PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
MAY 1, 2008

Present: **Mayor Dana Williams; Council members Candace Erickson; Jim Hier; Joe Kernan; and Liza Simpson**

Tom Bakaly, City Manager; Mark Harrington, City Attorney; Brooks Robinson, Planner; and Bret Howser, Budget Analyst

Absent: **Council member Roger Harlan**

1. Council questions/comments. Candace Erickson reported on Board of Health and Historical Society business. She stated that a HPB member mentioned that the original doors and windows were removed from 606 Park Avenue and not replaced as part of the restoration and it was discovered that there was no building permit issued for the project. Brooks Robinson responded that staff is aware of the violation and is talking with the owner and contractor about maintaining specific historic elements. The owner had a permit for interior work but not exterior. She asked that staff also monitor the 118 Daly Avenue project and that dogs running at large be addressed now that it is spring; she's receiving calls.

2. Presentation of budget. Bret Howser explained that state statute dictates that the budget be presented at the first Council meeting in May. He referred to the budget calendar and detailed each week's review. The budget for FY 2009 is $39 million which represents departmental operations of $33 million and debt service at $6 million. The total balanced budget balances is $83 million which represents all revenues and expenses, including operating, non-operating, bonds proceeds, etc. and excludes inter-fund transfers. The General Fund budget for FY 2009 is $26 million and the percent distribution of the operating budget remains basically the same. The biggest changes occur in Public Works for snow removal, expanded transit service in the County, the Park and Ride and associated maintenance. The increase in non-departmental relates to risk management claims, which is a one-time adjustment. He referred to large projects like the Marsac Building seismic upgrade, street reconstruction projects, the Park and Ride, walkabillity improvements, and water infrastructure projects. New capital projects include the Racquet Club renovation and an emergency operations center. Discussion ensured regarding the $1.4 million project estimate by Johnson Controls to implement efficiency upgrades to City facilities which can be adjusted by Council. In response to a question from Jim Hier about the $26 million number for bonds, Mr. Howser stated that $20 million is for water and about $7 million for OTIS projects.

The Financial Impact Analysis Report (FIAR), delivered to Council, provides a ten year analysis of operating revenues and expenditures and focuses on General Fund activity to predict the surplus for the next ten years to pay for capital projects or increased service levels. Bret Howser explained that this year, more surplus funding was dedicated because of the number of capital projects. Property tax and building fees are growth-related and a decrease in this trend is something to plan for as well as changes in state legislation.

In response to a question from Joe Kernan about a drop in sales tax revenue, Mr. Howser explained that food was eliminated from the resort sales and transit sales although Park City increased those taxes last year to help recover from potential losses. The local option sales tax was also changed which removed the hold harmless provisions and redistributed revenues by population. Mr. Kernan asked the trigger for property taxes. Mr. Howser pointed out a jump in property taxes estimated in 2010 which represents large development projects coming on line like the St. Regis and The Montage. Development is identified in the FIAR. Mr. Hier felt it prudent to actively monitor sales tax revenue and the City Manager pointed out that the City receives sales tax information for January, February and March in late May and projection adjustments can be made at that time.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
MAY 1, 2008

I ROLL CALL

Mayor Dana Williams called the regular meeting of the City Council to order at approximately 6 p.m. at the Library and Education Center on Thursday, May 1, 2008. Members in attendance were Dana Williams, Candace Erickson, Jim Hier, Joe Kernan, and Liza Simpson. Roger Harlan was absent and excused. Staff present was Tom Bakaly, City Manager; Mark Harrington, City Attorney; Ron Johnson, Interim City Engineer, Phyllis Robinson, Public Affairs Manager; ReNae Rezac, Special Events Coordinator; Jason Glidden, Ice Rink Coordinator; and Gary Hill, Budget Manager.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

1. Swede Alley historic wall - Tom Bakaly reported that an intact historic rock wall was discovered while excavating a generator space for the parking structure shell; it is similar to the wall located north of the site and may be connected. A new location for the generator will be explored so that the wall can be preserved and a preservation plan will be presented to Council.

2. Council disclosures – Joe Kernan disclosed that the Elliott Work Group is among his recycling customers.

3. On-line water payment – Phyllis Robinson introduced Bobbi and Mike Parks, the first household to sign up for on-line water payments. In consideration the new service and National Drinking Water Week, the Mayor presented them with prizes.

