PARK CITY COUNCIL WORK SESSION MINUTES
SUMMIT COUNTY, UTAH
DECEMBER 20, 2012

Present: **Mayor Dana Williams; Council members Andy Beerman; Alex Butwinski; Cindy Matsumoto; Dick Peek; and Liza Simpson**

Diane Foster, Interim City Manager; Mark Harrington, City Attorney; Phyllis Robinson, Public Affairs Manager; Joan Card, Environmental Regulatory Manager; Jim Blankenau, Environmental Regulatory Program Manager; Jonathan Weidenhamer, Economic Development Manager; Shelly Hatch, Business Licensing Analyst; Nate Rockwood, Grants and Capital Budget Manager; Polly Samuels McLean, Assistant City Attorney; Jason Christensen, Water Conservation Coordinator; and Matt Cassel, City Engineer

Alison Butz, HPCA Director and Mike Sweeney, property owner

1. Council questions/comments. Andy Beerman reported on the Recycle Utah meeting he attended where building a new facility was discussed. Liza Simpson requested an update from the City Engineer on the reconstruction of Royal Street. Dick Peek attended the HPCA meeting where the window decorating contest and free parking program were discussed. There is a 30% drop in lodging this holiday season. The Mayor explained that he welcomed seasonal workers at PCMR and met with an individual interested in bringing more renewable energy projects in town and reducing the carbon footprint of the City.

2. MindMixer Demonstration. Ms. Robinson referred to a site the City will be launching called *Let's Talk Park City* on the MindMixer platform. The purpose is to facilitate conversation, idea generation and community collaboration around ideas. It is not intended to replace public meetings or the meeting processes but to provide an opportunity for people to share their ideas with us and there is currently no place to collect or vet proposals. The ability to have these types of conversations on an on-going basis is exciting. The platform is fairly new but used by about 150 communities across the country. She explained that the folks who founded MindMixer are community planners by training who were frustrated by holding public meetings that no one attended. The platform was launched in Omaha, Nebraska and she showed a YouTube video with commentaries from the creators. Ms. Robinson stated that a staff team has been working on developing Park City's site. It is not a Facebook or blog site; it's about the community connecting and not about slamming each other. Photos can be posted and people can comment on them.

Phyllis Robinson explained that a topic to begin with will be Sundance tips and tricks. People can improve on ideas or post a new idea and each time a comment is made, receive points. Quick polls can be posted here as well as budget priorities. The site contains general information about the project, the City Council and rules of engagement. If a comment is not in keeping with MindMixer, it can be hidden. She pointed out the dashboard and the analytics of the site. Announcements can be made with MindMixer and work and user groups can operate independently on the site. Mindmixer can be used to disseminate and receive information on construction projects. In response to questions from Cindy Matsumoto, Ms. Robinson explained that the site will be monitored but not by a Council person. She spoke about sorting questions and responses. This is not intended to be a messaging site where individual Council members receive mail.

Dick Peek asked about registering and Ms. Robinson stated that it is very easy and demonstrated. MindMixer appears to work well on a variety of devices. Council members were supportive.

3. Prospector Drain Administrative Order on Consent. Joan Card explained that this is a proposed agreement between Park City, EPA, Utah Department of Environmental Quality, US Fish and Wildlife Service, and the US Bureau of Land Management. The draft agreement is included in the meeting packet.

She explained that in 2009, EPA determined that Prospector Drain is a quick source discharge of pollutants. EPA and the state are requiring Park City to obtain a Clean Water Act Permit. These permits ensure that waters are safe to swim, fish and drink. Park City proceeded to obtain a permit for the Prospector Drain discharge with the state who administers the program for EPA. Earlier this summer, EPA indicated that it prefers that the Prospector Drain be handled as an expanded Super Fund Site with the existing Richardson Flats tailings site and that it be named Operable Unit 4. Staff began negotiating with the agencies this summer on the standard Administrative Order on Consent. Very little is negotiable but quite a bit a time was spent on time frames and work plans which has resulted in the proposed agreement before Council.

Joan Card stated that the Prospector Drain is a shallow ground water drain that was installed in the early 1970s in the Prospector Park Subdivision. The drain is a perforated pipe which collects ground water and channels it out into the stream and was installed by the developer because the ground is so wet. It was installed near the City right-of-way and continues out into Prospector Park which was dedicated to the City by the developer. In 2008, the City installed a passive treatment in the wetland called the biocell at the end of the drain to remove some of the metals. She pointed out where the drain bisects Silver Creek. EPA's conception is basically an expansion of the existing Super Fund site and she identified OU 1, 2, 3 and 4 on a map. Geographically, it is a very small part of the challenge at the Richardson Flats Super Fund Site.

Ms. Card emphasized that most of the agreement is boiler-plate. It tracks regulatory requirements of CIRCLA and would require the City to perform an engineering evaluation cost analysis which is a technical evaluation of options to clean up the Prospector Drain and to analyze the cost of each option. Once that is complete, then Park City would perform the removal. The reason the Bureau of Land Management and

Fish and Wildlife Service are involved is that they will be looking at potential injuries to natural resources caused by the Drain. The AOC would require Park City to pay for EPA, DEQ, and the Department of the Interior oversight costs which are essentially an hourly rate for project managers. It is unknown what those costs will be but they will be less than the technical analyses and ultimately the removal action. She explained that Park City is required to pay penalties for late submittals and to maintain a $100,000 letter of credit for EPA. The big overall benefit of the AOC is the promise not to sue Park City as long as the terms of the agreement are upheld and similarly, Park City will not sue them. The agreement also provides contribution protection under the Super Fund Law which means that other parties who may be responsible for the contamination could not sue the City. This matter will return to Council on January 10, 2013 for action and approval will trigger procurement for professional services for cost analysis and engineering.

Ms. Matsumoto asked if there is a cost range and Ms. Card reported that $250,000 has been budgeted for engineering and staff will have a better idea as the project moves along. The cost of the clean-up is unknown. Staff is hoping to avoid building a mechanical treatment plant because of the cost. She estimated that this project may cost $2 million and will take several years. In response to a question from the Mayor, Ms. Card stated that a ground water study will be conducted as part of this agreement to better understand the ground water piece. Ultimately it will be up to EPA to identify other responsible parties for the groundwater. The Silver Creek portion includes the Judge Tunnel. Park City is not being held responsible for ground water other than the Drain. The Mayor spoke about extending the biocell further east so that all ground water is addressed. Ms. Card noted that this is one of the benefits of the agreement.

