**PARK CITY COUNCIL STUDY SESSION MINUTES**
**SUMMIT COUNTY, UTAH**
**MARCH 21, 2013**

**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; Jason Christensen, Water Analyst; Brenda Wilde, Water Utility Clerk, and Clint McAffee, Water Manager**

**Donald Horwitz, water customer**

**1. Water leak adjustment policy, meter accuracy program and City Manager administrative relief.** Jason Christensen pointed out that the City has a leak adjustment policy while other utilities do not which is mainly due to the nature of water. The second reason for adjustments is because in the distant past Park City didn't bill as often for water but in the more recent past, the City had only monthly data points. It would take at least a month to obtain data allowing staff to determine if there are problems. The Water Department's goal was to change that and one of the tools is the customer portal which is currently in the RFP process. The portal will give customers more real-time feed-back on water usage so that problems are identified sooner. Ms. Simpson asked if the portal can be used by customers to monitor water conservation efforts. Mr. Christensen felt that the data will serve a lot of purposes, including conservation.

He referred to the current adjustment policy which lists things not covered like faucets, toilets, appliances, sprinklers, leaking sprinkler heads, incompletely closed valves and no adjustment is given during a water emergency. The basic policy is that if you qualify for an adjustment under this policy, the City will credit back half of the excess use. Brenda Wilde explained how the credit is calculated by conducting a three year history of water usage for the property. The average of the three would be considered normal usage and would be deducted from the highest usage number and the customer is credited with half. In response to a question from Ms. Simpson about the average volume of leaks, Ms. Wilde replied that it is all over the map. She stated that a residence with four leaking toilet sustained a $4,000 water bill which averages about 10,000 gallons a day. The leak detection program still needs work and she runs a daily report identifying the meters using over 1,000 gallons.

Jason Christensen clarified that there are two systems in place to detect leaks. The first is the radio-read system which came on line in 2009. The biggest issue with leak detection is programming the radio and during installation some of the radios were programmed incorrectly. Some have been reprogrammed over the years but the remaining radios require a field visit from a technician to update the settings. Until those settings are changed, the radio may be broadcasting a leak alert even though there is no leak or it may be missing a leak because of the settings. Mr. Christensen estimated that the about 20% of the radios in the field are not working properly. The radios do a good job of broadcasting information back to the towers, but for 20% of the radios, the towers can't communicate to the radios. Improvements have been made in the last six months and he felt it is something staff can address but it will take some time to get to 100%. There was discussion about Ms. Wilde monitoring data and the location of the radio and meter.

In response to a question from Andy Beerman, Mr. Christensen stated that the City has identified the 20% and the manufacturer is working on this to improve the situation acknowledging that the radios are in a mountain setting. A software setting needs to be changed which has to be done in the field. Mr. Christensen believed the City is receiving data from 98% of the radios and 2% cycle in and out with problems. They run on batteries which are warranted for ten years and relay battery life.

The second leak detection system is the customer portal which will be the second generation of the current system. The database just accepts data and as staff looks at upgrading the portal, the back-end could be designed to run that calculation and the radios become less important.

The Mayor referred to the Deer Valley leak where he understood the owners were not contacted. Ms. Wilde explained that when a potential leak is discovered, the Department does its best to contact the customer. Unfortunately many phone numbers are out of service but in this case, on the day it was discovered, the leak was stopped within an hour. Ms. Wilde believed what the customer was upset about was that her water bill was turned over to a collection company. A letter is also sent out from the Department about a potential problem. Often property management companies handle these issues for second home owners.

Liza Simpson favored upgrading the customer portal to analyze data. It is a worthwhile back-up to the radio reads which go down from time to time. Mr. Christensen noted that the leak detection system will never be perfect but can be improved. Ms. Wilde pointed out that customers can look at their own data and would have the best idea on circumstances. In response to a question from Dick Peek, Ms. Wilde explained the four hour delay from the meter to her screen. In response to a question from Alex Butwinski, Mr. Christensen agreed that improving the customer portal was anticipated as a first step and money was set aside for the upgrade which was not available until now; the customer portal will be on the cutting edge.