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

2009 Budget – Brad Olch, former Mayor and resident, complimented Council members on the great job they are doing. He asked the plan for roads this year; they are in the worst condition he has every seen them, acknowledging that the past winter was extraordinary. He felt that budgeting $400,000 a year is inadequate and Tom Bakaly explained that the pavement management program will be returning to Council for discussion as part of the CIP discussion on May 29. Candace Erickson commented that last year the City spent $980,000 and the year before about $700,000. Mr. Olch pointed out that the number of police officers adequately meets the needs of the population unlike snow removal service which should be enhanced with more snow plows. He felt the pay package set at 2% is not enough for employees in consideration of the cost of living. He requested cost information for recruiting and training people to replace employees leaving the City over the last 12 to 15 months. Personnel changes are expensive and he wondered if an analysis has been conducted. Mr. Olch spoke about serving on the Planning Commission for five years and recently attending a meeting on PC Heights. It was a distressing ugly meeting and he is further upset because he has not received a call back after leaving a message with the Planning Department.

Joe Kernan emphasized that with regard to the 2% comment, salary increases have been made over the years which may total as much as $2.5 million per year. With no further comments, the public input session was closed.

III WORK SESSION NOTES AND MINUTES OF MEETING OF APRIL 17, 2008

Joe Kernan, "I move we approve the notes and minutes of April 17". Jim Hier seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Absent
Jim Hier	Aye
Joe Kernan	Aye
Liza Simpson	Aye

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, "I move we approve Consent Agenda Items 1 through 5". Candace Erickson seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Absent
Jim Hier	Aye
Joe Kernan	Aye
Liza Simpson	Aye

1. Consideration of approving a Resolution proclaiming the week of May 4 to May 10, 2008 as National Drinking Water Week in Park City, Utah - and

2. Consideration of approving a Resolution proclaiming the week of May 10 to May 18, 2008 as National Tourism Week in Park City, Utah - and

3. Consideration of approving a Resolution supporting the American Cancer Society's Relay for Life in Park City, Utah - and

4. Consideration of approving a Resolution proclaiming May 10, 2008 as Arbor Day in Park City, Utah - and

5. Consideration of approving a Reimbursement resolution for Sales Tax Revenue Bond to be issued in FY 2009 for street reconstruction projects – Approval is recommended by staff.

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

1. Consideration of approving a Master Festival License for the Utah State Firemen's Parade to be held on Main Street on June 12, 2008 – Mayor Williams disclosed that his band will be playing at the event. ReNae Rezac stated that the parade is planned to take place on Thursday, June 12 from 6 p.m. to 7 p.m. from the south end of Main Street and northbound to Main and 9th Streets. The first Utah Firemen's Convention was held in Park City in 1908 and to commemorate the 100 year anniversary, the Park City Fire Department submitted an application for a parade. Because it is held on City property and a temporary street closure is involved, a MFL is required. Staff recommends approval as conditioned. Scott Adams, PCFD, commented on the level of enthusiasm and Wasatch County, North Summit and South Summit Fire Departments will also be participating. The Mayor opened the public hearing; there were no comments. Candace Erickson, "I move we approve the Master Festival License for the Utah State Firemen's Parade to be held on Main Street on June 12, 2008". Jim Hier seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Absent
Jim Hier	Aye
Joe Kernan	Aye
Liza Simpson	Aye

2. Consideration of approving a Use Agreement with Real Salt Lake for field use at the Quinns Junction Recreation Complex - Jason Glidden introduced Garth Lagerwey, General Manager of Real Salt Lake. He explained that staff is recommending approving the agreement subject to ratification by Council on May 15. Based on the benefit package identified in the staff report, staff recommends waiving up to $29,350 in fees and contributing $20,000 in exchange for sponsorship and marketing services. The package includes in-game promotions of the Park City area along with community-based events. Real would like to use the Sports Complex as a training facility and host the team's reserve games on location. In addition, it would host training and exhibition games for international soccer teams. He stated that this agreement is consistent with

Council's economic goal of continued cultivation of Park City as a world-class high altitude destination and training hub.

Garth Lagerwey stated that Real is very excited about this opportunity. It's advantageous to train at this altitude and to have access to world class facilities. Real is hopeful of making a long term arrangement making Park City the center of soccer in the state. He explained the current less than ideal training facilities; the team is in need of an adequate and professional site. Candace Erickson believed this relationship provides excellent advertising opportunities; soccer is huge in the community. In response to a question from Ms. Erickson, Mr. Glidden explained that Council will be advised of the funding source. Mayor Williams spoke about the growing popularity of soccer in town. Jim Hier, "<u>I move we approve the use agreement with Real Salt Lake for the use of the Quinns Junction Sports Complex based on the staff report and the ratification of the final lease agreement in a form approved by the City Attorney's Office</u>". Liza Simpson seconded. <u>Motion carried</u>.

