PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
MAY 20, 2010

Present: **Mayor Dana Williams; Council members, Alex Butwinski, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson**

Tom Bakaly, City Manager, Tom Daley, Deputy City Attorney; Kirsten Whetstone, Planner; Nate Rockwood, Budget Analyst; Brooke Moss, Human Resources Analyst; Bret Howser, Budget Manager; see below

1. Council questions/comments. Alex Butwinski discussed HMBA and Planning Commission business. Candace Erickson commented on participating in the City's annual Clean-up Day event where it seems less trash was collected than in the past. She spoke about Friends of the Farm projects and upcoming events and a number of topics of interest discussed at the legislative policy committee meeting. Discussion ensued on the process for dealing with delinquent taxes and Bret Howser explained that the City plans for this shortfall. Cindy Matsumoto discussed the awards ceremony hosted by the Education Foundation and congratulated recipients and all educators. Dana Williams spoke about the dramatic economic downturn in Mexico where he was vacationing the last two weeks.

2. Park City Heights update. Kirsten Whetstone explained that the original application was submitted in 2005, a task force was formed, the Planning Commission conducted a six month review and in April 2008 it forwarded a positive recommendation on the annexation. The property includes 286 acres generally located in southwest corner of SR248 and US40 and the last public hearing was held in October 2009. She relayed that in the meantime, the applicants Park City and The Boyer Company have been working to resolve outstanding issues including water, transportation, phasing and affordable housing and most have been resolved. A public hearing has been noticed and scheduled for May 27, 2010 and staff will present the revised annexation agreement, water agreement, and a revised site plan that addresses some of the Planning Commission's recommendations. Ms. Whetstone indicated that a final site plan will result from the MPD process, which is a requirement of the annexation. Community-transition zoning is recommended. There were no questions or comments from members.

3. Budget discussions. Nate Rockwood referred to the $1.8 million shortfall and resulting cuts to departmental operating budgets. This year's budget process is similar to last year's and departments were directed to reduce their budgets 5% while maintaining the same levels of services. He noted that last week, Council asked what additional cuts can be made to avoid a property tax increase. He encouraged an in-depth analysis of service levels based on priorities established by the City Council which is an entirely different way of looking at the budget. In consideration of the level of cuts reached now, a process should be created to identify further reductions because they will impact service levels.

Bret Howser addressed balancing the 2011 budget without a property tax increase by accessing reserves in the short term and then pursuing the process just described for the 2012 budget. The revenue mix plan is intended to be revisited regularly in order to be effective. He explained that the cuts are from the 2011 plan which is now represented as the 2011 budget and explained where to locate revised and actual numbers. The Mayor asked for options if the property tax is not approved and service levels are impacted. For instance, the pay plan could be delayed or the five year Capital Improvement Budget could be adjusted. It is important that the public knows that the City has looked at everything. Mr. Howser interjected that the operating budget, pay plan, and/or capital cuts have the potential of impacting service levels and should be carefully analyzed. Mr. Bakaly noted that there are a variety of ways to cover the shortfall in the near term, but the issue is taking a longer term view. If the property tax option is troublesome, he suggested moving forward with the 2011 budget because a $400,000 gap can be covered. Other revenues to explore could include transient room tax or a local option tax. Liza Simpson emphasized that the 15 year plan is a model and a yearly snapshot; eventually there may need to be a property tax increase but perhaps not at the levels projected.

Bret Howser explained the inherent problem with the structure of property tax is no inflationary component which diminishes the City's purchasing power. If the rate of redevelopment is higher than anticipated, revenues could be enhanced but it is important to review a plan regularly and adjusting it as necessary.