Mayor Williams asked if the 20% discounting ability of the City Manager is too low (additional 20% after the 50%) since the City Manager is the final adjudicator. Ms. Simpson asked what is typical. Brenda Wilde pointed out that in the Deer Valley case, this person did not qualify for any relief under the current policy because it was a toilet leak. The City Manager was able to give her 20% but most cases go through adjudication to gain the 50%.

Donald Horwitz asked why a mountainous area creates problems for the radios. Mr. Christensen explained that the radio broadcast has to reach one of the towers and from the tower back to the radio and the billing system. Ms. Wilde stated that there is very good coverage with the towers.

Ms. Matsumoto suggested that toilets be added to the list as these types of leaks can be very expensive. Clint McAffee explained that it was felt that toilet leaks are audible and should be part of regular maintenance. The Mayor pointed out that 75% of properties are now owned by people who don't live here. The ones in rental pools should be checked regularly but there was some sort of a disconnect.

Donald Horwitz stated that his problem was gaged at 1,200,000 gallons a month, typical usage is 200,000, and the leak was caught within a day or two. His issue was that he thought the meter was faulty and suggested that home owners be able to inspect the meter or have an independent inspection of the meter. Apparently the Water Department has a policy of disposing the meters before anyone can have it tested independently. He encouraged Council members to change the policy and allow people to have meters independently inspected because some meters will be defective and the City loses credibility if people aren't allowed to inspect the meter.

Jason Christensen explained that the City doesn't have a policy to dispose of the meter although his was definitely disposed of by the tester. Diane Foster interjected that the City sends the meter out to be inspected rather than having home owners deliver the meter to their selected vendor. Mr. Christensen referred to the meter test program in the staff report. As outlined in the Municipal Code, the City allows a customer who believes the meter is not reading accurately to request that the meter be tested. The meter is then removed and shipped to an independent AWWA certified tester or it's tested in-house and depending on the results of the test, the customer is credited or charged $100 to cover the cost of the test if the meter is operating accurately. Until Mr. Horwitz's request, the Water Department never had a customer ask for the meter after it had been sent out for testing and once the meter has been removed and tested, it doesn't have any value to the City. Typically the City never asks for the meters back since the meter has already been replaced and there is no value in reinstalling the tested meter.

Dick Peek understood that the customer owns the yoke and the City owns the meter. Mr. Christensen clarified that the City owns the meter and under the Code, the City is responsible for maintaining the system up to the meter but beyond the meter is the customer's responsibility. Alex Butwinski pointed out that the improved system will have 120,000 data points an hour and asked how long this data will be stored. Jason Christensen relayed that the data is retained for 13 months and a monthly read is transferred into the billing system and that data is stored indefinitely. Clint McAffee commented that staff is working on auditing activity in specific zones so a snapshot of the distribution system is achieved. Cindy Matsumoto asked Mr. Horwitz what his problem was.

Donald Horwitz stated that he is not here to talk about his water leak but to share his concern that he was not permitted to have his meter checked. He received a letter that it is standard policy to dispose of the meter immediately after it is tested so he never had the opportunity to test it himself. He was convinced that it wasn't a water leak but a defective meter. He urged members to change the policy since there are only a few meters tested in a year. It doesn't cost the City anything to keep the meter. He is supportive of having the City retain custody of the meter so that it retains control over the meter. He stated that everyone was courteous in the Water Department but there is a policy problem.

It was pointed out that only ten meters have been pulled for testing since 2007. Liza Simpson believed the solution is to never test the meters in-house because there are so few. The meters should be automatically sent to a certified lab and allow the customer to select the lab from a list. Ms. Wilde noted that Mr. Horwitz's meter went to a certified lab and the lab kept the meter. Mr. Christensen expressed that there is an opportunity to better communicate to the customer what happens when the meter is tested. The Department is looking at ways to improve communication with more information relayed to the customer upfront. Diane Foster suggested holding a work session specifically on adjusting the meter policy.

Andy Beerman asked if the City Manager should have more latitude for extraordinary circumstances and wondered why that provision exists. Ms. Foster believes that when customers sign up for water service, the responsibility for leaks is clear and it is unfair for others to pay for it and that is where the balance lies. The Mayor noted that every now and then there is an anomaly and second home owners should be reminded to have someone checking in on their homes. Ms. Simpson felt that the customer portal will help a lot. Jason Christensen added that a property manager was visiting the Deer Valley house and he feels the company should share some responsibility.