In response to a question from Dick Peek, Jim Blankenau discussed the installation of piezometers. Andy Beerman asked about the time line. Ms. Card stated that if the agreement is signed in January, staff will immediately hire a contractor who will prepare a sampling and an analysis plan that will cover planning and installation and how the piezometers will be equipped and monitored. She felt that engineering and analysis efforts will be on-going for two or three years which will have to be approved by EPA and she estimated the project to take three to five years to complete. There is a formal process for EPA to sign off on a project. Council members were supportive.

4. Project Management Scope RDA. Jonathan Weidenhamer stated that the Council reviewed the implementation of the Lower Park Avenue RDA on November 8, 2012 where the neighborhood master plan was the focus but other primary projects were addressed. He referred to a letter of intent on the parking and transit structure with PCMR. The role of the City remains undefined at this time but could include a project manager who represents the City Council in financial and development matters. He acknowledged that this is not a traditional role for the City but it may be worth hiring a person familiar with construction budgets. Using current staff is not recommended in consideration of other project priorities and the Budget Department is supportive of this recommendation.

He stated that he intentionally avoided addressing the cost of a project manager in his staff report. A typical project manager can range anywhere from $95/hour to $150/hour depending upon his or her position in the company. Engineers in a support role as part of a project team range from $95 to $150 and specialized civil engineers can run as high as $230. He felt that the project manager would be needed an average of 20 hours a week and maybe 35 hours a week on the front end.

Cindy Matsumoto asked for clarification about a statement in his staff report, "*The consulting fees will be recovered through defining our ownership and financial roles by property disposition and also through effective project management roles with reduced construction costs*". Mr. Weidenhamer explained that this person will use a value engineering process. The City used an independent construction manager for the MARC resulting in construction savings. Dick Peek pointed out that the project manager for the renovation of the Museum was paid $100 an hour.

Mr. Weidenhamer emphasized the value of someone with experience in Park City. Andy Beerman asked if hiring someone in-house was considered because there are so many upcoming projects including the downtown area. Jonathan Weidenhamer felt that the City may not be able to offer an adequate salary to a person of that the skill-set. Diane Foster interjected that creation of the position would occur outside the budget process which is not preferred. Jonathan Weidenhamer explained that project management would be tied to a capital project. A full-time employee cannot be paid out of a capital budget or out of the RDA. Mr. Beerman asked if it is anticipated to hire project managers for other projects. Jon Weidenhamer felt projects like Main Street and the Library can be handled with current staff. Alex Butwinski believed that a contract also offers more flexibility. Ms. Foster pointed out the importance of gaining efficiencies and using staff as public information officers. Dick Peek suggested that the RFP be written so that there is an ability to handle additional projects. The Mayor felt these should be done one at a time and Ms. Foster explained that a large number of projects are anticipated in the Lower Park Avenue RDA. Staff will cover Main Street and the Library and there is not a lot more on the horizon. The City Council was supportive of proceeding to contract with a project manager.

5. Liquor License Amendments and Amendments for Sundance Film Festival Special Event Liquor Licenses effective 2014. Mark Harrington pointed out that the staff report outlines two different types of amendments that staff is recommending regarding general liquor licensing amendments and licensing specific Sundance Film Festival temporary events starting in 2014. Section A of the report outlines a number of administrative clean-up items and a few substantive changes in terms of general licensing. The effective date is February 1 because the City is already in the middle of licensing for the bulk of Sundance this year and almost through the process for renewals for 2013 for general licensing. This schedule will provide a sufficient notice period for Sundance 2014.

He referred to Section B in the staff report. The City Council had asked staff to look at a broad spectrum of things and some are on-going. The broader policy discussions deal with the ease of temporary licensing, swapping out premises, carrying capacity, and broader impacts to the community and events. There was a request to increase the lead in time for all licenses and make everyone come in at the end of December or early January to stop the crunch that happens in the last ten days and during the Festival. Mark Harrington continued to explain that staff was also looking at the ability to regulate additional business activity both in the downtown core and residential areas.

In looking at the long term, staff came up with an interim first step recommendation in terms of addressing the temporary liquor licenses. He felt one reason is pragmatic in terms of making the City's regulations more consistent with the state process. The DABC primarily requires most licensees make the December meeting but there is an administrative exception period. The cohesiveness between the City's and the state's processes will greatly aid both the lead time problem and the ability for both agencies to better coordinate in terms of analyzing the magnitude of all of the licenses in the community. For example, over half of the temporary liquor licenses are currently issued during or within the ten day period as opposed to the front end and this would shift over 50% to the front end. He continued to explain that because these temporary licenses cover many activities at the same premise, the convention sale and business swap out licenses will also be done a little bit earlier in order for the liquor license to go forward.

Mr. Harrington commented that it is helpful to be able to measure the impacts of special events in advance and for this reason, staff believes this is a good first step. He encouraged proactively issuing liquor licenses in a more cohesive manner with the state process, providing staff more time to analyze and coordinate applications. In response to a question from Liza Simpson, Mr. Harrington explained that staff is still working through an exception process which will likely parallel the state's practice. Licensing with the City could be at risk if there are any problems with the state. The City will look to do something and January 10 may be the hard cut-off. The DABC currently has a pretty flexible policy. There is no hardship component but an enhanced fee if a special meeting is required and an administrative process with a subcommittee.

Andy Beerman asked why Council would approve Sundance licenses, which seems to encumber the process as opposed to the City Manager. Mark Harrington explained that the power starts with the Council which is currently delegated. From a scheduling perspective, it enables the City more time by retaining it at the Council level because if it is delegated to staff, it is a little harder in terms of the state regulations on processing permits what limitations we can have at the staff level or how many days in advance we can require some of that information. By retaining the Council authority, it can be tied to Council's schedule providing a concrete objective reason why the City has to have the information in advance. Without that, there is a risk of meddling with the soft dates and the burden shifts to the Police and Business Licensing Departments.

