PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
MAY 12, 2011

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

Tom Bakaly, City Manager; Mark Harington, City Attorney; Matt Cassel, City Engineer; Bret Howser, Budget Manager; Michael Kovacs, Assistant City Manager; Kathy Lundborg, Water Manager; and Tyler Poulson, Sustainability Analyst

1. Council questions/comments. Alex Butwinski reported that the Planning Commission approved Park City Heights last night and Recycle Utah will be conducting a hazmat collection this Saturday at The Canyons parking lot. He thanked HR for organizing a great service awards party last night. Liza Simpson agreed. She stated that she attended the Mountainlands Community Housing Trust meeting and reported on projects and the need for volunteers to assist with the current self-help project. She appreciated the public works update earlier today. Dick Peek commented that he met with Marianne Cone about co-housing which is gaining momentum. Ms. Matsumoto attended the Peace House board meeting this week and members expressed their appreciation of the service award grant from the City this year. She attended a Utah Heritage Preservation workshop on incentives for historic preservation. Mayor Williams congratulated PCMR for its approval of the first wind turbine within the City limits. He referred to carbon footprint reduction goals and the need for the private sector to invest in green initiatives. He welcomed the Utah Tourism Conference held in Park City this week.

2. Capital Improvement Projects Budget. Bret Howser pointed out that the City produces a bi-annual budget and this is the first year of the process. The CIP committee prioritizes all capital projects in the five-year CIP not just new requests. New requests are reviewed in off years. He described the extensive process, including scoring projects based on criteria outlined in the budget. Attachment A in the meeting packet lists all of the projects, associated scores and their alternative funding category. He referred to a list of new projects or projects receiving funding for the first time as part of the process and a list of requests that were not recommended by the committee. Capital projects compete for surplus from operating funds and he pointed out funding sources for projects that are flexible and those that are earmarked. $1.8 million surplus funds are already dedicated for FY 2011 and there may be $500,000 in additional surplus for a total of $2.3 million which is consistent with historic funding levels. In response to a question from Cindy Matsumoto, Mr. Howser explained that funding for historic preservation is an operating expense and not recommended for funding in the CIP. Ms. Simpson asked how many items on the unfunded list are being covered by operating surplus or other sources. Bret Howser responded that there are a few but he will get back to her with specifics. A number of clarifications were made regarding projects and carry-forward amounts were explained.

Bret Howser spoke about exceptions made by the CIP committee or the City Manager. Ms. Simpson pointed out the $30,000 request for a street light at Marsac Avenue and Guardmans Road which was denied. Mr. Howser acknowledged public input received from the neighborhood on this improvement and Council has the discretion to override the recommendation and approve the street light. Liza Simpson believed that the intersection is dangerous and signage is inadequate. Mr. Howser recalled this request being made for the past two years but not going through the RELS process. The request should go through RELS to identify all options and to explore the request further; a meeting is set up for next week. The timing for funding for the street light and stairs was discussed which could be as early as this year. Mayor Williams suggested that stairs be funded with walkability money but that the request still go through RELS.

Discussion ensued on revenues and expenditures in the Transit Fund and it was explained that a plan for water projects has not been finalized for the tentative budget but will be for the final budget. Mr. Howser noted that the carry-forward numbers are not shown but he can provide them to members. He referred to OTIS which was discussed earlier in April pointing out that decisions on OTIS projects do not necessarily need to be made during this budget process. Final decisions may be a couple of years out and in the past OTIS projects were scheduled in the five-year CIP using debt financing. Mr. Howser stated that the debt service shows up in future years in the long range financial plan analysis which staff felt should be re-examined in terms of project costs and scope. The 2002 study was updated by Alliance Engineering and included in the meeting packet. Costs are categorized by type and the total remaining project costs are estimated at about $16 million. Of that about $4 million is attributable to water projects which have not been finalized and removed from this analysis, leaving $12 million for all aspects identified in 2002.

Michael Kovacs pointed out that an option in better managing capital funding for the OTIS program is to further examine and prioritize projects. OTIS projects could be downscaled deleting some of the extras and staying within the rights-of-ways so that the scope of improvements includes street reconstruction, water line replacement, and gutters. This plan does not contemplate building additional infrastructure which must be maintained in the future and represents some long term savings. Mr. Kovacs explained that by removing some of the conduit, stairs and sidewalks results in a reduced cost of $7 million and represents a savings of $5.3 million. The Mayor suggested meeting with the neighborhoods about the scope of projects and options before setting policy. Liza Simpson agreed that resident input is important.

