Cole Sports who wishes to construct a 8,000 square foot addition and there is an encroachment in a common area. The home owners association is 100% in support of this application. Candace Erickson disclosed that as an employee of Cole Sport, she will be abstaining from voting on this matter. The Mayor opened the public hearing. Hearing no comments, the hearing was closed.

5. Ordinance approving a two lot subdivision plat for 1550 Lower Iron Horse Loop, Park City, Utah - Brooks Robinson stated that this subdivision was previously approved but expired without a request for an extension. The Planning Commission reviewed this on June 12, 2002 and forwards a positive recommendation to the City Council. Hearing no comments or questions from the Council or the audience, the Mayor closed the public hearing.

6. Ordinance approving an amended record of survey for Stag Lodge located at 8200 Royal Street East, Park City, Utah - Planner Robinson noted that this is the third application on the Consent Agenda seeking to convert common area to private space for the purpose of minor expansions. The Planning Commission added a condition that the expanded areas could not be used for separate lock-out units. Hearing no questions or comments, the Mayor closed the public hearing.

7. Ordinance amending Title 8, Chapter 2, Section 2 of the Criminal Code of the Municipal Code of Park City, regarding the crime of stalking - The City Attorney explained that the new language broadens stalking elements by removing a prior requirement of credible threat and replacing it with showing emotion distress. The Mayor opened the public hearing. Hearing no comments, the public hearing was closed.

8. Ordinance amending Title 13, Chapter 1 of the Water Code, of the Municipal Code of Park City to address the changes in water rate billing - Jerry Gibbs explained that the current water rate structure includes 5,000 gallons in the base rate, and the proposed plan would eliminate the 5,000 gallons and an individual base rate would stand on its own.

Kimball Reid, resident in Prospector Square, noted his confusion with this legislation and was not convinced that it would promote conservation. The details of the Prospector Square irrigation system was explained by Joe Kearnin. The City Manager interjected that the matter before Council is eliminating the 5,000 gallons for the first block. There is also the ability to examine situations on a case-by-case basis which may result in installing additional meters, larger sized meters, separate meters, etc. Additionally, there are only two irrigation blocks contemplated to minimize impacts on multi-family projects. The Mayor pointed out his observation that the sprinklers at Prospector Square are on regularly during the day. Hearing no further comments from the Council or the audience, the Mayor closed the public hearing.

V CONSENT AGENDA

Peg Bodell, "I move to approve Items 1 through 10 on the Consent Agenda and would like to remove Item 11 and discuss that separately". Fred Jones seconded. Motion carried.

Peg Bodell	Aye

Kay Calvert	Absent
Candace Erickson	Aye; abstention on Item 4
Jim Hier	Aye
Fred Jones	Aye

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9. Authorization to staff to execute a letter of intent with Snyderville Basin Special Recreation District for reimbursement of the Round Valley Connector Trail in an amount of $20,000 - See staff report.

10. Award of contract to VCBO for engineering and design services for the Racquet Club Pool in the amount of $22,800 - See staff report and work session discussion.

11. Memorandum of Understanding between Park City Municipal Corporation and American Skiing Company - Mayor Williams stated that he received several calls regarding concerns that the document suggests that the City will supply The Canyons with water. With regard to providing five parking spaces, the Mayor added that he doesn't support the City also providing enforcement services for the five spaces. Peg Bodell agreed and added she has a problem with the transportation section. Peter Tomai of ASC explained that water and transportation provisions are generally written to reflect an intention of mutual cooperation. It is their belief that a cohesive integrated transportation system is more efficient and water is also common interest. The Canyons has access to substantial excess water from Summit Water than it doesn't need in the immediate foreseeable future which may be beneficial to the City. Jim Hier asked for clarification of the Mayor's concerns about water and Mr. Williams explained that people have the perception that the City is obligated to provide The Canyons with water, and Mr. Hier pointed out that the language doesn't read that way. The City Attorney emphasized that there is no binding requirement on the part of the City, and suggested an additional sentence, *nothing herein shall be deemed to bind future city councils in accepting or rejecting such expansions or future system proposals*, which was accepted by Council. Tom Bakaly explained that ASC is working with the state on a loan/grant which should be finalized in July. The Mayor acknowledged interested citizens in the audience and invited them to speak.