Donald Horwitz reiterated that meters should be available for independent inspection, particularly when there is a controversy like a reading of over one million gallons a month. Even through the City may use an independent inspector, the issue is credibility for customers. All credibility is lost when the meter is disposed of.

Ms. Simpson suggested that the testing companies be instructed to not dispose of the meter until the customer determines if he wants it sent it to a second company for verification. It doesn't seem hard to do with the low number of meters in question. Mr. Horwitz acknowledged that he received a report from the tester but there should be a better defined process. Ms. Foster stated that the City Manager piece will return to the City Council. Liza Simpson asked for data on how often administrative relief has been requested and monetary impacts in the event the cost is spread among water users.

Prepared by Janet M. Scott, City Recorder

**PARK CITY COUNCIL MEETING**
**SUMMIT COUNTY, UTAH,**
**MARCH 21, 2013**

## 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, March 21, 2013. 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; Jody Morrison, Assistant City Recorder; Bret Howser, Special Projects Manager; Mark Harrington, City Attorney; Kirsten Whetstone, Planner; Jon Pistey, Ice Arena Manager; and Francisco Astorga, Planner.

## II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

1. Council questions/comments – Andy Beerman reported on the COSAC meeting and the Leadership Class forum which was excellent. Liza Simpson stated that the Soils Commission continues to meet and will be wrapping up its recommendations shortly. She attended the Friends of the Farm meeting where recycling for events was brought up. Staff will follow-up. Cindy Matsumoto reported on Peace House, Library Board, and Summit Lands Conservancy business. Alex Butwinski spoke about attending the HPCA meeting and the Toll Canyon party which was well attended. Dick Peek reported the Historical Preservation Board meeting where an appeal was heard which was denied in part and continued in part. The Mayor commented on the complexity of the Toll Canyon open space acquisition. He attended the SBSWRD meeting and reported that the Silver Creek study is almost done. He attended PSSM and HPCA meetings.

Mayor Williams disclosed that he was contacted by Recycle Utah to again consider a ban on plastic bags. Ms. Simpson added that Recycle Utah is considering conducting a survey and she suggested that they contact the City about putting it on Mindmixer. Ms. Matsumoto recalled that the state of Utah wouldn't allow the City to ban plastic bags and Diane Foster explained that the state wouldn't allow placing a tax on plastic bags which is a very successful tool in reducing plastic bag use. The Mayor felt it would be useful to review what other cities have done and felt it would be helpful for the City to sponsor the program to a certain extent. Andy Beerman indicated that Aspen, Snow Mass and Carbondale all have banned plastic bags within the last year and it may be a good idea to contact them. Mr. Butwinski pointed out the high use of plastic bags by visitors.

2. Legislative wrap-up – Jody Morrison explained that the Governor has until April 3, 2013 to sign the passed bills which will take effect on May 14, 2013 except the budget bills which coincide with the July 1 fiscal year date. SB158, General Fund reserves, allows cities to keep 25% of General Fund revenues in reserve. GRAMA, transparency and the public notice bill, SB77 passed and the City will have to place its

minutes on the state Public Notice Website. HB403, municipal candidate filing, modifies filing time and recording of campaign activities. HB217 and HB310 also passed dealing with uniform fire and building codes which become effective July 1 and will bring the Code up to 2012 standards. SB76 and SB240, billboards, did not pass but the ULCT feels strongly that they will return next year. HB76, firearms, passed and allows anyone 21 or over to conceal-carry without a permit. The law enforcement community is concerned about this bill and is encouraging the Governor to veto the bill. HB268, open carry, didn't pass. This dealt with allowing police officers to approach an individual to ask why he is openly carrying.

Diane Foster reported that HB228, master liquor licensing, passed and she acknowledged the work of the Chamber, Ski Utah, and Office of Tourism to secure $12 million for the tourism fund. She thanked Council member Butwinski for attending the ULCT meetings and for lobbying directly with Representative Kraig Powell and with Senator Van Tassel. Alternates Dick Peek and Andy Beerman also participated as well as Liza Simpson. Representative Powell provided great support to Park City. She thanked Jody Morrison for taking on this project.

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

None.