Cindy Matsumoto expressed that she understood the proposed policy presented by the Budget Department but clarified that she is not in favor of raising property taxes by 6% every other year. Joe Kernan pointed out that sales tax revenues have grown from $8 million to $12 million over a ten year period which is significant. He finds it difficult to commit to a 15 year plan of property tax increases and would rather consider other options to cover a bad year. Everything should be on the table, i.e., services, payroll, etc. and the burden during bad times should be shared equally by all interests. Formulating a plan for cutting expenses and covering revenue shortfalls can be a good exercise to re-evaluate services. Tom Bakaly acknowledged that imposing a property tax increase is a very hard decision and if it is not an option, he recommended taking some time to frame a longer-term policy. He warned members about not expecting the same level of revenue growth and prosperity experienced the last ten years. The Mayor expressed that he is not necessarily adverse to the 15 year policy presented, but rather the timing for implementation this year. Alex Butwinski felt it appropriate to move ahead and balance this year's budget but to begin long term planning immediately after the budget is adopted. Tom Bakaly interjected that Council could elect to impose a portion of the 6% increase as an option. Budget cuts for individual departments were detailed (see packet).

> Public Works - Pace Erickson addressed water billing efficiencies and Kyle MacArthur discussed savings with chemical usage for water treatment. Kent Cashel covered the Transportation Department budget including the transfer of a

planner to the Transportation Department, the delay in the Park and Ride operations and credit card transactions for parking meters. The Public Works Director position has been eliminated and responsibilities have been spread between three managers and several supervisors. Mr. Cashel discussed fleet services and reductions in fuel costs. Mike Lennon discussed reductions in cleaning supplies and services. Troy Dayley explained cuts for street maintenance and Cindy Matsumoto expressed concerns that snow be hauled from Old Town as needed which can be funded with contingency fund monies. He continued to cover street lights and signs and Pace Erickson addressed the Swede Alley Parking Structure, parks and cemetery. Liza Simpson referred to performance measures and encouraged staff to adequately charge applicants for special event services. Mr. Dayley described budget cuts for the Quinns Recreation Center and municipal golf course. Reestablishing performance measures for parking meters was suggested by Ms. Simpson.

Library and Recreation – Craig Sanchez reviewed the golf pro shop and related reductions and Ken Fisher explained that cuts in recreation and tennis were selected to ensure no impacts to revenue or local play. Linda Tillson stated that funding was removed for the Library reciprocal borrowing program because it was not matched by the County and she discussed other cuts which should only have minor impacts. Jon Pistey described ice facility operation options and reductions.

Executive – Sharon Bauman reviewed departmental cuts relating to the City Council, City Manager and Legal Departments' budgets and the special meeting and venture funds. Alex Butwinski asked to meet with staff on the City Manager's Budget as he was not able to calculate a reduction in consideration of approved budget options.

Sustainability – Jon Weidenhamer reviewed options regarding sidewalk snow removal, overtime costs and PSSM. Phyllis Robinson clarified budget cuts and the net reduction to the budget.

Public Safety – Chief Wade Carpenter discussed the dry-cleaning budget which extends the wear of uniforms and represents long term savings in replacement costs. Hugh Daniels reviewed emergency management funds. Overtime costs have been mitigated with contract services for special events and the current police officer vacancy will not be filled.

Building, planning and engineering – Ron Ivie stated that there are no requested budget options for building except the removal of the senior building inspector position. Matt Cassel explained the option for engineering to maintain the 8th Street stairs. Planner Kayla Sintz covered cuts to planning; there are no options this year.

> Internal Services – Bret Howser addressed reductions in the Budget Department, Brooke Moss Human Resources, Chelese Rawlings Finance, and Scott Robinson IT.

Nate Rockwood stated that the pay plan was delayed last year and the 2011 budget is based on the implementation of the pay plan. Brooke Moss explained the importance of Park City to provide outstanding services as a resort community and the City has set goals and objectives to attract and maintain employees. The guidelines were formalized in 2003, intended to stabilize the workforce, reach customer service goals and attain efficiencies and savings with long term employees. Through a PowerPoint presentation, she discussed national turn-over trends, overtime and training savings. Ms. Moss described an employee satisfaction survey where Park City employees rank 50% higher in satisfaction numbers than other cities, which is a huge benefit. Customer satisfaction surveys have improved and internal service surveys were explained. She pointed out that information from the state of Utah shows that many industries were down, but the feedback from February 2009 to 2010 shows that the government sector has experienced an increase of 500 positions. Ms. Moss pointed out that many City positions are specialized which creates competition among cities.