Jana Potter, owner of Silver Queen next to the Gateway Center, felt that the parking for ASC at the Gateway is a benefit to the landlord Mr. Tozier. He should be responsible for providing parking for his tenants, not the City. She has just invested millions of dollars in renovating her property for the benefit of the Main Street area. Since paid parking has been implemented, she has paid over $10,000 in parking passes to accommodate her guests. She discussed in detail, the process of developing the parking passes for the convenience of visitors by her and the Public Works Department. Additionally, if ASC brings 46 employees to this location, five parking spaces are not sufficient. With regard to the City entering into private contracts, she doesn't want the City to do something that it may regret. She again discussed the appropriateness of the City helping an individual landlord. It makes more sense to have ASC's corporate headquarters at The Canyons or the parking could be accommodated in another location, like the Flag Lot. Ms. Potter stated that if parking is available and obtainable through a lease, then all adjacent property owners should be noticed so they have the same opportunity. If public parking spaces are encumbered, there should be a plan to expand parking. She warned that private agreements *may bite* the City in the future.

Candace Erickson explained that the provision for five parking spaces was something the City offered in order to attract a business with employees who will financially support Main Street businesses. Ms. Potter added that she has 20 employees and reiterated her concerns about the City placing itself in a bad position. Peg Bodell responded that she never viewed this as helping the landlord, but bringing a corporation to town that would benefit the entire community. Ms. Potter reiterated her parking concerns. The City Manager added that the City hasn't offered spaces in the past on any kind of basis, and that probably should be explored. Ms. Potter again expressed that the parking offered should be in another location as it is already congested in the garage. Fred Jones added that no matter who occupies the space, there is going to be an impact and she repeated her argument that parking options should be offered to everyone.

Roy Crandle, Little Kate resident, expressed his surprise that The Canyons has excess water. Peter Tomai of ASC explained that there may be opportunities to accomplish mutual interests and explained its role with Summit Water. Mr. Crandle stated that water is a touchy subject and referred to a meeting recently held in the Santy Auditorium where water conservation was the focus. For most issues covered in the MOU no input is probably okay, but not for water. He felt that residents didn't like getting notice through Jay Hamberger's article in the *Park Record* that Park City has agreed to cooperate in future water works projects for culinary, snow-making, and irrigation water with The Canyons. He quoted, *"ASC and City agree to work cooperatively in the planning and development of future culinary, snow-making, and irrigation water supplies, including the storage and distribution systems".* If there is an excess, he saw no reason that The Canyons and ASC should have any advantage over other developers and residents for access to that water. Park City should not be in the water distribution business outside of the City limits. With regard to water, Park City residents are entitled to open door discussions and Mr. Crandle requested that Council remove Section 5 regarding water with ASC from the MOU. Quotes like that should not be showing up in the paper at a time when residents are trying to conserve water.

Peter Tomai, speaking as a resident, relayed that he served on the parking committee and is very familiar with most aspects of the system. A main principle of the plan was to move employee parking out of the Main Street core to provide more parking for visitors and shoppers. He relayed his experience as a business owner with an office at the Gateway. Paying for parking for employees prompted him to move to the County but in retrospect, it was a decision he regretted. Employees had to drive to work; riding the bus or walking were not options which is bad for the environment and our roads. ASC's second choice is Salt Lake City and with this MOU, there will be a business in our downtown core, which may result in local employment opportunities. He emphasized that the MOU is the only agreement contemplated between ASC and the City. The Mayor proposed striking Item 5.

Fred Jones stated that there seems to be a great misunderstanding about Item 5. Water is a two-way street and he described a recent urgent water situation that occurred in short order and had the JSSD pipe line been up and running, it would have gone a long way in alleviating the problem. His point is that interconnected water systems are essential to our local and regional community because there are well failures, breaks, etc. and if there aren't connections, the remedies are extremely expensive and overbuilding individual systems doesn't make a lot of sense. Water projects costs an exorbitant amount of money, and Park City can't economically build a project alone that only services our needs. The City will have to sell water to others, i.e., Summit Water, Mountain Regional, etc. as there need to be other customers to make that project viable. It's not realistic to think a separate system is economically feasible or environmentally responsible. Mr. Jones clarified that he doesn't care whether Item 5 remains or is removed, but it is written in recognition that we all need to work on water together and he has no problem with the language whatsoever. Interconnection is the only thing that is going to work and it is exactly what we're doing whether it is written here or not. Jim Hier added that the City is trying to cooperate on major infrastructure projects with the County which he feels is very positive. Jana Potter again spoke on the responsibility of the landlord to provide parking to tenants, not the City.