## IV MINUTES OF MEETING OF FEBRUARY 28, 2013

Alex Butwinski made a couple of corrections to the minutes. Andy Beerman, "I move to approve the meeting minutes of February 28, 2013 (as corrected)". Alex Butwinski seconded. Motion unanimously carried.

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

Alex Butwinski asked that dollar amounts be listed on the Consent Agenda for the benefit of the public.

1. Consideration of a Resolution supporting adoption of an Interlocal Agreement between Salt Lake City Corporation and Park City Municipal Corporation for the Wasatch Solar Challenge - and

2. Consideration of a Deer Valley Drive CEM contract with the TEA Group to provide construction oversight for the Deer Valley Drive Reconstruction project, in a form approved by the City Attorney - and

3. Consideration of a Deer Valley Drive public information contract with V-I-A Consulting to provide public information support services for the Deer Valley Drive Reconstruction project, in a form approved by the City Attorney - and

4. Consideration of a Deer Valley Drive third party change order review contract with WCEC Engineering to provide change order review services for the Deer Valley Drive Reconstruction project, in a form approved by the City Attorney - The Mayor requested a motion to approve the Consent Agenda. Dick Peek, "I so move". Liza Simpson seconded. Motion unanimously carried.

## VI OLD BUSINESS

Consideration of an Ordinance approving the First Amended 315 Park Avenue Subdivision, located at 315 Park Avenue, Park City, Utah – Kirsten Whetstone explained that the request is to reconfigure three existing lots into lots that are more equal in size. This would eliminate a duplex lot and all three lots would be for single family homes. This item was continued by the City Council in February to allow staff to contact the applicant regarding the potential of the construction of an accessory structure in the area behind St. Mary's. The applicant has agreed to Condition of Approval No. 9 which adds a plat note prior to recordation that the 10 x 22 area at the rear of Lot B shall be restricted to landscaping and fencing as permitted by the LMC and construction of an accessory structure in this location is not permitted. Andy Beerman disclosed that this lot is across the street from his house.

Alex Butwinski asked for clarification about the L-shaped lot. Kirsten Whetstone explained that it existed in the area and sits behind the lot on Park Avenue. It was part of Lot A and that portion has been added to Lot B so that the property line between B and C is able to come straight down. Mr. Butwinski asked questions relating to the 2006 approval and Ms. Whetstone reiterated that the lots will be more consistent in size at 1.5 for each. Cindy Matsumoto added that the Steep Slope CUP review will also help with keeping the homes in scale with the neighborhood and Ms. Whetstone agreed that the Planning Commission can increase the setback requirements. The Mayor opened the public hearing; there was no input and the public hearing was closed.

Dick Peek, "I move to approve the First Amended 315 Park Avenue Subdivision according to the Findings of Fact, Conclusions of Law and Conditions of Approval as found in the staff report". Liza Simpson seconded. Motion unanimously carried.

## VII NEW BUSINESS

1. Consideration of an Ordinance approving the Echo Spur Subdivision plat amendment, located at 496 McHenry, Lots 21-32, Park City, Utah – The Mayor opened the public hearing. There were no comments from the audience. He asked to continue this item to a date uncertain. Cindy Matsumoto, "I so move". Liza Simpson seconded. Motion unanimously carried.

2. Consideration of acceptance of an annexation petition for property located in the Round Valley open space north and south of the Quinn's Sports Complex on the west side of SR248 consisting of approximately 1,367.94 acres – applicants Park City Municipal Corporation, Afton Stephen Osguthorpe, and Jason Davis – Planner Kirsten Whetstone explained that this is an annexation petition of 1,368 acres, mostly owned by the City. The property is primarily open space and conservation easement land. This action is to accept or reject the petition. Acceptance will result in processing the annexation and all affected entities will be noticed. She explained that the zoning request is for Recreation Open Space with the exception of a couple of parcels to be zoned Light Industrial; two owned by the City and two owned by UDOT that are located along SR248. This would allow existing uses to continue. She pointed out the Round Valley open space on a map, the area that is north of the Quinns Sports Complex as well as the area to the south of Quinns which was not annexed previously. Staff has reviewed this pursuant to the City's Annexation Policy. The land falls within the Annexation Declaration Area and is contiguous to the City boundary. Staff is recommending acceptance of the petition which will go to the Planning Commission for review and recommendations. In response to a question from Alex Butwinski, Ms. Whetstone described the status of the Richards Annexation which is close to being finalized by the state.