Ms. Moss explained that adjustments to positions are made on average every seven years and 36 cities are used as comparables. She noted that some positions are 10% behind which was questioned by Ms. Matsumoto. Tom Bakaly explained that the City targets the mid-point of the five highest top paid with the exception of public safety and water which is the mid-point of the top three to make sure that salaries are within 5% of that number. Brooke Moss interjected that 93 positions are recommended to be moved and once salaries are established at market, it is easier to maintain the system. There are currently about 221 full-time regular employees and 2% market adjustments are made in the off years. The 93 positions considered include both hourly and salaried jobs.

Cindy Matsumoto expressed her appreciation of the benefits of the pay plan philosophy and stated that she would like to give everyone a raise and everyone in town a raise, for that matter. It makes sense to pay city employees well but sometimes not all policies can be implemented and Ms. Matsumoto stated that she is having a hard time funding the pay plan to the maximum this year. It is difficult for struggling businesses in town to accept funding 10% raises for some City employees while they are cutting back and making sacrifices. Ms. Moss acknowledged that the private sector is still experiencing challenges while the public sector is improving. Alex Butwinski believed Ms. Matsumoto is asking that the policy be revisited and he agreed that everything should be on the table. Liza Simpson disagreed and stated that staff is the City's greatest asset and she is more inclined to cut capital projects.

Bret Howser discussed the increased contribution to the state retirement plan mandated by the legislature and explained changes to the health insurance plan. Benefits are provided to full-time regular employees and vary for contract employees. Mr. Howser explained the creation of a lump merit bonus pool; bonuses used to be covered by individual departments. In response to a question from Joe Kernan, he explained how the savings on single health insurance compared to family health insurance is distributed.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
MAY 20, 2010

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, May 20, 2010. Members in attendance were Dana Williams, Alex Butwinski, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Tom Daley, Deputy City Attorney; Bret Howser, Budget Manager; Brooks Robinson, Planner; Jed Briggs, Budget Analyst; Jon Weidenhamer, Economic Development Manager; Katie Cattan, Planner; Tommy Youngblood, Special Events Coordinator; Shelley Hatch, Finance Analyst; and Kayla Sintz, Planner.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

None.

III PUBLIC INPUT *(Any matter of City business not scheduled on agenda)*

None.

IV WORK SESSION NOTES AND MINUTES OF THE MEETINGS OF APRIL 22, 2010 AND MAY 6, 2010

Joe Kernan, "I move we approve the notes and minutes of April 22nd and May 6th". Candace Erickson seconded. Motion unanimously carried.

V CONSENT AGENDA *(Items that have previously been discussed or are perceived as routine and may be approved by one motion. Listed items do not imply a predisposition for approval and may be removed by motion and discussed and acted upon under "Additional Discussion – Agenda Items")*

Alex Butwinski, "I move approval of Items 1 and 2 (and to move Item 3 for discussion purposes)". Liza Simpson seconded. Motion unanimously carried.

1. Consideration of acceptance and award of Pavement Management bids, in forms approved by the City Attorney:
   - (a) Kilgore Paving for pavement overlays in the amount of $277,810
   - (b) Morgan Pavement Maintenance for slurry seals in the amount of $65,537
   - (c) M&M Asphalt Services for crack seal in the amount of $66,990
   - (d) Morgan Pavement Maintenance for trail sealcoat sealing in the amount of $6,597
   - (e) Morgan Pavement Maintenance for micro-surfacing in the amount of $18,940
   - (f) CTS Utilities for utility adjustments in the amount of $30,715

2. Consideration of a construction agreement, in a form approved by the City Attorney, with Scott Schofield Construction, Inc. for construction of the Ridge Avenue Waterline Extension in an amount of $28,905 - See staff reports.

