

**PARK CITY COUNCIL MEETING  
SUMMIT COUNTY, UTAH  
MARCH 21, 2002**

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building City Council Chambers, 445 Marsac Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, March 21, 2002.

**AGENDA**

**Work Session**

3:15 p.m.      Customer service award  
3:20 p.m.      Council questions/comments  
3:50 p.m.      Water update  
4:50 p.m.      Executive Summary FY 2002-2003 Budget  
5:50 p.m.      Break

**Regular Meeting**

6:00 p.m.

**I      ROLL CALL**

**II      PUBLIC INPUT**

**III      COMMUNICATIONS FROM COUNCIL AND STAFF**

**IV      WORK SESSION NOTES AND MINUTES OF MEETING OF DECEMBER 20, 2001 AND  
JANUARY 17, 2002**

**V      CONSENT AGENDA PUBLIC HEARING**

Ordinance approving the Coalition West Subdivision, located at 777 Park Avenue, Park City, Utah (**motion to continue to April 18, 2002**)

**VI      CONSENT AGENDA**

Assignment of kiosk lease, 514 Main Street, Park City, Utah

**VII      RESIGNATIONS AND APPOINTMENTS**

Appointments (3) to Planning Commission for terms beginning April 1, 2002 and expiring February 2006

**VIII      ADJOURNMENT**

Posted: 01/14/02

See [parkcity2002.org](http://parkcity2002.org)



**PARK CITY WORK SESSION NOTES  
SUMMIT COUNTY, UTAH  
MARCH 21, 2002**

**Present:** Mayor Dana Williams; Council members Peg Bodell, Kay Calvert, Candace Erickson, and Jim Hier

**Toby Ross, City Manager; Gary Tackman, GIS Coordinator; Jerry Gibbs, Public Works Director; Kathy Gammell, Water Manager; Tom Bakaly, Assistant City Manager; Mark Christiansen, Budget Manager**

**Alan Domonoske, Montgomery Watson Harza**

**Absent:** Council member Fred Jones

**1. Customer service award.** Candace Erickson explained that six nominations were submitted for the quarterly customer service award, but Gary Tackman, GIS Coordinator, was ultimately selected. She read a letter noting his customer service skills and a letter from the Department of the Treasury applauding his professionalism in the production of a document illustrating the elements of the operational security plan at the Utah Olympic Park.

**2. Council questions/comments.** Through illustration of renderings, Rick Lewis displayed plans for the proposed bulb-outs on Main Street. He emphasized that this project is a result of the Downtown Action Plan formulated by a committee consisting of staff, Planning Commissioners and Main Street merchants. It was completed in October 1998 and he pointed out the many projects that have materialized as a result of the Plan. The same contractor used for Miners Park has been hired, and Matt Twombly is the project manager. Ms. Bodell asked if there is a public art element as a part of this project and it was pointed out that the bear on the bench sculpture is located in one of the areas. Mr. Lewis felt there is the capability of adding art to the bulb-outs.

Ms. Bodell thanked Bob Stephens for arranging the City Council workshop last week and recognized the City Manager's patience in re-grouping every two years. There was discussion about an expanded 4<sup>th</sup> of July celebration this summer, specifically recognizing our athletes. Kay Calvert discussed the possibility of an Olympic photo exhibit at the Kimball Art Center. Peg Bodell reported that she attended the School District meeting and relayed that the Board is appreciative of the inter-agency meetings and quarterly breakfasts and look forward to a continued good relationship. Candace Erickson explained that after the workshop, Tom Bakaly, the Mayor and she went to Washington D.C. to secure funding for the City. Mayor Williams thanked Mr. Bakaly for his exceptional assistance and knowledge; they attended about 15 meetings in two days which seemed to be very promising with regard to federal support. The primary focus included the water treatment and pipe line projects. He added he now understands why Park City's has a lobbyist in D.C.