Dick Peek understood that current liquor license holders, like restaurants and bars, wouldn't have to go through this process. Mark Harrington confirmed and clarified that this would only be applicable for temporary applications, not a regular business license. Mr. Peek felt this would create a robust market for existing license holders to lease their properties but Mr. Harrington disagreed. He would be surprised if there is a direct impact on a reduction of permits issued but it may be attractive in a last minute situation.

Shelly Hatch explained that the change is distinguishing between a regular and a single event license. At this time, there is no distinct process. Ms. Matsumoto felt that some of this is being driven by the number of temporary license applications in January. Alex Butwinski stated that he is still struggling with the time line and Mark Harrington explained that anything submitted within ten days of the event is at risk because the City needs a minimum of ten days to process. Last minute developments associated with Sundance were discussed. Andy Beerman commented that Sundance will not have the ability to make last minute changes. Mark Harrington explained that the City will have the ability to do some things beyond the last meeting in December as the state does but that is not fully defined. There may be some flexibility up to the January 10th date.

Andy Beerman asked staff about workload and the typical turn-around. Ms. Hatch explained that some are permanent liquor licenses and about 50 are single event liquor licenses. The office gets backlogged. Staff tries to accommodate applicants but she doesn't know how much more can be handled especially when inspections are needed. Liza Simpson pointed out that at the same time, business licensing staff is handling taxis. She is very much in favor of the City setting a schedule aligned with the DABC and ramifications with being late. Shelley Hatch stated that staff is already busy and a part-time person is hired in the Finance Department to help out at the front desk during this time.

Mark Harrington stated that staff is charting how this will work with the DABC process and making sure our dates align including the exception process. The Park City Council is the only city council in the state that delegates liquor license approvals to the licensing staff. He asked that delegation be pulled back for the purposes of this ten day period. Every state license requires a local consent. Alex Butwinski commented on providing people with enough notice on procedures and Mark Harrington stated that the *Rules of the Road* have been circulated this year and an early outreach on the change on occupancy. The Mayor invited public input.

Alison Butz, HPCA, thanked Mr. Harrington for speaking at a board meeting. The most important thing is being proactive for 2014. She referred to the discussion last year and this is the first opportunity to begin addressing these issues again. The HPCA notified all of its members about the change in over-crowding. She asked that this be put back on the table with all of the business licenses because the unintended consequences are unknown. She requested that all issues be opened up again all at once so some outreach can be done with the merchants.

Mike Sweeney, property owner, stated that the staff is doing a good job of trying to move forward into the future. He is permitting 20 sites on Main Street. Sundance does not permit each individual site but permits its locations where its activities are held. Of the 22 or so, 19 are only holding licenses with the City and not pulling any DABC permits. The way the ordinance is being structured will have some repercussions on how establishments can conduct business and be competitive. The Sundance Film Festival is extremely important to Park City but it is a different world from 15 years ago. There is tough competition in the world film business and it is going to impact Park City if we're not competitive and make it so difficult for people to try to do business here in town. His biggest concern is the ability to be competitive and the County has a competitive advantage. The HPCA is correct in asking for time to sit back and educate everybody and to really understand this process. Mr. Sweeney stated that deals do not happen until the last minute but the liquor license is essentially used to be able to throw a private party which the Liquor Commission does not govern. If we are matching the state's process, we wouldn't be worried about the private party aspect of the liquor law.

Shelley Hatch asked Mr. Sweeney about the problem of not getting a liquor license for The Yard. He stated that he is not having a problem with it because he is not permitting it. He is the facilitator and manager of The Yard and is helping Sundance out. There was going to be a bar there but now there isn't. The Mayor noted that he is still trying to figure out what Mr. Sweeney is asking for or explaining. He understood that there are a number of licenses that don't go through the DABC. Mr. Sweeney clarified his point to be that putting those people on the schedule for the DABC is unnecessary. The DABC does not require a permit for a private party where the alcohol is given away and most of the activities on Main Street fall in that category. The City should update its liquor license ordinance and the Police Department should be notified but the Building and Planning Departments don't need to worry about it. There needs to be some thorough thought on this so Park City remains competitive in the market place.

Mark Harrington asked Mr. Sweeney if an additional two or three weeks would hinder the market place, particularly for someone that would likely stand to benefit from sending someone here in December to do the grunt work. Mr. Sweeney noted that the way the money flows in making all of these activities possible for corporations is based on budgets and time schedules. Mr. Harrington argued that they are always going to apply at the last minute. When Sundance was moved back, they had the same problems initially because sponsors like to do things that way. Mike Sweeney stated that the real world works a little differently than that and these corporations are not doling out the money until the last minute. If the cut-off date is the end of December, the City will lose business and make it tougher for people to compete. The Mayor understood that the drop dead date is not being changed. Shelley Hatch felt it will get applications in sooner at the front end so the City can be more proactive. Mark Harrington clarified that there will be a new application deadline with this scenario. The Mayor stated that he is not sure that it is the City's obligation to make sure that someone who did not bother to get things done months ahead of time and decides he wants to do something 24 hours before the Festival starts, be accommodated. He doesn't understand why this proposal is considered anti-business; it is being proposed a year out.

Cindy Matsumoto felt it is the nature of the beast and feared that the venues in Park City might be hurt with a deadline. Andy Beerman agreed and pointed out the large number of licenses pulled at the last minute. Sundance is a scramble and it may be difficult to retrain people. We're either going to lose a lot of business or there's going to be a ton of pressure put on the exceptions which is not really a goal. He continued to state that more importantly a year ago November, he was on the other side of the dais, talking about business licenses not liquor licenses, and it was agreed to get the business community and Sundance together and come up with a reasonable way to handle this. That has not been done and it is still incumbent upon us to do that before moving forward.

Alex Butwinski felt that having a clear time frame is beneficial and corporations have these types of events budgeted. Just because they are entertainment people doesn't mean they can't make up their minds. They are in business the same as anyone else and a dead line should work. No one wants to be at Kimball Junction during Sundance. Dick Peek suggested that licensing taxis be moved. Mr. Harrington stated that taxi renewals alone are not contributing to the backlog; the taxis, convention/sales licenses and the temporary licenses for Sundance are the three categories that are really impacting the window of time. Mr. Peek asked if those can be moved to a different cycle. Mr. Harrington responded no; those three are all essentially affected by Sundance. Instead of moving to a different time of year, the smallest segment of those three, temporary liquor licenses, is being shifted back a couple of weeks. Staff feels this is the least impactful and a way to better plan with the state. The Mayor pointed out that there is still another year to get information out to people.