The Mayor asked about inclusion of the PRI and Gillmor properties. Mark Harrington explained that the Planning Commission is evaluating if the annexation boundary should be expanded and will be providing Council with a recommendation as part of the General Plan. The Mayor invited public input. There was none.

Liza Simpson, "I move that we accept the petition for the Round Valley annexation". Dick Peek seconded. Motion unanimously carried.

3. Consideration of a Minor Professional Services Agreement with Matthew Senske for advertising and program sponsorship services for the Park City Ice Arena, in a form approved by the City Attorney – Jon Pistey explained that the intent of the contract is a way that is simple, transparent and incentivizes the provider to perform at a high level. This contract is intended to further the ice arena's goal to reduce the operating deficit and reliance on the General Fund in a way that embraces the City's pay for performance philosophy. It will benefit the City by bringing in more revenue with very little risk for the City, create more awareness of the ice arena and generate more community support for programs.

Andy Beerman asked who would pay for sales materials and Mr. Pistey answered the City will cover these costs. The Mayor pointed out that this approach was tried before but was unsuccessful. Matthew Senske felt that the companies hired before had only one focus, selling naming rights to the facility. He also believed the prior company had many clients and selling advertising spots at the ice arena became his singular focus. The RFP section of the report was clarified for Dick Peek.

Alex Butwinski felt that 60% is a phenomenal commission for selling anything. Mr. Pistey explained that staff first started exploring this about a year and a half ago and the shortfalls of the previous sales arrangements were examined. There was a sizeable guaranteed monthly payment or base pay and the commission was relatively small. It was decided to flip these elements and base the contract more on pay for performance. It was determined that for the first few months, the City would provide a base pay to develop a plan with minimal risk to the City. After that, the base will be eliminated and pay would be completely incentive-based. The 60/40 split was based on dropping the base pay. This is an area where revenues have dwindled over the past seven years but could represent a large chunk of revenue that the ice arena is not tapping into now. He explained that there is a push now to reduce the subsidy from the General Fund to zero. Mr. Pistey acknowledged that it seems like an outrageous split but it will provide incentive for Mr. Senske to sell.

Matt Senske stated that he has received up to 80% commission when he was not receiving base pay. Over the past eight months, he has worked with staff on what will be the best situation for the City. He referred to the contract with Shindig which received a high base pay and low commission. Mr. Senske emphasized that there should be little risk to the City. He explained that if he receives $1,000 in base pay one month and makes one sale then it is a wash for the City for that month. He felt this is a good split where the City will not lose any money.

Alex Butwinski pointed out that if he bought advertising this year and again the next year, Mr. Senske makes 60% both years. Mr. Butwinski felt the $330,000 of gross revenue indicated in the report is misleading because the net revenue is $133,000. He questioned the automatic renewal for three years. Mr. Pistey felt it was important to keep the process moving and the triggers in the agreement regulate the renewals and annually, Mr. Senske needs to meet the $60,000 mark for the contract to renew. Alex Butwinski asked if the City is covering all of his sales expenses. Mr. Pistey explained that anything he does on his own outside of the ice arena is his expense (gas, mileage, car expense, insurance, cell phone). Mr. Butwinski asked what contract closing costs are. Mark Harrington explained that if there are eligible expenses if the contract is terminated, Mr. Senske is able to submit a termination claim for those costs but in this circumstance, that would be unlikely.

Cindy Matsumoto understood the goal to sell $60,000 worth of advertising and program sponsorships a year. The City would make $24,000 which doesn't seem very lofty. She asked about naming rights. Jon Pistey stated that the naming proposal would be a minimum of $75,000 a year revenue to the City for a minimum of five years. Naming rights require City Council approval. Matt Senske interjected that he would love to have feedback from members on naming right.

Mr. Butwinski asked the rationale for discounted sales with the same commission ratio. Jon Pistey emphasized the pay for performance approach and if Mr. Senske is securing a three or five year contract and revenue is guaranteed for those years. Staff supports paying on the actual value not the discounted value because any discounts on standard pricing needs to be approved by arena management first.