**3. Water update.** Jerry Gibbs explained that last year a consultant provided an analysis of our rate structure and Council approved a 5% across the board increase to all user groups and meter sizes. A single family upper tier rate was also added to promote conservation for use over 100,000 gallons per month. The study suggested imposing another 5% increase this summer which will be considered during the upcoming budget process. Mr. Gibbs continued that the City received a grant from the Division of Natural Resources to perform a study with weather station technology which communicates with controllers. There are approximately 50 test units which automatically set sprinkling cycles based on evaporation. For large irrigated areas, this method provides a decrease in water consumption but hasn't proved to be effective for small parcels. He discussed the alternate rate study which is proposed to be postponed for another six to eight months. Jim Hier asked if there was consideration of hiking rates for large water users, and Mr. Gibbs indicated that this was debated at length last year. Home owner associations argued that they were being penalized because many have large landscaped areas with one irrigation meter. Councilman Hier stated that he supports high water rates for users in the top tiers and there may be a way to accomplish this without placing a burden on condominiums. Ms. Bodell agreed that an across the board increase does not provide conservation incentives. Mr. Gibbs explained that 69% of our water consumption is for irrigation, but indoor conservation provides more incentive options for residents. Currently, impact fees affect landscaping choices because they are based on the amount of irrigated area and 69% of the fee is allocated for outside watering. Jim Hier pointed out that impact fees may not be an issue for some home owners, but a punitive rate structure may generate revenue to offset costs for water improvements. Jerry Gibbs noted that our program focuses on compliance not enforcement and in most cases, people are accommodating. Councilman Hier countered that the effort should be simply charging people for the water they are using. Mr. Gibbs suggested that additional tiers can be considered during the budget discussion.

Peg Bodell emphasized that the City must make sure that our projects are good examples of water conservation. Mr. Gibbs assured the Council that landscaping elements are examined for every City project and the Parks Department has decreased its water usage by 50% in the last four years. He pointed out that City Park needs to be watered more often because of heavy use. The City Manager clarified that there is already a tiered water rate structure in place but the proposal last year was very aggressive. The Public Works Director added that in order to effectively raise revenues, the 25,000 to 30,000 gallon segment would have to be targeted. There are few users in the 100,000 gallon a month range.

With regard to water conservation, Kathy Gammell explained that staff is planning on continuing the PSAs and radio interviews. The Board of Realtors became involved in a conservation program last year joined by Recycle Utah this year. It is hoped to recruit property managers which may bring more creative ideas to promote compliance. The Mayor understood the demands on City Park but pointed out the difficulty in practicing

water conservation when fields and yards are being watered during the day. He asked if last year's campaign resulted in a reduction. Ms. Gammell stated that the Board of Realtors tracked consumption and there was an immediate response from the community when reports on the low capacity in our wells were aired last summer. Letters to second home owners will be sent out this year. Mr. Gibbs agreed that the general public was very cooperative when asked to adjust timers by a minute or two. Water consumption would drop the next day, so the message was getting out.

Jerry Gibbs continued that a change application has been filed and an agreement signed with JSSD for the pipe line, however, the application has not yet been approved to move water from the Provo drainage to Park City. There is an opportunity to work with the developer of Deer Crest in the Roosevelt Gap area on the line, but there is the downside of losing control of managing the project and a risk of not being reimbursed. Based on this, the Public Works Director recommended that the City build a dedicated line on its own. Jim Hier concurred. The pipe line will provide 1,000 gallons per minute and would provide 45 days worth of water on a 24 hours basis which may be helpful this summer. It is believed that the Park Meadows Well will not be available at full capacity and will be operated intermittently during the summer.

The Public Works Director continued that the Judge Tunnel is a primary source for drinking water and with regular maintenance, a 40 year life is expected. The tunnel provides the highest supply in the system and staff recommends a pilot treatment program immediately to assess building a treatment plant at that location. Because of the turbidity, this source cannot be used 100% of the time and there is concern that it can be affected by surface water. The pilot would test for ground water under the influence which is a higher standard and the new technology should reduce turbidity units and solve 99% of quality problems experienced with Judge Tunnel. The City hired a mining engineer to evaluate the tunnel who relayed that it is still in excellent shape but requires regular maintenance.