3. Consideration of Leases of City property/right-of-way, in forms approved by the City Attorney, for outdoor dining for: (a) Ciseros Ristorante, located at 306 Main Street; and (b) Bistro 412, located at 412 Main Street – This item was removed from the Consent Agenda for discussion purposes and was addressed after Item 2 under New Business. It appears here in the minutes for ease of reference. Planner Brooks Robinson explained that concerns have been raised from the applicant about limiting the time frame from Memorial Day to Labor Day as he would like it extended into the fall. Because of the expense related to the temporary deck, Mr. McComb would like the term extended beyond one year. Mr. Robinson brought up potential conflicts with the use of the deck during special events like the Arts Festival or the 4th of July and Miners Day parades. The current code does not allow off-premise signs which has also been requested. Staff has been directed by the City Council to support efforts to help energize the street and would like some input on these issues. Mr. Robinson added that paid parking revenues are recommended to be waived.

Steve McComb, owner, added that he was concerned about the City's increased insurance requirements to $4 million but has worked that out with his insurance agent. Tom Daley assured Council that the City's requirements are in accordance with the state risk manager. Joe Kernan felt that this may be a good topic for work session because the City may be missing opportunities with this requirement which can only be satisfied with purchasing special umbrella policies because there is no policy available with these specific limits.

Members were supportive of an extended season. Closing the deck by 10 p.m. was discussed at length as well as other requirements like no plastic furniture and/or affixing the umbrella. An adjustment to the business license fee because of additional square footage was not supported by members. Alex Butwinski stated that he is comfortable with a longer term like three years and asked about the off-premise sign. Mr. McComb explained his plan of painting the decks to match the buildings so they become part of the business property. Additionally, anything under 200 square feet is unregulated. Members supported the three year term.

Steve McComb expressed objections to not being able to operate during special events. He has already been delayed and will not be operating by Memorial Weekend. Liza Simpson felt he shouldn't be allowed during Arts Festival as the streets is programmed for the Kimball Art Center. Tom Bakaly suggested that this issue be further explored. Ms. Erickson relayed that she feels the street seriously lacks dining during Arts Festival.

Mary Black, HMBA, stated that other businesses may want to do this that don't have street front property.

Joe Kernan, "I move we approve Consent Agenda Item 3". Liza Simpson seconded. Motion unanimously carried.

VI NEW BUSINESS *(New items with presentations and/or anticipated detailed discussions)*

1. Consideration of a construction agreement, in a form approved by the City Attorney, with Bowen Construction Company for construction of the SR-248 and Comstock Pedestrian Tunnel in an amount of $1,051,509 – Matt Cassel explained that seven bids were received and they were relatively close in amount and favorable. In response to a question from Alex Butwinski, Mr. Cassel explained that the City will not have to issue additional walkability bonds to cover the

project. The Mayor invited public input; there was none. Liza Simpson, "I move we approve a construction agreement, in a form approved by the City Attorney, with Bowen Construction Company for construction of the SR-248 and Comstock Pedestrian Tunnel in an amount of $1,051,509". Alex Butwinski seconded. Motion unanimously carried.

2. Consideration of a Resolution adopting a tentative revised budget for fiscal year 2009 and the budget for fiscal year 2010 for Park City Municipal Corporation and its related agencies - This item was discussed after the approval of the Consent Agenda, but appears here for ease of reference. The Mayor referred to the work session discussion on the budget and opened the public hearing:

Chuck Klingenstein, resident, encouraged Council to engage in a philosophical discussion on where we were and where we're going. He referred to our high growth years and credited the staff will trying to formulate a fiscal plan for the next 15 years. This might not be the right year for a property tax increase but the time has come to create a public forum about how to pay for the future.

Hans Fuegi, resident and business owner, relayed that the timing for a property tax increase is not good and should not be considered until the economy recovers. He doesn't sense that the City has tried hard enough and encouraged making further cuts like freezing salaries, if necessary.

Chris Iverton, Park City Area Lodging Association, relayed that the transient room tax collection for 2009 was $4 million which doesn't include the sales taxes generated by tourists and the second home owner is a significant contributor supporting City services. This is the wrong time to burden property owners with a property tax increase. He believes Park City should be doing the opposite so that it is easier for businesses to compete with other resort communities. Everyone needs to share the pain as the economy improves. He strongly encouraged Council to examine every line item in the budget to prevent a property tax increase. The Association disagrees with the recommended revenue mix strategy.