Fred Jones, "I move to approve the MOU with the addition of the sentence to No. 5". Jim Hier seconded. Peg Bodell suggested that ASC vacate the parking at 6 p.m. for visitors. This was discussed but didn't seem practical. Motion carried.

Peg Bodell	Aye
Kay Calvert	Absent
Candace Erickson	Aye
Jim Hier	Aye
Fred Jones	Aye

VI PUBLIC HEARING

1. Resolution amending Section 2, Water Fees, of Resolution No. 27-01, and replacing Resolution 27-01 in its entirety - Jerry Gibbs explained that 5,000 gallons are not included in the base rate. The base rate is reduced so that the current $15.75 for single family is reduced to $10, each meter size is reduced by 5,000 gallons and the cost associated with the meter. There are ranges for meter sizes within each use category except for single family and 3/4", 1", 1 ½" usage would be treated the same within the single-family category. There are use ranges for all other categories and the overall effect is a 10% net increase to met capital needs for future water projects. The Mayor invited the Council and the public to comment. Hearing none, the public hearing was closed.

2. Ordinance amending Section 15-2.14-1 and 15-2.14-2(B) RDM zone of the Land Management Code - applicant Nutriceutical - Planner Kevin LoPiccolo explained that the applicant is seeking approval from the City Council to amend the RDM zone to allow general office use with a conditional use permit. Nutriceutical is considering buying the Brookside Inn, property located at 2260 Park Avenue, which is zoned RDM and is surrounded by condominiums to the east, The Radison Hotel to the north, and offices to the south. The Planning Commission reviewed this application at two meetings before rendering a negative recommendation to the City Council and determined that the proposed office use does not comply with the General Plan. In order for the application

to proceed, an amendment to the RDM zone would have to be made to the LMC deleting Footnote No. 8 so that office use is a primary use. On May 22, the majority of the Planning Commissioners were supportive of allowing general office use as a primary use in the RDM, provided that the applicant comply with the zoning requirements. At the June 4 meeting, the Commissioners present did not support the applicant's request to modify the RDM zone to allow general office as a primary use by a 3:1 vote. The descending Planning Commissions expressed that the change in use was not compliant with the RDM zone which is intended to be residential to support commercial type uses. It was felt that it would create more traffic, a net increase of 29 parking spaces, and is incompatible with the neighboring developments. Planning Commissioners present felt that the General Plan supported in greater detail, resort related uses versus office type uses and the members felt that general office use is too intense on our entry corridor. He continued that currently office use is allowed as a subordinate use to a residential or resort use and as of today, the area is a mix of residential, office and hotel uses. The proposed LMC amendment would not significantly alter the character of the neighborhood, however, it will reinforce a commercial entry corridor.

Mr. LoPiccolo explained that the City may overturn the Planning Commission's denial, amend the LMC, make a determination that the change is consistent with the stated purpose of the RDM zone and amend the purpose statement to be consistent with the proposed change. He read proposed language and pointed out that general office is only permitted in an approved master planned development, and may only be considered with redevelopment of an existing building. Applications must meet specific criteria, including the Economic Element of the General Plan.

Bruce Huff, President of Nutriceutical Corporation, publicly thanked staff for assistance with their applications. Nutriceutical has been in Park City since 1994; employ over 500 people in Ogden with sales and corporate staff in the City. As a natural ingredient company, they wanted to be associated with a mountain environment which is also attractive for inviting customers and vendors to this area. Members of the corporate staff own homes throughout the area and contribute to the economy. Mr. Huff indicated that he prepared an economic analysis that shows this to be about a *wash*. Currently, they occupy the seventh floor of the Wells Fargo Building, a large portion of the Park Meadows Plaza and half of the bottom floor of the Associated Title Building. This is an awkward set-up and they have been looking for property for two years to consolidate corporate headquarters in a workable area. He emphasized that the corporation is extremely stable. The only property that has become available is the Brookside Inn; he considered purchasing the City-owned property south of the post office, but presented too many details to work out. The Brookfield Inn is in foreclosure and has been closed since April. It has not made a profit in its short life; it is a 42 room hotel which is not economically viable based on research . Nutriceutical has an agreement to acquire the notes on the property which expires tomorrow and he described the critical state of the bank holding the notes in California. He assumed that if City Council approves this amendment, it would be with the understanding that it supports the CUP. Nutriceutical would exercise its option on the notes both with the SBA and the principal lien holder and take possession of the property. Mr. Huff stated that they really are out of options and may be forced to move to Kimball Junction.