Matt Senske stated that he wants to sell high priced products and feels that most clients will want to renew every year. On selling five year product, bonuses were considered and the discussions focused on the lowest risk for the City and it came down to the commission. Mr. Butwinski asked what happens if a client breaks a contract after two years. He expressed this is over the top.

Liza Simpson believed that it is typical to provide discounts for multi-year sponsorships. Mr. Butwinski clarified that his concern is paying the same commission on the full amount when the City is netting less money. Mark Harrington asked if the base pay is factored in for long-term deals. Mr. Pistey answered yes. In response to a question from Dick Peek about setting prices, Mr. Pistey explained that it is a collaborative process. Mr. Butwinski asked if there is a policy on discounts. Mr. Pistey stated that there is no policy but staff can look into formulating one.

Andy Beerman believed this service should be contracted out but is concerned about the value to the City overall. High commissions place the risk on the contractor but the City is providing base pay, materials, an office, and sales already generated. The renewal seems too long and complicated and he would prefer a one or two year renewal and the commission paid on the value and not the actual price makes no sense to him. It is not a benefit to the City and encourages discounting. The residual seems inappropriate if the contract is terminated. Jon Pistey clarified that if the City terminates, a commission is paid on any future contracted revenues that have not been yet been paid. Matt Senske explained that the logic in that, from his perspective, is that if in year one he sells all five year deals and raises $100,000, the City could determine that there is no sense in keeping him around and terminate the agreement and he wouldn't be paid for years two through five. If he walks away, he gets nothing.

Andy Beerman and Alex Butwinski indicated that they would like to see modifications to the proposal. Liza Simpson stated that she supports the contract as written. Although she thinks the 60/40 split is generous, given how little the ice arena has been able to generate and the City's experience with the prior contractor, she is comfortable moving forward with this. Mr. Butwinski asked if the commission was detailed in the RFQ. Mr. Pistey stated that it was not leaving the section on commissions open-ended. He added that it is rare not to provide a base pay which is the case after six months.

Matt Senske felt that essentially base pay will not be paid in the first six months. If he has one sale on the Tier 1 dasher board spots at $1,600, he will make $960 commission which would be deducted from his base pay. He is getting 60% overall on everything. If he sells nothing else, the City is paying out $40. He believes the City has minimal risk and he felt sales will be good this time of year. Mr. Beerman commented that when the split reaches over 50%, usually the risk is solely on the sales person. If the commission was 30%, he felt Mr. Senske has every right to ask for base pay. Mr. Senske reiterated the Tier 1 dasher board sales scenario and emphasized that the risk is next to nothing. He stated that he has six verbal agreements for Tier 1 dasher boards and he feels confident he will get the contracts which would result in the City having no risk for the first 4.8 months because the City will make $3,840 on those six sales and he will not make base salary for the first month because of those contracts. The City will have $3,800 to spread over the next months almost paying for four of the five months of guaranteed base salary if he were to sell nothing else for months two through five. Jon Pistey explained that base pay is just factored into commission so that if Mr. Senske makes no sales, then he doesn't receive base pay. Cindy Matsumoto stated that she is okay with the contract. Ms. Simpson believes that the contract will work well because of Mr. Senske's understanding of the ice arena which may have been part of the problem with Shindig.

Andy Beerman stated that he is comfortable with most of the contract but would like it changed so the commission is paid on the actual amount sold not on the retail cost and the renewal should be shortened to annually or every 18 months. Matt Senske explained that it is annual so there is a six month period if he hits the $20,000 and to get to the 18 month mark he has to have $60,000 then it renews for a year period, another $60,000 period and each additional year after that. Mr. Beerman asked that the contract return to Council. Dick Peek stated that he would be comfortable with those changes and Alex Butwinski agreed.

Andy Beerman, "<u>I move we approve a Minor Professional Sales Agreement with Matthew Senske for advertising and programming sponsorship services for the Park City Ice Arena, in a form approved by the City Attorney, with the amendments that a renewal (occur) before Council each year after the first 18 months and strike Item No. 2, Page 147, that says commission is paid based on non-discounted yearly value of sales contract not the actual revenue for discounted multi-year contracts</u>". Jon Pistey asked for that 18 month period, if the six month trigger should stay. Right now there is a six month $20,000 revenue clause. Alex Butwinski seconded. <u>Motion unanimously carried</u>.