Liza Simpson commented that she would like a better understanding of just how many licenses would fall under the exception provision and how many are private parties. She is sensitive about the larger venues and agreed with Mr. Butwinski's comments. The HPCA should remain involved. The Mayor questioned using the same dead line for applications not requiring DABC approval. Shelley Hatch explained that the Police Department is called to private parties and without a license, no one is accountable. Mark Harrington added that the City does not know to what degree either further additional enforcement or regulations are going to make processes more closely aligned. The DABC exemption was written for true private events and not a commercial activity. The Sundance private parties are more of a hybrid with huge numbers and impacts and to treat them the same seems fair.

Liza Simpson asked if the first Council meeting in January would work rather than the last meeting in December. Mark Harrington explained that it might not work because the DABC deadline has passed, if applicable. She asked if there is a way to regulate based on size. The City Attorney spoke about evolving attendance. Andy Beerman stated that he is okay with mirroring the DABC processes but questioned why it needs to come before Council because it seems like there is more flexibility with staff approval. Scheduling action at a Council meeting adds another week for the applicant. He asked if Part A is inclusive of the date changes. Mr. Harrington suggested that if discussion is delayed on Part B, to move forward with Part A. Cindy Matsumoto read language on bona fide businesses which must be in business for one year and asked about non-profits. Polly McLean explained that the wording mirrors state code and applies to both non-profits and for-profits.

The Mayor summarized consensus to be to move ahead with Part A and discuss Part B at a later date.

6. Capital Budget Check-In and Capital Spending Philosophy. Nate Rockwood pointed out that the purpose of this work session is to discuss current project allocations, the funding philosophy of bonding versus pay as you go, and operating impacts. During the CIP process several projects were scored but because the funding was so significant, staff offered funding strategies which lead to the resort cities sales tax increase. He displayed a table which summarizes the four big projects over a ten year period. It was always the plan that before the funding came in that needed adjustments be made. The current plan was approved and the first five years were put in the CIP. A combination of cash and debt will be used to fund these projects in different years and staff tried to match those up with when the phasing of the projects would occur. Open space was front-loaded as much as possible. He stated that originally Council talked about allowing flexibility which was lost to a certain extent when it was decided to expedite OTIS as more bonding would be necessary. Of the projects identified here, about 75% of those would be funded with debt and 25% with cash. The big change would be for open space and right now staff is recommending not to bond for open space until the open space is identified. Open space pending commitments include the Gillmor Toll Canyon property and about $1.5 million would be needed this year to pay the first installment and $2.5 in 2015. The $1.5 was not budgeted in 2013 and staff is asking Council in order to pay that, a bond should be issued in the next three to four months to cover that cost. Issuing a bond opens up the possibility to bond for a little bit more to start some of the projects, most notably Main Street. If Council is comfortable with going forward with a bond, staff would like to return after Visioning to review a plan showing schedules for the Main Street projects, open space, and maybe some OTIS.

He stated that in 2014, OTIS Phase A is $1.8 million for the Empire Avenue reconstruction. During the budget process, the projects were bundled together but Council wanted to move forward earlier with Empire. That money was pulled from the General Fund balance with an understanding that additional money that would be transferred to the Capital Fund after the year ended instead would be kept in the General Fund to help bump the fund balance back to 18%. It turned out that the amount was about $1 million and rather than $1.8 million, probably about $700,000 would be needed to get the General Fund back to the 18%. Mr. Rockwood asked if that is still Council's intention and members indicated yes. This will be a technical adjustment. The City will always receive the additional resort money into the Capital Fund; the transfer will be reduced and there may be project adjustments. Details will be outlined during the budget process and this frees up a little bit of money in OTIS Phase A where some of the cash coming in has been budgeted. One of the ways the City is able to front load so much money into fiscal year 2014 is because when a bond is issued, payments do not need to be made until the following year. If the Council wants to bond this year, then the City would be making payments in 2014 which would move that whole schedule forward but because there is some additional money that was budgeted toward OTIS in cash that won't be used, the bond payments can be made and the project schedule is not affected a whole lot.

Nate Rockwood displayed a chart showing potential debt service and he emphasized that 75% of the projects will be paid for with debt so a high is reached in 2025 of about $3.1 million which drops off as the projects are completed and the 15 year bond period expires. If Council decided to bond on everything, it would total about $35 million. In going forward the debt service could increase because the revenue source will inflate over time because of sales tax and will bring in about $3.1 million in 2014 and in 2025, $4 million or more. The debt ratio will not be as tight as it looks. Liza Simpson asked how general inflation affects purchasing power. Nate Rockwood explained that if debt is issued the costs are frozen at that point and issuing debt is at an all-time low. He guessed that if debt was issued on some of the sales revenue, the City could probably obtain a true interest cost across the life of the bond of about 2%. Any of this additional money would continue to go to the CIP Fund. He suggested that any cash not being used could probably be allocated to the Capital Fund under open space acquisition which could build up until an acquisition is contemplated. This strategy can be discussed during the budget process.

He asked Council about bonding for about $5 million in 2013; $4 million for Main Street projects and $1.5 million for open space. It is hoped to have the projects completed within three years of the bond issuance and it is probably better to do in two years. Bonding on this every year should be avoided because there are associated costs. This is different than other revenue sources because the City is issuing a general obligation bond. The Mayor spoke about being prepared to purchase open space. Ms. Simpson asked for more clarity on current commitments. Nate Rockwood stated that $1.5 million would be issued in 2013. In 2015, $2.5 million is needed for open space and at that point the other $2 million for Main Street. The whole thing will get adjusted and be shifted around but in the end, these levels of funding for these projects will be maintained. He pointed out that open space is difficult to predict but it needs to tie into the whole CIP process. He emphasized that this funding source is a huge asset which will never happen again and funds should be used wisely. Debt financing will accommodate acquisitions as needed. He addressed the temptation of taking on too much debt. The way the money has been secured puts debt payments upfront. Operating budgets will be discussed at Visioning.