In response to a comment from the Mayor, Alan Domonoske of Montgomery Watson Harza, explained he is recommending a membrane for the Judge, which is a micro-filtration unit not reverse osmosis. RO requires a lot of pressure and produces 25% waste, while micro-filtration has a 92% to 98% efficiency rate and is easy to maintain. Mr. Gibbs believed the piloting program, testing different methods, will last six months and evaluating ground water under the influence requires a lot of data. The Mayor understood that there is still a debate with EPA and the Division of Water Quality about the existence of ground water under the influence. Jerry Gibbs responded that the first ground water test the City conducted showed zero organisms, while a scoring of nine is allowed, but the Judge Tunnel is highly fractured and the ground cover at the portal fairly thin, which makes the facility vulnerable. Mr. Gibbs felt that water treatment would be a proactive step to maintain the integrity of the Tunnel and to eliminate particles and Toby Ross pointed out that this would be an inclusive approach. Mr. Gibbs explained that the City has discussed

this upgrade with the EPA but has not formally committed to it, and won't until there is Council approval. Staff is not asking Council to build a water treatment plant at this point, but to authorize proceeding with the piloting. For the benefit of Kay Calvert, Mr. Gibbs indicated that arsenic is not an issue in the Judge Tunnel. The cost of a water treatment plant is about \$3.5 million and an agreement needs to be reached with United Park City Mines with regard to the location of the facility.

The new arsenic regulations take effect in February 2006; they reduce the current 50 ppb to 10ppb. Additional piloting needs to be conducted at Spiro Tunnel which was delayed because of the Games. After the piloting is completed, staff will be recommending a treatment option to the Council and develop a project which is estimated to be about \$1.1 million. The arsenic removal system could be in place by late Spring 2003. Mr. Gibbs continued that one of the quality issues with the Spiro is hardness and it may make sense in the future to pipe the water to the Judge to be treated. There is not adequate space at Spiro for hardness treatment which is a secondary not a primary concern and would cost about \$5 million. Once the Weber Basin water is on line, it can be blended reducing Spiro water hardness significantly, together with arsenic and antimony. The City's goal is to get an arsenic program in place by Spring 2003 and reducing arsenic to 3 ppb.

There are about \$15 million worth of water projects, but bonding capacity for about \$8 million. The water reserve fund is not large enough to cover costs for capital projects and staff will be recommending a bond issue for consideration by Council. Jerry Gibbs emphasized that the \$15 million figure does not include the Weber Basin pipe line. Within a couple of years, the City will be retiring a large debt service on the water system, freeing up additional revenue for a new bond issue. Mr. Gibbs continued that there have been recent conversations with Weber Basin who is ready to move the project forward and hopefully an agreement can be reached with Summit County in the near term. Jim Hier pointed out that selling water may be a potential revenue source, and would like to see an analysis of incremental costs associated with increasing the size of the pipe line for more capacity. Jerry Gibbs stated that he can share some information on this, but currently the plans are based on Park City's demands.

**3. Executive Summary FY2002-2003 Budget.** Tom Bakaly thanked the citizens involved with CTAC who produced the Program and Resource Analysis. The Executive Summary is a component of this study with the intent of producing a condensed budget piece for residents sometime in June or July. Through illustration of graphs, Mr. Bakaly discussed the ratio of revenues and expenditures over the years. He pointed out where Council adjusted the budget in 2001 by reducing expenditures by \$650,000 in the General Fund. It is felt that in the future, level growth and expenditures are expected. With regard to capital projects, there are no longer surplus funds.

The Program and Resource Analysis revealed that over 2/3rds of our

revenues derive from tourism and about 40% of our expenses are spent on tourism. This illustrates that tourism subsidizes permanent resident services to about \$7 million annually. Ms. Calvert asked if there is an opportunity to maximize tourism dollars. Mr. Bakaly felt that the summer could be marketed more but there may be other compatible business opportunities. There hasn't been recent growth in skier days and Council may want to formulate an economic policy outlining different types of businesses to attract, i.e., technology, retail, etc. Peg Bodell felt that our product could be increased in the summer and the fall. Ms. Calvert agreed that this is a huge opportunity and exploring attracting other types of businesses may not be prudent. Mr. Bakaly noted that perhaps an economic development policy may reaffirm that same recommendation.