Bob McAllister, resident, stated that it is time for the City to reevaluate all of the City's operations so that no waste exists. Citizens and businesses are making sacrifices or going out of business and all states have had budget problems. Park City's $65 million budget reflects $1 million in cuts which seem to be superficial at best. Many departments like planning and building have substantially less work and he asked if staff or salaries have been reduced. City employees should be paying for health coverage and there should be a charge for riding the bus. The Racquet Club remodel should be delayed and every City function should be put to the test of efficiency. He stated that a study should be conducted by an outside firm specializing in city operations so property owners know the facts.

Bret Howser read a lengthy letter from resident Clay Stuard, opposed to the property tax increase and encouraging scaling back capital spending. This letter was already distributed to members.

Kevin King, resident, believed there is redundancy in local government and there are too many employees. He relayed that Park City has 22 employees between building and planning while Aspen has 12 and Vail has nine. Personnel services could be contracted out, there are too many vehicles, and retirement benefits should be cut. Expensive programs like the flowers on

Main Street should be eliminated and the City should get back to basics.

Carol Tesch, resident, pointed out that the snow removal costs for extended play at the Quinns fields was omitted from the budget document; she emphasized that 1,000 athletes would be served. She will be addressing Council next week. The Mayor encouraged her to consider increased fees for participants to cover costs.

Diane Thompson understood that the glossy multi-color budget mailer cost $2,000 when it could have been put in the paper. The Mayor noted that the Park Record would have probably charged the same amount and Ms. Erickson stated that in order to get the information out to every citizen, it is important to mail a piece because not everyone listens to the radio or reads the paper. Ms. Thompson insisted that costs can be trimmed. Jed Briggs noted that the total for printing and mailing was $1,600.

The City Recorder requested a motion to continue to May 27, 2010. Candace Erickson, "I so move". Liza Simpson seconded. Motion unanimously carried.

Jed Briggs explained the capital improvement committee process and looking at new projects requiring new funding. The General Fund transfer has been cut by about $600,000. He discussed criteria for ranking projects, noting that the Racquet Club remodel has been supported by the committee for two years. He asked members if additional information should be collected for next week's discussion. The City Manager's recommended budget for this project is $11.5 million but the bids came in a lot lower at $8.5 million (including soft costs $10 million). The annual debt service savings is $158,000 per year. He emphasized that construction costs are extremely low now and the City's bond rating is excellent, both good reasons to consider this project this year.

Jon Weidenhamer stated that Council gave direction to bid the project in February 2009 and the Planning Commission review resulted in some design changes. The City has invested about $550,000 in architectural fees, consulting services, and the Iron Horse lease reservation. He reviewed alternatives. Consultant Steve Brown spoke about carefully analyzing the drawings to find ways to save money on the project and what went to bid was accurate. He was very pleased to see the bids come in at roughly $8 million for hard costs and the low bidder is Okland Construction who has a great reputation and the capacity to perform. Mr. Brown relayed that this an opportunity for the City to maximize the value of the Racquet Club in a favorable market which is in dire need of upgrading. He stressed that a delay or redesign would exponentially increase costs to cover the requirements for consulting and engineering fees. The completed building will be available as an emergency center during a catastrophe. Liza Simpson asked if the solar and photovoltaic could be delayed a year to save costs and whether there is funding available from emergency management agencies for making this facility an essential building. Alex Butwinski felt it important to examine all options including downsizing or phasing tennis courts and funding the project in cash from the CIP. Cindy Matsumoto was informed that the remodel can be accomplished without a property tax increase. The Mayor invited John Halsey from the Recreation Board to speak.

John Halsey relayed that the Board has been working on this for two years and the City probably could not have bonded for this at that time. The economy is showing signs of recovery and the Council gave them direction to proceed in the worst economic times. The bid numbers are great and we should seize this opportunity and move forward.

Alex Butwinski reiterated his interest in funding the project with cash. Joe Kernan expressed interest in downsizing the project and paying for the project with cash. The Mayor invited public input.

Jodi Gross emphasized that the project is really about the kids. Although the economy has been down, people can afford to take vacations and families are still enrolling in recreation programs. The Racquet Club is always packed.