7. Water Conservation. Jason Christensen explained that some water conservation programs may take years to implement with decision points along the way. Water conservation has always been an important topic and the City implemented the water conservation ordinance in 1984, voluntary every third day watering in 2001 and created the water conservation coordinator position in 2007. The City has also adopted the state's water conservation goal which is to reduce water consumption by 25% from 2000 to 2050. The interim goal is a 12.5% reduction by 2020 and the City has actually adopted a water conservation plan that outlines some of the steps towards meeting that goal. The plan is readopted every five years and was last adopted in 2009. There is some good data in the plan which shows the progress made. At some point, he will provide Council with a trend line to illustrate the status of meeting the goal.

Weather is an important reason for conservation. Conservation in general is important but critical in dry years because of the nature of our supplies. He displayed and reviewed the Western US Drought Map for 2011 and 2012 which was a very dry year. According to the USDA, Park City is in a severe drought and sandwiched between two areas that are experiencing an extreme drought. He reported that the precipitation this year is actually really close to the average snowfall but the USDA believes that we are in a drought situation. There is a potential that 2013 is going to be a difficult year to meet water demands without the support of water conservation efforts. Conservation alone will not eliminate the need for future water projects in Park City but it may reduce or delay them.

Jason Christensen discussed programs, including free water audits offered by Park City through Weber Basin, measuring the distribution of water from the sprinkler system to make sure it is uniform. It is a service that more people should take advantage of and he asked Council to allocate $5,000 from the CIP Fund to publicize the availability of these water audits. Members agreed. In response to a question from Cindy Matsumoto, he explained that the audit will identify overwatering situations and recommended watering schedules. Weber Basin has been willing to extend audits to multi-family dwellings and commercial properties. Mr. Christensen reported that the School District has not been audited but upgraded its irrigation systems a couple of years ago.

He stated that another program is the smart controller which is an evolution in controller technology. The amount of water provided is based on need and it is very effective in controlling water use as overwatering is one of the biggest problems. Cindy Matsumoto commented on locating controllers where most people live as opposed to Bald Eagle and Solamere. Mr. Christensen stated that he will research the cost and options available.

Andy Beerman asked if staff has considered making the third day mandatory instead of voluntary. Mr. Christensen acknowledged that he has not performed an analysis on this but appreciates the benefit. Mayor Williams pointed out areas with clay and others with sandy soils and the variations throughout town warrant specific watering needs.

Council was interested in Mr. Christensen exploring the third day. One of the primary goals with the every other day watering is actually to help flatten demand on the water system.

The Mayor confirmed Council's support of allocating $5,000 toward outreach. Mr. Christensen stated that he will be working with Weber Basin to join forces and actually increase the rebate offered for smart controllers. Weber Basin offers 50% off or up to $150 for the purchase of smart controllers and since Park City is part of the Weber Basin Water Conservancy District, our residents qualify for the benefit.

He pointed out the two goals in the water ordinance which is to flatten out demand and the other is to reduce wasteful irrigation. Enforcement under the ordinance has declined in recent years but its primary goal should be education. There are opportunities to increase public awareness of conservation through better enforcement and education.

Dick Peek referred to the new water meter readers and asked if that live data is available to the Water Department. He also asked if an address can be identified for flows in violation of the water ordinance. Mr. Christensen indicated that they can and he displayed an irrigation chart. This is useful information for the Department which can be shared with property owners and an evolutionary leap from where our technology was four years ago. The City generates 8,000 data points and there is a demand for access to this information especially from property management companies. There are benefits to providing this type of information to customers and Mr. Christensen spoke about additional software which is now available. Park City is operating on the cutting edge of conservation technology. He asked if Council is supportive of using the balance from the CIP project to pursue a customer portal. All members were supportive.

Jason Christensen discussed a 2009 study performed in Georgia on water conservation and detailed the three control groups. It was found that the group of consumers provided with comparisons on neighbors' use was the most effective way to change people's behavior. This is something that has potential and something he would like to further explore. System water loss rate is important and the last time Park City calculated its system loss in 2003, it was at 10% to 15%. System water loss is adding up all of the water going into the system from different sources and calculating how much of that water is actually billed to customers and the difference is the system loss. There are different categories. The Mayor understood that the new meters will help identify where losses in the system are occurring. Mr. Christensen stated that the meter change-out will help but in order for the system to be equitable, people should be billed for the same amount of water regardless of the meter age. There are meters in the system beyond 20 years old which is the recommended replacement threshold and there is the potential that there will be some system loss occurring because the meters are under-registering. In order to resolve this issue, a meter maintenance program should be implemented which is a big undertaking but an important one given its benefits. A water audit will help the City prioritize repairs in different areas of the system. Dick Peek asked if this would involve inspecting single family home vaults and Mr. Christensen responded that there will be an opportunity to inspect each meter vault in the City. The City is responsible for repairs up to the meter, including the vault.

He compared our rates with rates published for other cities in S&WA and Water Research Foundation. Although our rates may be higher than Las Vegas, for instance, they are not out of line with many of the other rates across the country.

Mr. Christensen stated that he contacted several other water conservancy districts in Utah to find out whether a *cash for grass program* made sense. The Jordan Water Conservancy District determined it was not something to pursue and one of the big reasons for that is the difference in climate between Las Vegas and Salt Lake City. Grass requires a lot more water in a climate like Las Vegas and Park City's grass requires $1/5^{th}$ of the water required for the grass in Las Vegas during the period between June through August. Las Vegas irrigates year-round and has Lake Mead for water storage and sales. The water conserved here goes into the stream system and is limited. The Mayor felt that this type of a program will bring down usage during peak periods which needs to be considered here. He is not sure that the idea should be dropped. Mr. Christensen calculated that Park City would pay $.20/square foot of turf removed and pointed out that the landscaping in Park City would be very different than Las Vegas and achieving the same reduction in water that Las Vegas realized is uncertain. Liza Simpson suggested analyzing where Park City has turf and where it is not really needed and pointed out areas in Swede Alley, the Transit Center and the flagpole lot. It may help define a program for the public. Andy Beerman agreed and spoke about Las Vegas eliminating some turf area at its golf course. He would be interested in hearing about programs for fixtures and toilets.