He added that he understood that it is not an easy decision to change use for a zone but they have followed the process and rely on the advice of staff and the Legal Department with regard to the amendment. He pointed out a section of the General Plan addressing a vibrant economy, *Park City should support local businesses in their efforts to grow and expand. Regionally and nationally owned business that maintain our community's character and reinvests in community also, should be supported to ensure the long-term success of our economic vigor.* He added that there was discussion during the Planning Commission process about diversifying our economic base and emphasized that they are not asking for incentives or inducements, they are here and want to stay. This is a narrow change to the Code and they believe they are a low impact use. Their 80 employees are here now and are currently traveling Kearns and Bonanza and traveling to this location may actually lessen traffic impacts. Adjacent owners of the property are in support of an office use and prefer it over a hotel, and Nutriceutical has agreed to install under-ground parking. They don't have a lot of deliveries or walk-in customers and Mr. Huff discussed entertaining clients in Park City by way of dining and lodging. An economic analysis indicates that the bed-base argument is a *wash*. He added the importance that his employees volunteer in over 18 organizations in the City and most don't live here, but are involved in community activities. This is intangible but says something about Nutriceutical's commitment to the community.

He continued that there was support in two of the three Planning Commission meetings and because of absences, their request was not successful. The Council is the policy maker and can make a decision to have this plan move forward. Kevin LoPiccolo clarified the RD and RDM zoning by way of map as his current offices are located in GC. The City Attorney also clarified that technically the City Council can not act on the CUP; it is not an action before Council. Because this is public hearing on a land use matter and although this is legislative, he asked that public comments received outside the hearing process be disclosed on the record. Mr. Huff indicated that he spoke with the Mayor, Peg Bodell and Kay Calvert. Jim Hier disclosed that he was contacted by Jeff Mann on this issue.

Rick France, principal of the Brookfield Inn, stated that he reluctantly testifies to relay the series of events contributing to the failure of the project. With regard to bed-base and losing skier days, there are 42 rooms and 150 rooms were lost during Sundance because of a reservation error and at a very busy time of the year, the management company was unable to fill those beds. As a resident of Park City for only three years, Mr. France acknowledged his mistake in trusting a couple of local people who felt this was a good retirement investment for him. His real estate agent disclosed that he performed due diligence which was clearly not the case. It is rare that Park City is 100% occupied; he lost skier days and the revenue associated with that. The construction was more expensive than planned for a variety of reasons and he could not find financing and was forced to go to a small bank in California. Subsequently, this bank has been given a *cease and desist order* by the FDIC and has become difficult to work with. Mr. France stated that they would have lost a lot less money if he had abandoned the project at that point because it was a construction loan with no personal guarantees. However, they subsidized the project in the amount of about $4 million over two years, which is not a viable option. The banks will write off about $2 million of the $9 million spent, and he vigorously tried to find partners. They were not successful because of the configuration of the hotel; it's not considered a bed and breakfast and its not a hotel. The overhead is the same with or without the rooms and a cheap franchise hotel in Park City was not an option. He detailed the efforts involved in attracting buyers, and Nutriceutical came forth with a cash deal and good timing. The economic viability of the building as a hotel is slim and Mr. France urged Council to overturn the decision of the Planning Commission.

Hearing no further comments or questions from the Council or the audience, the Mayor closed the public hearing.