Alex Butwinski brought up the timing for improving Empire Avenue as it is tied to the Treasure Project. Ms. Matsumoto didn't feel holding up Empire until Treasure gets built is realistic as it may take 10 years. Discussion ensued on this issue, specifically the impacts of construction traffic on the road and the condition of the water line. Kathy Lundborg recommended not waiting on replacing the water line but understood Mr. Butwinski's point about pending development which is the reason it has been delayed in the past. The line has broken several times this year and is causing property damage. It is in bad shape and she again recommended that it be replaced. It is a distribution line and she was unsure of the exact location of Treasure's water line. Cindy Matsumoto understood that the public wanted traffic to use Lowell Avenue and to limit access to Empire Avenue. Mayor Williams felt it is logical that Empire is rated a top priority. Liza Simpson stated that she is not interested in changing prioritization but this is a project that should be looked at very carefully to decide if phasing is an efficient approach. Ms. Lundborg added that these decisions have to be made beforehand and to limit consideration to the water line doesn't make a lot of sense because some construction elements have to be done at the same time because of utilities.

Joe Kernan believed there will be some savings by omitting some of the higher level improvements from projects. Cindy Matsumoto agreed with the Mayor and Ms. Simpson about engaging the neighborhoods first because Norfolk residents were not happy with the result and in some instances, there is no reason to spend the money. She suggested that maybe Empire should receive a new water line, curb and gutter, and storm drains but not sidewalks which could be installed as mitigation by Treasure at a later date if deemed necessary. The conduit portion of projects were discussed and Dick Peek suggested that lines be blue staked or that conduit be installed in consistent locations to better utilize and protect this asset.

Bret Howser explained that the City and the HPCA commissioned a study performed by IBI regarding potential downtown enhancement projects. The list of projects is estimated at $14 million and includes plazas, parks, bulb-outs, street and sidewalk reconstruction, snowmelt system, etc. The staff report contains a preliminary assessment of the operating costs and environmental impacts in terms of carbon output related to the snowmelt portion of the project. It is recommended to include downtown projects in the City's long-term budgeting and details will be available in a few weeks. He believed this is the beginning of a very long discussion about selecting and funding projects and none of these projects will impact the 2012 budget year. Jon Weidenhamer added that there is existing Main Street RDA money intended to be used for feasibility and cost work. The Mayor pointed out the use of natural gas for the snowmelt system and assumed solar was not economically feasible and Tyler Poulson confirmed that the offset in carbon for solar would be about $2.8 million. Discussion ensued on snow removal costs. Liza Simpson recalled preliminary discussions among HPCA members being to heat only the curb and not the entire sidewalk. Replacing curb is much less invasive than sidewalks and would take care of the snow berm nuisances. Dick Peek stated that he is not inclined to support snowmelt unless problems like run-off are adequately addressed.

Mr. Howser noted that the soils repository is another project that does not have much detail but is budgeted over a span of two years as the cost of the project is estimated at $6.6 million. Most of the funding is anticipated from the eventual sale of PC Heights at about $5.5 million. The $5.5 million in funding was needed for the acquisition and came from various sources but about $3 million came from other projects. It is felt that these projects will be completed with either alternative funding or not doing them which would not have a huge impact. Staff is comfortable taking the $5.5 million and putting it toward the soils repository. He referred to a long term plan, allocating $12 million to OTIS, split between debt and cash financing; $14 million in downtown enhancement projects and $5.5 million for the soils repository, with downtown being all debt financing and soils being mostly cash. In order to fund these projects about $500,00 of operating cuts in 2014 and another $500,000 in 2017 are recommended as well as taking 5% of the 25% Resort Cities Sales Tax going to the Transit Fund. It is recommended to consider 6% property tax increases every other year starting in 2014 to cover the debt service balance in future years. He recognized the amount of discussion this deserves including input from the public. Staff is recommending talking to the Lodging Association, HCPA, Chamber/Bureau, HOAs, and Rotary about funding alternatives and getting input. There may be ideas out there that have not been considered. Bret Howser spoke about then transitioning to a public outreach program and/or using focus groups like the Citizen Technical Advisory Committee which was active years ago. He expressed the importance of formulating a broad plan for addressing the future.

3. Historic Preservation Board interviews – Members interviewed applicants Roger Durst, John Thomas, Melanie Young, and Katherine Matsumoto-Gray for vacancies on the HPB. Cindy Matsumoto left the meeting room during her daughter’s interview.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
MAY 12, 2011

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 12, 2011. Members in attendance were Dana Williams, Alex Butwinski, Joe Kernan, Cindy Matsumoto, Dick Peek, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Pace Erickson, Operations Manager; Thomas Eddington, Planning Manager; and Mark Harrington, City Attorney.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Liza Simpson relayed that pavers are being replaced on portions of Park Avenue.

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

None.