Matt Cassel stated that the engineering budget has funds for a forestry plan. Grasses will be addressed in the right-of-way to be replaced with native materials. Mr. Christensen commented that he will be submitting a proposal to Council for seasonal employees to enforce the water conservation ordinance. His priorities include a customer portal, better enforcement of the ordnance, increased awareness of water audits and smart controllers, calculation of rough water loss numbers to help guide system improvements, and the development of a meter replacement program.

The Mayor announced that the Council will be attending a candlelight vigil at the Park City High School for the Newtown, Connecticut tragedy. The regular meeting will begin at 6:45 p.m.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
DECEMBER 20, 2012

I ROLL CALL

Mayor Dana Williams called the regular meeting of the City Council to order at approximately 6:45 p.m. at the Marsac Municipal Building on Thursday, December 20, 2012. Members in attendance were Dana Williams, Andy Beerman, Alex Butwinski, Cindy Matsumoto, Dick Peek, and Liza Simpson. Staff present was Diane Foster, Interim City Manager; Mark Harrington, City Attorney; Thomas Eddington, Planning Manager; Anya Grahn, Planner; Kirsten Whetstone, Planner; and Heinrich Deters, Trails Coordinator.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Newtown, Connecticut Candlelight Vigil – The Mayor thanked the Park City High School Student Council for organizing the Vigil earlier this evening.

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

None.

IV 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")*

Liza Simpson asked members if anyone else would like to pull and discuss Item 5. The Mayor asked for a motion to approve Items 1 through 4 and Item 6. Dick Peek, "I so move". Liza Simpson seconded. Motion unanimously carried.

1. Consideration of an adoption of the 2012 Letter of Consent between Park City Municipal and Snyderville Basin Recreation District in a form approved by the City Attorney – Approved.

2. Consideration of an award of a Professional Service Contract with Design Workshop, LLC in the amount of $55,716 for the Park Avenue Pathway in a form approved by the City Attorney – Approved.

3. Consideration of a Construction Management/General Contractor services related to the design of Deer Valley Drive with Geneva Rock in the amount of $62,238 in a form approved by the City Attorney – Approved.

4. Consideration of a contract with Stanton Constructability Services in the amount of $28,710 in a form approved by the City Attorney - Approved.

5. Consideration of an award of a Professional Service Contract for Consulting Services for Historic Preservation and an Intensive Level Survey of the Main Street National Register Historic District to CRSA/SWCA for the amount of $219,205 in a form approved by the City Attorney – See New Business.

6. Consideration of an approval for a one year trial period contract with Summit Energy, LLC in a form approved by the City Attorney – Approved.

V NEW BUSINESS

5. Consideration of an award of a Professional Service Contract for Consulting Services for Historic Preservation and an Intensive Level Survey of the Main Street National Register Historic District to CRSA/SWCA for the amount of $219,205 in a form approved by the City Attorney – This item was removed from the Consent Agenda. Liza Simpson referred to an email sent to Council members from Dina Blaes and stated that she needs a better understanding of the wide variation in the bids and whether or not the scope of services in the recommended bid is adequate to cover the City's commitment to the Survey. Thomas Eddington believed that the scope is pretty narrow and defined and is divided into five separate categories to make it as clear as possible. Variation in costs occurred with the intensive level survey work but staff confirmed with all respondents that the intensive level survey is required to meet the requirements of SHIPO. It also must be GIS data-based so the shape file could be used and applied in the City's GIS database.

He continued that both CRSA and Preservation Solutions offered those services so the comparison was fair but CRSA's bid it at a much lower price. Planner Anya Grahn assured members that staff made sure that contractors understood every task. Ms. Simpson remarked that CRSA is willing to perform the same amount of work for 1/5th of the price. Mr. Eddington and Ms. Grahn agreed. Cindy Matsumoto asked if staff is confident about CRSA and Tom Eddington stated that he worked with CRSA about a year ago on a housing study and was pleased with its work product. He stated that Preservation Solutions does a great job as well and Ms. Blaes is still retained as Park City's Historic Preservation Planner. There are upcoming projects that she will be involved in but this was such a big project and CRSA's bid was more fairly priced and very well done. Ms. Grahn added that CRSA is fully aware of the investigative tasks and working with property owners.

Andy Beerman asked how staff arrived at the initial estimate and Mr. Eddington explained that it was formulated from input from various historic preservation professionals and analyzing previous work and staff arrived at a $700,000 figure. Staff was surprised that CRSA could perform at the cost quoted. Dick Peek asked about Alan Roberts serving on the Park City *Landmark Commission* indicated in the bid materials. No one was exactly sure what that meant. Ms. Grahn clarified that he served on the Historic District Commission and may have confused the wording.

Liza Simpson stated that if staff feels confident about its recommendation she can support it. Cindy Matsumoto, "I move we accept Consent Agenda No. 5". Alex Butwinski seconded. Motion unanimously carried.

1. Consideration of an Ordinance amending the Land Management Code of Park City, Utah, revising Sections 15-1, 15-2.3, 15-2.4, 15-2.5, 15-2.6, 15-2.16, 15-3, 15-4, 15-5, 15-9, 15-10, 15-11, and 15-15 regarding development regulations; process and appeals for Historic District Design Review and Conditional Use Permits; clarifying that community locations must be a minimum of 200 feet from Main Street; uses within the HR-2 zone; open space calculations in the RC and HRM zones; landscaping requirements; removing Special Exceptions; requiring building permits for fences/retaining walls and impervious surfaces such as patios, driveways, and non-bearing construction in all Districts; revising the process for relocation or reorientation of and for disassembly and reassembly of historic structures; setback exceptions for screened mechanical equipment; timing of seasonal lighting; up lighting of public art; conversion of non-conforming uses to less intensive uses; and definitions related to these amendments – Kirsten Whetstone explained that the LMC is reviewed on an annual basis and most of the amendments are fairly routine involving clean-up for consistency in sections of the LMC and state code and revisions as a result of issues that have come up during the past year.