Fred Jones stated that he is very supportive of keeping Nutriceutical in town but the issue he's struggling with is land use. Under the Code, the Council can not deal with this application differently, because there are properties along SR224 and SR248 that could have the potential of becoming office properties if the clause is changed. He didn't feel that office use on the entry corridor is appropriate. With regard to a comment made by Fred Jones about acquiring vacant property, the City Manager interjected that this amendment would only apply to redevelopment projects. Ms. Erickson noted that she does not have a problem with the request. First, the building is already constructed and secondly, she believes an office use has less impact than a hotel in the neighborhood. The ordinance also provides that each project will be reviewed on an individual basis. Ms. Erickson stated she would like to see Nutriceutical stay in town. Jim Hier agreed with Mr. Jones' views and has a problem changing land use rules based on economic considerations. He believes there's not one hotel in this town who hasn't gone back to the bank and bankruptcy is not a sufficient reason and/or stated in the LMC. He is concerned about the entry corridor and would not want to set a precedent for other properties. He is reluctant to amend the Code. Peg Bodell stated that she disagrees with the potential traffic impacts identified by the Planning Commission and agreed with Ms. Erickson. She felt that future applications for existing properties will still be subject to a full process. This is not just benefitting one person, but a whole community and is supportive of the ordinance.

Mr. Huff added that the change is not significant in the zoning, and the language has been crafted narrowly in a way that protects the RDM and the City has additional control over what gets developed in the area, as a property owner. In response to a question from Fred Jones, the City Attorney explained that staff tried to create a note that addresses a specific redevelopment project because the City has additional authority in redevelopment situations. The legislature has recognized these higher public purposes to improve economics for individual properties. Similarly, with struggling properties, there is a condition which requires identifying findings from the Economic Element in the General Plan in addition to the usual conditional use process. If it was just a CUP, it would be different. He added that staff has worked hard to minimize risk without crossing the use variance line. There was discussion about projects being supported by findings in the Economic Element and in order for the project to proceed, the Planning Commission must approve the CUP. Fred Jones asked if the City has any control if Nutriceutical moves out of the building. Mark Harrington felt the CUP would be transferrable unless otherwise conditioned. If the use is a more intense office use, it would be subject to a CUP process or not allowed. The City Attorney advised not to limit transferability. In response to a question from Jim Hier about monitoring use, Pat Putt explained that it would be triggered through business licensing, building permits, and sign code requirements.

VII NEW BUSINESS

1. Resolution amending Section 2, Water Fees, of Resolution No. 27-01, and replacing Resolution 27-01 in its entirety - Peg Bodell, "I move we approve Item 1 under New Business amending Section 2, Water Fees of Resolution No. 27-01 and replacing Resolution 27-01 in its entirety, amended (see work session notes) - Candace Erickson seconded. Motion carried.

2. Ordinance amending Section 15-2.14-1 and 15-2.14-2(B) RDM zone of the Land Management Code - applicant Nutriceutical - Peg Bodell, "I move we approve Item 2 under New Business with the language changes made to subsections (a) and (d)". Candace Erickson seconded. Motion carried.

Mayor Williams expressed his concern about the long-term economics of Park City, specifically, overbuilding the bed base and bankruptcies. Nutriceutical is someone willing to employ 80 people in town with a business not dependent on snow. The City needs to look beyond the ski industry; he didn't feel the loss of 82 pillows is significant, and is supportive of the amendment. Mayor Williams broke the tie.

Peg Bodell	Aye
Kay Calvert	Absent
Candace Erickson	Aye
Jim Hier	Nay
Fred Jones	Nay
Dana Williams	Aye

VIII ADJOURNMENT

With no further business, the regular meeting of the City Council was adjourned.

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MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 2:45 p.m. Members in attendance were Mayor Dana Williams, Peg Bodell, Candace Erickson, Jim Hier, and Fred Jones. Kay Calvert was excused. Staff present were Toby Ross, City Manager; Mark Harrington, City Attorney; and Tom Bakaly, Assistant City Manager. Peg Bodell, "I move to close the meeting to discuss property disposition". Fred Jones seconded. Motion carried.

Peg Bodell	Aye
Kay Calvert	Absent
Candace Erickson	Aye
Jim Hier	Aye
Fred Jones	Aye

The meeting opened at approximately 3:15 p.m.

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The meeting for which these minutes were prepared was noticed by posting at least 24 hours in advance and by delivery to the news media two days prior to the meeting.

Prepared by Janet M. Scott

Janet M. Scott
Janet M. Scott, City Recorder

PARK CITY SUMMIT COUNTY UTAH
CORPORATE Seal
MARCH 1, 1884