Matt Senske stated that he has no issue with the yearly renewal before Council but would like to make sure that if he has those five year sales those are still included in the pay-off and not renewing is not the same as terminating the contract. The Mayor agreed. Mr. Senske noted that the biggest reason for the decision on the one year cost instead of the discounted amount was a bonus incentive for him to sell five year deals. He believes that the ice arena should not require a subsidy because of its resources. Mark Harrington added that any contract has certain flexibility built in for change in circumstances which is capped. The contract has a percentage-based ability which may be a solution. The manager would have the ability to process a bonus change-order, for instance, within that authority as long as it is within the department budget. Anything beyond that pre-determined amount in the budget has to return to Council anyway.

Andy Beerman felt that Mr. Senske will do a great job and may discover there are some efficiencies, maybe the commissions will be a little smaller but the stability of landing a five year deal is going to be less work for him and offer more financial security. Alex Butwinski added that if he sells a discounted deal for five years and it is cancelled after two years, the City hasn't received the benefit of a five year deal. Matt Senske encouraged Council members to contact him with opinions on naming rights.

4. Consideration of an Ordinance approving the 520 Park Avenue Replat, located at 520 Park Avenue, Park City, Utah – Planner Francisco Astorga explained that the replat involves two lots of record, however one is shy 46 square feet. The applicant received a variance by the Board of Adjustment but ultimately discovered that a single family dwelling could not be built on each lot and decided to combine the two lots of record. Although the variance was granted it is no longer needed. Andy Beerman pointed out that the date of the public hearing needs to be corrected in the recitals in the Ordinance. Mr. Astorga added that lot combinations have specific parameters, setbacks are increased, and construction requires a Historic District Design Review. This site may also require a Steep Slope CUP. Representative Hal Timmins added that there is a 31 foot setback from the curb compared to four feet for the homes on either side of the lot. In response to a comment from Cindy Matsumoto, Mr. Astorga did not feel that having the house recessed is a negative aspect. The Mayor opened the public hearing; there were no comments and the hearing was closed.

Dick Peek, "I move that we approve the 520 Park Avenue Replat, based on the Findings of Fact, Conclusions of Law and Conditions of Approval as found in the draft Ordnance (as corrected by Andy Beerman)". Liza Simpson seconded. Motion unanimously carried,

5. Consideration of an Ordinance approving the 421 Park Avenue Replat, located at 421 Park Avenue, Park City, Utah – Francisco Astorga explained that the property has an existing historic landmark structure. There are two lots of record plus another portion of a lot located toward the south. The historic structure sits on the property line and the applicant has requested to remove the lot line resulting in one lot of record. An addition is contemplated in the rear on the northwest corner of the property. He acknowledged Mr. Beerman's correction of the public hearing date in the Ordinance recitals. Mr. Butwinski asked if the potential square footage could be 4,800 square feet. Francisco Astorga answered no because the footprint is historic and an application has not been received for the addition yet. Architect Jonathon DeGray explained that any addition to the rear would be off to the right side. His client's focus is the foundation of the building and in order to do that, a plat amendment is required. An addition to a landmark structure requires a considerable amount of review and the rating of the home cannot be compromised. The Mayor opened the public hearing; there were no comments from the audience and the hearing was closed.

Liza Simpson, "I move that we approve the 421 Park Avenue Replat, based on the Findings of Fact, Conclusions of Law and Conditions of Approval, as found in the draft

Ordinance which will be amended to reflect the correct date". Andy Beerman seconded. Motion unanimously carried.

## VIII ADJOURNMENT

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

## MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 1:30 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; Brooke Moss, Human Resources Manager; Tom Daley, Deputy City Attorney; Sharon Bauman, Senior City Recorder; Heinrich Deters, Trails and Open Space Manager; Thomas Eddington, Planning Manager; Nate Rockwood, Budget Manager; and Mark Harrington, City Attorney. Liza Simpson, "I move to close the meeting to discuss personnel, property and litigation". Andy Beerman seconded. Motion carried unanimously. The meeting opened at approximately 5:00 p.m. Liza Simpson, "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

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