She stated that the Planning Commission and Historic Preservation Board both discussed the amendments and provided input. Additionally, public hearings were held and the Planning Commission forwarded a positive recommendation on all of the amendments before Council. These amendments do not deal with the MPD criteria associated with the expansion of the Kimball Art Center or criteria for historic residential zones. She referred to her staff report listing nine issues, Historic District Design Review process, uses in some open space in the HR-2, HRM, HRC, HCB, specifically uses within 200 feet of Main Street, reducing parking requirements for multi-family dwelling units, increasing parking for bed and breakfast, and changing special events overcrowding permits to temporary use occupancy permits. Building permits are required for patios, driveways, parking or any paved area, and fences and walls over four feet. There are new landscape plan requirements for MPDs, CUPs and Historic District Design Review projects. She referred to seasonal lighting provisions which will be modified for consistency with the Municipal Code and allowing uplighting for public art on public land has been added. The amendments address changing a non-conforming use to a less intensive use, removing special exceptions, and permitting for the relocation or reorientation for the disassembly of historic properties. New definitions have also been added.

Dick Peek referred to proposed language, "*(m) the complete landscape plan must be prepared for all building permit applications for all exterior work that impacts existing vegetation".* He felt hiring a licensed landscape architect is onerous for small projects and Ms. Whetstone clarified that a licensed landscape architect is only required for

CUPs or a Historic District Design Review application or a MPD. The landscape plan only needs to be relative to the scope of the exterior work not necessarily the entire lot. Mr. Peek emphasized that the amendment says a *complete landscape plan* for all permits. Discussion ensued on the scope of a building permit and Thomas Eddington explained that if a portion of the property is being changed, like building a patio, the disturbed area is addressed. A new home would prompt looking at the entire limits of disturbance. Mr. Peek pointed out that is not how it currently reads. Ms. Whetstone suggested language that *a complete landscape plan must be prepared for the disturbed area. . .*

The Mayor pointed out the high number of gravel side yards in Prospector and some owners used recycled plastic mulch as part of the cap on contaminated soils which is proposed to be disallowed. Ms. Whetstone explained that some gravels can be used for different areas but mulching plants is different. Mayor Williams stated that a lot of people used the plastic mulch and the intent was to get rid of the gravel landscapes. Thomas Eddington acknowledged his concern and Liza Simpson suggested additional language, *unless given permission to use another material by the Planning Director.* The Mayor suggested that stone-based materials be identified as gravel mulches which are not acceptable. Gravel-based materials are not an acceptable mulch. Alex Butwinski read the definition of the word mulch including rubber mulch. The Mayor explained that some Prospector residents are capping their yards with mulch against fences rather than burying it, pushing fences over. The gravel migrates to other yards and creates a mess.

Liza Simpson asked if this is an application problem or a material problem. Mr. Eddington felt it is a combination of both. One of the reasons for eliminating the use of gravel as mulch is because it is actually is more harmful to most plants than it is beneficial. It retains heat, causes run-off and burns the underside of plants. The amendment is intended to increase the use of organic mulch and walkways are a different issue. Using drought tolerant native plants is encouraged and the other issue is the disbursement of rock over property lines and associated challenges. He relayed that rather than encouraging zeroscaping, which is just rock, to encourage xeriscaping which is using more native materials or exotics that are water and drought tolerant. The other issue is the disbursement of rock over property lines. Discussion ensued on clarifying the language and Mark Harrington suggested adding, "*approved mulches include natural organic plant-based or recycled materials. Stone-based mulch is not permitted".* Dick Peek added, "*unless part of an approved landscape plan".*

Liza Simpson pointed out that the midnight deadline for seasonal lights should be omitted as directed by Council. Mr. Eddington explained that the LMC was tied to the Municipal Code which includes the midnight provision. The Planning Commission will review this in early January and recommended changes will return to Council comprehensively.

Andy Beerman noted that uplighting is now added, so sections have been altered but not all of it. Mr. Eddington explained that four components of lighting, including building, safety, sign, and parking/lot exterior space will be addressed. Mr. Beerman referred to the temporary change of occupancy provision which is extended from 10 to 15 days and asked if it relates to the earlier discussion on licensing in work session and if so, he suggested that it not be addressed until the broader discussion is resolved. Kirsten Whetstone explained that 10 days was presented to the Planning Commission who recommended that 10 was too short and changed it to 15 days. Mr. Beerman's concern was resolved. He referred to the licensed architect requirement for Historic District Design Review applications and asked if decks and pathways would be subject because he felt that it may be overly cumbersome. Mr. Eddington stated that if the application in Old Town is for building a deck, a landscape architect would not be required but if a new addition includes a new landscape plan, then a licensed landscape architect is needed. Other major projects could include re-establishing grade and retaining walls.

Kirsten Whetstone explained that a pre-application should be submitted for any work in the Historic District so that a determination can be made about the project going through a HDDR. If a full review is needed, the application requires a landscape architect. The Mayor pointed out that many landscape designers are not landscape architects which seems like an unnecessary cost to the property owner. Ms. Simpson suggested substituting *architect* with *professional*. Mr. Eddington explained that the rationale for the requirement was suggested to prompt better plan submittals. He suggested taking the word licensed out and just make it a landscape professional and Ms. Simpson stated that they would be licensed to do business in Park City.

Dick Peek suggested language, *a landscape plan with the following criteria shall be submitted*. We don't want people to defer maintenance because it is so onerous to make an application. Mr. Eddington emphasized that it wouldn't impact maintenance projects, and is just intended for MPDs, CUPs and HDDRs. Ms. Whetstone reiterated that the requirement is intended for major changes to a historic building and not routine maintenance and repair. Andy Beerman suggested dividing the paragraph so one deals with the MPDs/CUPs and the other with HDDRs as the criteria is different. Alex Butwinski felt the provision is unnecessary and Mr. Eddington expressed that it should go one way or the other for all categories.