Mr. Kernan asked for additional information on essential buildings. Candace Erickson relayed her surprise that a serious injury hasn't occurred in the building. Lawsuits can be in the millions and the facility is not ADA compliant. She spoke about the City conducting an unsuccessful bond about ten years ago requesting $6 million for the building which failed because there was not enough information provided to voters. Ms. Erickson would rather take money from other capital projects to get this remodel accomplished because next year, it could be a $12 million project.

Tom Fey, resident and frequent user of the Racquet Club, suggested using the design drawings but building a recreation facility at Quinns Junction and keeping the existing Racquet Club open for the next two years while it is being built. It's cheaper to build from the ground up than it is to remodel.

Candace Erickson stated that a recreation survey revealed that most residents want the facility to stay within the City core and on the bus route. Steve Brown advised that the current design of the building and engineering are completely site-specific. Additionally, there are existing pools and courts at the Racquet Club and the cost of relocating the project would be exponentially greater than the current project. Tom Bakaly understood that Council would like to review CIP sources for funding next week.

3. <u>Consideration of an Ordinance approving the Snow County Condominiums Amendment to Record of Survey Plat, located at 1150 Deer Valley Drive, Park City, Utah</u> – The Mayor opened the public hearing. There were no comments. He requested a motion to continue to a date uncertain. Alex Butwinski, "<u>I so move</u>". Cindy Matsumoto seconded. <u>Motion unanimously carried</u>.

4. <u>Consideration of an Ordinance approving the Second Amended Sterling Lodge at Deer Valley Record of Survey Plat located at 7660 Royal Street East, Park City, Utah</u> – Katie Cattan explained that the amendment relates to the common area and does not affect density. The Planning Commission forwarded a positive recommendation. The Mayor opened the public hearing; there were no comments. Liza Simpson, "<u>I move we approve an Ordinance approving the Second Amended Sterling Lodge at Deer Valley Record of Survey Plat located at 7660 Royal Street East, as outlined in the staff report</u>". Joe Kernan seconded. <u>Motion unanimously carried</u>.

5. <u>Consideration of a Master Festival License for Make A Wish Walk for Wishes to be held May 23, 2010 – Make A Wish Foundation</u> – Tommy Youngblood described the event noting that there are no operational issues and staff recommends approval. The Mayor opened the public hearing; there was no input. Joe Kernan, "<u>I move we approve Item 5, the MFL for Make A Wish</u>". Cindy Matsumoto seconded. <u>Motion unanimously carried</u>.

6. Consideration of an Ordinance amending Title 4, Licensing, of the Municipal Code of Park City, Utah for consistency with Utah Alcohol Laws, establishment of other alcohol licenses, and other related matters – Shelley Hatch pointed out that the amendments are basically a house-keeping matter, making our regulations consistent with state code. The Mayor opened the public hearing; there were no comments. Joe Kernan, "I move we approve New Business Item 6 concerning the alcohol laws in Utah and Park City". Liza Simpson seconded. Motion unanimously carried.

7. Consideration of an Ordinance approving the 1059 Park Avenue Subdivision, located within Lot 14 and the southerly 10 feet of Lot 15 in Block 4, Snyders Addition to the Park City Survey, Park City, Summit County, Utah – Planner Katie Cattan explained that a property line intersects an historic home on the property and a plat amendment is necessary to remodel the residence. The Mayor opened the public hearing; there were no comments from the audience. Candace Erickson, "I move we approve a plat amendment for 1059 Park Avenue according to the findings of fact, conclusions of law and conditions of approval". Joe Kernan seconded. Motion unanimously carried.

8. Consideration of an Ordinance approving the Prospector Square Amended Subdivision Plat, located at 1895 Sidewinder Drive, Park City, Utah – Planner Brooks Robinson explained that the request is to combine a number of lots into one lot of record and the Planning Commission forwarded a positive recommendation. The Mayor opened the public hearing; there was no input. Liza Simpson, "I move we approve the Prospector Square Amended Subdivision Plat based on the findings of fact, conclusions of law and conditions of approval as found in the draft Ordinance". Joe Kernan seconded. Motion unanimously carried.