IV WORK SESSION NOTES AND MINUTES OF MEETING OF APRIL 28, 2011

Alex Butwinski made a spelling correction to the minutes "<u>I move approval of the work session notes and minutes of the meeting of April 28, 2011, as corrected</u>". Joe Kernan seconded. <u>Motion carried</u>.

Alex Butwinski	Aye
Joe Kernan	Aye
Cindy Matsumoto	Aye
Dick Peek	Aye
Liza Simpson	Abstention

V RESIGNATIONS AND APPOINTMENTS

<u>Consideration of reappointment of Rod Ludlow to the Board of Adjustment for a term expiring June 1, 2016</u> – Joe Kernan, "<u>I move we appoint Rod Ludlow to the Board of Adjustment for a term expiring June 1, 2016</u>". Liza Simpson seconded. <u>Motion carried</u>.

Alex Butwinski	Aye
Joe Kernan	Aye
Cindy Matsumoto	Abstention
Dick Peek	Aye
Liza Simpson	Aye

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

1. Consideration of an Ordinance approving a plat amendment for 573 Main Street, Park City Utah – The Mayor opened the public hearing and with no comments from the public, asked for a motion to continue. Liza Simpson, "I move we continue the Ordinance approving a plat amendment for 573 Main Street to a date uncertain". Alex Butwinski seconded. Motion unanimously carried.

2. Consideration of an Ordinance approving a plat amendment for 259, 261, 263 Norfolk Avenue, Park City, Utah – The Mayor opened the public hearing; there was no public input. Joe Kernan, "I move we continue New Business Item 2 to a date uncertain". Cindy Matsumoto seconded. Motion unanimously carried.

3. Consideration of a Resolution adopting a tentative revised budget for fiscal year 2011 and the budget for fiscal year 2012 for Park City Municipal Corporation and its related agencies – The Mayor opened the public hearing and there were no comments from the audience. Joe Kernan, "I move we continue the budget discussion, New Business Item 3, to May 26th". Liza Simpson seconded. Motion unanimously carried.

4. Consideration of acceptance of the 2011 Pavement Management Program and authorization to enter into professional services agreements, approved in form by the City Attorney:
   - (a) Kilgore Paving for pavement overlays in the amount of $395,387
   - (b) M&M Asphalt Services for slurry seals in the amount of $82,562
   - (c) Bonneville Asphalt for crack seal in the amount of $59,400
   - (d) CTS Utilities for utility adjustments in the amount of $64,650

Pace Erickson explained the bid process and remarked on a new pavement mix which provides a lot more flexibility and hopefully fewer problems in the long term. A total of 14 bids were received and all were qualified bidders and could have done the job. Staff is recommending that Council accept the lowest qualified bidders listed. He believed that the City got a great deal on the pavement program which was below the engineer's estimate. The Mayor invited public input. There was none. Alex Butwinski, "I move we accept the 2011 Pavement Management Program and authorize the City Manager to enter into professional services agreements, approved in form by the City Attorney". Dick Peek seconded. Motion unanimously carried.

5. Consideration of a Resolution approving an amendment to the Park City General Plan changing the description of the planning areas and the Land Use Map – Planning Director Thomas Eddington explained that the Resolution amends the Land Use Map in the current General Plan. The last time the General Plan Map was amended was in 1997 and since that time, the City limits, the annexation declaration and open space have changed and this amendment is simply updating the Land Use Plan to reflect current conditions. The Land Use Plan reflects the current City limits, annexation

declaration areas, and some of the new land uses in the Community Transition Zone. The Planning Commission reviewed this on April 27, 2011 and forwarded an unanimous positive recommendation. The Mayor opened the public hearing. There were no comments from the audience. Liza Simpson, "I move we approve a Resolution approving an amendment to the Park City General Plan changing the description of the planning areas and the Land Use Map". Alex Butwinski seconded. Motion unanimously carried.

VII ADDITIONAL DISCUSSION – AGENDA ITEMS

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 2 p.m. Members in attendance were Mayor Dana Williams, Alex Butwinski, Joe Kernan, Cindy Matsumoto, Dick Peek, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Tom Daley, Deputy City Attorney; Jon Weidenhamer, Economic Development Manager; Phyllis Robinson, Public Affairs Manager; Michael Kovacs, Assistant City Manager; Thomas Eddington, Planning Manager; and Mark Harrington, City Attorney. Alex Butwinski, "I move to close the meeting to discuss property, litigation and personnel". Liza Simpson seconded. Motion carried unanimously. The meeting opened at approximately 3:30 p.m. Liza Simpson, "I move to open the meeting". Dick Peek seconded. Motion unanimously carried. The closed session posted on the agenda at the adjournment of the City Council meeting was not held.

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