Candace Erickson	Aye
Roger Harlan	Absent
Jim Hier	Aye
Joe Kernan	Aye
Liza Simpson	Aye

3. <u>Consideration of authorization to proceed with Phase 2 of the Snow Creek Housing Project and execution of a Special Service Contract, in a form approved by the City Attorney, with Elliott Work Group in an amount not to exceed $289,575</u> – Phyllis Robinson explained that staff is looking for approval to proceed with Phase 2 and the final master plan development application. Phase 2 covers the design development drawings and approvals from the necessary regulatory agencies which may include SBWRD and possibly the Army Corps of Engineers. The conceptual site plan presented earlier to Council contemplated 13 detached units for home ownership which has changed somewhat. The 13 units are maintained but the access point was relocated. The design features three and four bedroom units and if Council wishes, some could be two bedroom units. Minimizing impervious surfaces was discussed at the pre-MPD public hearing and the revised site plan shows a significant reduction.

Craig Elliott spoke about the challenge of designing living spaces rather than storage for consumer goods. Through illustration of renderings he pointed out the smaller project footprint with two and a half story homes which provides an opportunity to stagger the units with improved view corridors and solar access. He addressed the two car garage element and proposed the option of constructing one and a half car garages, reducing driveway widths and hard surfaces while making the houses more livable. Liza Simpson thanked Mr. Elliott for eliminating the two car garage door façade.

Jim Hier stated that he didn't envision a three story residence and suggested locating the garage on the side and reducing the structure to two stories. Craig Elliott discussed the intention of maintaining ten feet between houses and creating interior open space for residents. Attached garages shared by two households was considered but not pursued. Jim Hier expressed concerns about compatibility with neighborhood heights with this design.

Joe Kernan asked about efficiencies of a two story versus three story building. Craig Elliott explained that the most efficient form is a sphere, but with straight lines, a cube is the next most efficient shape. The building is almost a cube; it is 26 feet by 30 feet; the wall break line is about 24 feet, making it an extremely efficient form. With regard to adjacent buildings, the project is comparable in height, mass and roof form with the Saddle View Condominiums. The roof is lower than the post office and police facility, and the grade is lower in context to the sites. There was discussion about bringing the elevation plans back to Council. Mr. Elliott noted that site lines for adjacent properties will be preserved. The Mayor invited public input.

Mary Cook, resident, felt that the unintended consequence of eliminating two car garages will be cars parked on the street. It is not realistic to expect that there will only be one vehicle in a four or three bedroom unit.

Liza Simpson stated that she shared the same concern and was advised by Ms. Robinson that deed restricting the property may be a feasible option. Phyllis Robinson discussed restricting ownership to families. Renting bedrooms can be controlled by providing that there be one bedroom more than the number in the household. Joe Kernan preferred including single people in the housing mix.

Jim Hier, "<u>I move we authorize the City Manager to proceed with Phase 2 of the Snow Creek housing project and execute a special service contract in a form by the City Attorney's Office to Elliott Work Group in the amount not to exceed $289,575 and also to authorize the staff to submit the master planned development application reflecting the revised site design</u>". Liza Simpson seconded. Candace Erickson interjected that Ms. Cook's comments are vey valid. As a parent of teen aged kids, she's well aware of how quickly the need for storage can grow between vehicles and sporting goods. She suggested considering both one and a half and two car garage designs. Phyllis Robinson noted that the concept of tandem garages can also be considered. <u>Motion carried</u>.

Candace Erickson	Aye
Roger Harlan	Absent
Jim Hier	Aye

Joe Kernan	Aye
Liza Simpson	Aye

4. Consideration of approving an award of contract to D C Transport & Excavating Inc., in the amount of $3,998,436, in a form approved by the City Attorney, for the Woodside/Norfolk Reconstruction Project – Interim City Engineer Ron Johnson explained that Council adopted the Old Town Improvement Study (OTIS) in 2002 and the City Council budgeted funds in FY 2008 for improvements to Woodside Avenue from 15th Street to 13th Street, Norfolk Avenue from 13th Street to 8th Street, 15th Street between Park Avenue and Woodside, and 13th Street between Park Avenue and Norfolk Avenue. This project also includes walkability sidewalk improvements on Park Avenue, Lucky John Drive, and at the Olympic Welcome Plaza.