The Mayor suggested that a landscape plan simply be submitted for review by staff; many applications could be HDDRs and most properties are only 25 x 75 foot lots. Mark Harrington pointed out that 80% to 90% of the time, landscaping is required after the fact. Complete applications are often conditions of approval and instead of doing that, he suggested requiring landscape plans during the full review. Thomas Eddington stated that staff has started requesting more information upfront for HDDRs. Liza Simpson felt that paragraph could be omitted and Kirsten Whetstone recommended that the landscape plan be prepared for all building permit applications. Mr. Eddington asked if MPDs, CUPs and HDDRs be included because of the application processes, Mark Harrington advised to just include HDDR to the first sentence in Subsection (m). Kirsten Whetstone read the revision, *"A complete landscape plan must be prepared for the limits of disturbance area for all building permit applications and Historic District Design Review projects"*. Mark Harrington added, *for all exterior work that impacts existing vegetation within the limits of disturbance.*

The Mayor opened the public hearing; there was no public input and the hearing was closed. Liza Simpson, "I move that we approve New Business Item No. 1, as amended". Alex Butwinski seconded. Motion unanimously carried.

2. Consideration of a Summit County/Snyderville Basin Recreation District & Park City Open Space Purchase/Exchange Agreement – Heinrich Deters introduced Wendy Fisher, Utah Open Lands. He explained that the property contains 292 acres of open space as well as Toll Canyon open space. The Agreement deals with three different areas, Toll Canyon, Kimball open space (currently owned by the City and the County) and the Gillmor open space adjacent to Round Valley. The Park City piece involves the purchase of the Gillmor Parcel with a first payment on May 1, 2013 to cover the outstanding note which is approximately $1.425 million plus $41,000 in soft costs as well as the conveyance of the City's interest in the Kimball open space which has a value of $3.5 million. On November 1, 2014, the City will pay $2.5 million to satisfy a promissory note for the SBSRD for Toll Canyon. He pointed out the Hi Ute open space on a map, which was purchased in 2011, adjacent to the Kimball open space. On December 21, 2012, a down payment of $2 million will be provided with the option that Utah Open Lands and SBSRD will cover the remaining $3.5 million, for a total price for Toll Canyon at $5.5 million. He stated that it is important to recognize that Utah Open Lands has basically provided a 10% discount on the $6.1 million appraised value of the parcel. He displayed a map of the open space which is important for trails and a wildlife corridor. This would not be possible without regional collaboration. The County Council adopted the Agreement last night with some minor changes to the document with regard to timelines to accommodate review of title commitment documents.

On behalf of COSAC and the District, Rena Jordan stated that she is thrilled about this transaction and the amount of public support. In 2010 when the $20 million bond was passed, of which $12 million was earmarked for open space and $8 million for trails, it seemed like a huge reach but it passed with 70% approval. When the $250,000 came about in the last few weeks, it proved to the County and SBSRD that the appetite for open space and preserving open space is still very strong. When the top three priorities were laid out, Hi Ute, Gillmor and Toll Canyon, there didn't seem to be enough funding from the $12 million, but the collaboration with the City has been very fortuitous. All of this comes together from an open space, recreation and wildlife standpoint and their $2 million was sent in two days ago. They are ecstatic to see this happen.

Wendy Fisher stated that it is hard to find the words to describe what a long journey this has been but primarily how amazing it is to see this kind of support come forward. First and foremost from the City and the fact that all organizations have all come together to find a creative solution to preserve Toll Canyon. Having open space funds available is a credit to the community, the City, SBSRD, and the County as well as the ability to purchase these amazing places that contribute so greatly to our quality of life. Utah Open Lands was committed in this Agreement to raise $250,000 which has been accomplished with overwhelming support. She mentioned that there are things in the documents that need to be cleaned up.

Mark Harrington explained the residual section in the Agreement that if there is any surplus money after the closing that it would go to the mutual committee.

The Mayor opened the public hearing.

Jason Hackney stated that he is a 21 year resident and has been enjoying Toll Canyon since he was a kid. He is thrilled that it is on the brink of being protected.

Lin Alder, Summit Park resident, explained his desire to live in the Park City area and his love of the mountains. He works for ETC Group in Sugarhouse and three employees live in Summit Park and Trailside. He raised $1,000 in pledges from his co-workers for the management plan. Summit Park is a special place attracting professionals and he lives there because of Toll Canyon. He thanked all involved for making this an incredible place to live.

Ursella Pinentel, Summit Park, stated that she uses Toll Canyon almost every day and it is an incredible thing for everyone to come together and approve the funds for the purchase. This is amazing and contiguous open space is critical for the wildlife.

Gloria Johnson, Timberline resident, agreed with the comments of the prior speakers and thanked the City Council.

Craig Eroh, Vice President of Summit Park HOA and member of CAGE, expressed his support for the project. So many people came together and there will be many things that will require regional collaboration and this can be a model of how to move forward. This is an amazing piece of property providing trail connectivity. He thanked everyone who made this possible.

Diane Foster reported that Max Greenhaulgh was here earlier but had to leave. He asked her to thank the City Council. This is a great example of inter-governmental cooperation for the benefit of the entire community.

With no further input, the Mayor closed the public hearing.

Andy Beerman thanked Wendy Fisher, BOSAC and Rena Jordan who all set a vision for these three properties and it is quite an accomplishment. He also recognized Chris Robinson's involvement as well as the whole County Council. He acknowledged Heinrich Deter's patience throughout the process, representing the City. Andy

Beerman, "I move we approve the attached open space purchase and exchange agreement between Summit County, Snyderville Basin Special Recreation District, and Park City for the purchase of the 292 acre Gillmor Parcel and related matters, as amended". Dick Peek seconded. The Mayor commented that this was a tough one for the City but there is support by Park City residents for acquisition of open space in western Summit County. He also thanked Andy Beerman for his efforts. Dick Peek thanked the Park City citizenry for approving the Resort Communities Sales Tax of which some proceeds will be used for this purchase. Motion unanimously carried.

VI 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 1:30 p.m. Members in attendance were Mayor Dana Williams, Andy Beerman, Alex Butwinski, Cindy Matsumoto, Dick Peek, and Liza Simpson. Staff present was Diane Foster, Interim City Manager; and Mark Harrington, City Attorney. Dick Peek, "I move to close the meeting to discuss personnel, litigation and property". Liza Simpson seconded. Motion carried unanimously. The meeting opened at approximately 2:30 p.m. Cindy Matsumoto, "I move to open the meeting". Andy Beerman 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

Janet M. Scott, City Recorder