9. Consideration of an Ordinance approving the Nakoma Condominiums First Amendment to the Amended and Restated Nakoma Condominiums Record of survey plat located at 8800 Marsac Avenue, Park City, Utah – Brooks Robinson referred to his staff report and briefly described the history of the project. The Mayor opened the public hearing; there were no comments. Liza Simpson, "I move we approve an Ordinance approving the Nakoma Condominiums First Amendment to the Amended and Restated Nakoma Condominiums Record of survey plat located at 8800 Marsac Avenue based on the findings of fact, conclusions of law and conditions of approval as found in the draft Ordinance". Alex Butwinski seconded. Motion unanimously carried.

10. Consideration of an Amendment to Condition of Approval #3(c) of the 1991 City Council Conceptual Approval of the Town Lift Project requiring Historic District Commission review and approval of all building designs relating to the project – This item was moved up on the agenda but appears here for ease of reference. Brooks Robinson explained that this relates to the original Town Lift Project and detailed the history of the 692 Main Street property. He pointed out that one of the conditions of approval throughout the process was required design review by the Town Lift Design Review Task Force, consisting of members from Council, Planning Commission and the Historic District Commission. Since an application has been submitted for a remodel, it is recommended that the condition be changed to require compliance with current Historic District Design Review Guidelines and consistency with current processes. David Luber added that the Planning Commission unanimously supported the amendment and the action is really a house-keeping matter. The Mayor opened the public hearing; there were no comments from the audience. Liza Simpson, "I move we approve an Amendment to Condition

of Approval #3(c) of the 1991 City Council Conceptual Approval of the Town Lift Project requiring Historic District Commission review and approval of all building designs relating to the project, as suggested in the staff report". Joe Kernan seconded. Motion unanimously carried.

11. Consideration of an Ordinance approving the 352 Main Street and First Amended 352 Main Street Plat Amendment, located at 352-354 Main Street, Park City, Utah – Planner Kayla Sintz explained the parcel combination; the Planning Commission forwarded a positive recommendation. The Mayor opened the public hearing; there were no comments from the audience. Joe Kernan, "I move we approve New Business Item 11". Liza Simpson seconded. Motion unanimously carried.

VII ADDITIONAL DISCUSSION – AGENDA ITEMS

Pay Plan discussion – The Mayor suggested looking at the top ten cities as opposed to the top five and Candace Erickson commented that that is a policy change and should not be done arbitrarily. Liza Simpson believed that the pay plan should be discussed after the budget adoption. It would be good to know how many people are adjusted every two years as an example, but the review should be comprehensive and there isn't enough time before the adoption of the tentative budget. Alex Butwinski suggested the City Manager cut 2% from lump merit bonuses and the pay plan parameters need to be thought through. In response to a comment from Candace Erickson, Tom Bakaly explained that positions can move to working level which usually happens in the context of a performance review which is set within 5% of the market. If the jump is more than one grade, the increase is spread out over six months. He acknowledged that a majority of members are concerned about a property tax increase and would like to take a longer term look at the pay plan philosophy and look at other ways to fund the Racquet Club. Staff will return with options to balance the budget and meet Council's goals. Lump merits bonuses are budgeted in departments this year and it is recommended that they occur. Joe Kernan pointed out the significant increase in personnel numbers since 2007 and strongly believed the pay plan needs to be examined to make sure its growth is sustainable. Cindy Matsumoto expressed confusion about how some employees could become 10% behind the market in three years. Tom Bakaly explained that some of the growth is due to County-wide bus service but staff will return with a discussion.

VIII ADJOURNMENT

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

MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 1 p.m. Members in attendance were Mayor Dana Williams, Alex Butwinski, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Tom Daley, Deputy City Attorney; Jon Weidenhamer, Economic Development Manager; Michael Kovacs, Assistant City Manager; Kayla Sintz, Planner, Diane Foster, Sustainability Manager; Jason Glidden, Marketing Analyst; and Mark Harrington, City Attorney. Joe Kernan, "I move to close the meeting to discuss property and litigation". Liza Simpson seconded. Motion carried unanimously. The meeting opened at approximately 3 p.m. Liza Simpson, "I move to open the meeting". Cindy Matsumoto seconded. Motion unanimously carried.

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, City Recorder