The OTIS project identified numerous utility deficiencies and substandard roads in Old Town and the Snyderville Basin Water Reclamation District has identified improvements to the sewer system in this area that need to be made. SBWRD will reimburse the City for its portion of the project costs. Questar Gas will install a new gas line in conjunction with the underground work. Mr. Johnson stated that two bids were received; one was about 3% less than the engineer's estimate and the other was about 12% higher. The unit prices and costs are summarized in the bid tabulation. The contract includes the removal of existing surface improvements and the construction of a new sanitary sewer line and laterals; culinary water lines and service meters; storm drainage; inlet structures and connecting pipe; dry conduits for future underground utility relocations; sidewalks on one side of the street, curb, gutter, and asphalt pavement.

Mr. Johnson recommended that this contract be approved. During construction, the streets will be closed to through traffic and detours established. Local residents will have access from each end of the project plus from intersecting streets. It will be necessary to restrict access to residences while construction occurs in front of the property and while paving. If the project does not proceed, the surface improvements will continue to deteriorate and will require extensive maintenance. Additionally, surface drainage will continue to run down the pavement and impact adjacent properties.

Jim Hier raised questions about funding the remainder of the OTIS projects; this one was bid at $3.9 million when $2.8 was budgeted. Gary Hill emphasized that part of the $3.9 million represents $730,000 allocated on behalf of the SBWRD which will be reimbursed. The number also includes some of walkability projects, which will be funded with a different CIP account. The amount over budget totals about $790,000 or 8%, which is typical of 2002 estimates. Mr. Hill stated that staff will evaluate OTIS over the course of the next few months. Jim Hier, "I move we accept the bid from D C Transport for the reconstruction of Woodside and Norfolk Avenues based on the staff report and subject to review by the City Attorney". Joe Kernan seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Absent
Jim Hier	Aye
Joe Kernan	Aye
Liza Simpson	Aye

5. Consideration of approving the Intermountain Healthcare Water Service Agreement, in a form approved by the Deputy City Attorney – City Attorney Mark Harrington explained that minor changes have been made to the draft but no substantive changes. The final implementation of the development agreement will allow the plat to be recorded and building permits to proceed. Staff recommends proceeding and to execute the agreement in a final form approved by the Legal Department. Candace Erickson, "I move we approve the Intermountain Health Care Water Service Agreement in a form approved by the City Attorney". Liza Simpson seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Absent
Jim Hier	Aye
Joe Kernan	Aye
Liza Simpson	Aye

6. Consideration of a Resolution adopting a tentative revised budget for fiscal year 2007 and the budget for fiscal year 2008 for Park City Municipal Corporation and its related agencies – The Mayor opened the public hearing. With no comments from the audience, he requested a motion to continue to May 22, 2008. Jim Hier, "I so move".

Joe Kernan distributed his notes to members on his remarks. He spoke about spending $7 million on the police facility, accepting estimates over $7 million for the Marsac Building, approving $2 million plus on salaries per year, and allocating $2 to $3 million on the parking garage. The $15 million walkability bond passed and millions of dollars are spent on street reconstructions. Other improvements include an estimated $8 million on the Racquet Club, $3 million on the Old Town Plaza, $8 million for the ice facility, $2 million in bonds for parks and fields, $40 million for open space bonds, and $1.5 million toward energy efficiencies. In consideration of these significant discretionary investments, he asked that the policy for expanding Pubic Works services be considered. He hoped capital projects can be pared down so basic services are adequately delivered as well as funding traffic improvements. Candace Erickson seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Absent
Jim Hier	Aye
Joe Kernan	Aye
Liza Simpson	Aye

VI ADDITIONAL DISCUSSION – AGENDA ITEMS

None.

VII 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 4:30 p.m. Members in attendance were Mayor Dana Williams, Candace Erickson, Roger Harlan, Jim Hier, Joe Kernan, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Ron Ivie, Chief Building Official; Kent Cashel, Deputy Public Works Director; Jerry Gibbs, Public Works Director; and Mark Harrington, City Attorney. Jim Hier, "I move to close the meeting to discuss property ". Liza Simpson seconded. The meeting opened at approximately 5 p.m. Jim Hier, "I move to open the meeting". Candace Erickson seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Absent
Jim Hier	Aye
Joe Kernan	Aye
Liza Simpson	Aye

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.

Janet M. Scott, City Recorder