He referred to the CTAC report which analyses core and enhanced services and the Wilkstrom Report. This City operates on a two year budget and FY2002-2003 was adopted as a plan last year. On May 2, 2002, City Council will review the plan with recommended adjustments including reconciling the Olympics and capital needs in the Recreation Fund. Ms. Calvert brought up the value of input from the proposed Community Vision meetings on recreation and Mr. Bakaly indicated that there may be improvements like the roof or the pool that may have to be addressed before this process begins. Next year, a more comprehensive review of the budget will occur including the pay plan, and the capital improvements budget. There was discussion about the coordination of the two year budget with regard to staggered Council terms. Mr. Bakaly reiterated that CTAC is recommending the development of an economic development plan, Olympics reconciliation, and Recreation Fund strategy this year. With regard to debt service, Mr. Bakaly felt that Council may want to consider bonding for water improvements. Ms. Calvert pointed out that some bonds will be retiring in a couple of years and the favorable interest rates at this time. Mr. Bakaly noted that there won't be an opportunity to fund Main Street improvements with redevelopment funds and there are many unfunded projects in the future.

Mark Christensen explained that the summary outlines the major issues and on May 2, staff will present a balanced budget. Adoption of the final budget is scheduled on June 21, 2002. It was the recommendation of CTAC to present budget information in a different format which will be a supplement to the budget document produced last year. Departmental requests are well within the City's policy. In response to a concern from Ms. Erickson about the extent of pool repairs and the timing of approvals, Mr. Bakaly explained that the \$60,000 identified is for mechanical repairs and staff is looking for direction on an approach. It may be that Council may not want to spend \$60,000 if the pool is replaced next year or the City discontinues pool programs. Replacing the pool is estimated at \$500,000.

Mr. Hier requested clarification on the \$6 million five-year capital improvement program. Mr. Bakaly explained that this is a reserve fund where general fund monies have been transferred. It's earmarked for future projects, consistent with state law.

Page 6  
City Council Work Session  
March 21, 2002

There was discussion about the \$365,000 reimbursement to Park City for our Olympic sales tax revenue portion which is currently being maintained in the state pool, but can be reinvested by the City. Mr. Bakaly updated the Council on the status of a joint ice facility.

Prepared by Janet M. Scott

**PARK CITY COUNCIL MEETING  
SUMMIT COUNTY, UTAH  
MARCH 21, 2002**

**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, 2002. Members in attendance were Dana Williams, Peg Bodell, Kay Calvert, Candace Erickson, and Jim Hier. Fred Jones was excused. Staff present were Toby Ross, City Manager; and Mark Harrington, City Attorney.

**II PUBLIC INPUT**

1. Habitat for Humanity. Yasamina Roque, Executive Director of Habitat for Humanity for Wasatch and Summit Counties, introduced herself and indicated that two homes were built in the area during her 11 month tenure in Park City. Habitat is a volunteer based organization building decent affordable homes at 0% interest to working people in need. This chapter has never built in Park City proper which is a goal as many employees want to live where they work. She discussed the windfall of materials from the *Good Wood Project* through Recycle Utah and emphasized that Habitat is in favor of planned unit developments and mixed uses. The Mayor reported that there will be a Fannie Mae group from Washington in Park City interested in affordable housing projects here. He stated that he will let Ms. Roque know about the meeting along with other interested parties. In response to a question from Peg Bodell about obtaining property in Park City, Ms. Roque explained that many of her past projects were successful because the lots were donated by cities or counties.

2. Water conservation rates - Joe Kearnin, Silver Meadows Estates, referred to last year's Council discussion on an aggressive water rate structure which would have severely penalized home owner associations on one meter. In 2001, the Association reduced its irrigation consumption by 44%. Using the same amount of water of 18,000 gallons, a single family user has a rate of \$1.82 while they are charged \$2.32 which is 25% higher. HOAs should be charged fairly and should be rewarded for conserving water. Mr. Kearnin emphasized that their association does not place a high demand on the system and should be removed from the irrigation category and treated more like single family homes where water usage could be divided by the number of units. He understood that the current billing software may not have the capacity to factor in the number of units on each HOA meter and offered to personally calculate the bills. By correcting the inequities for HOAs, a fair rate structure could be implemented that also has some *teeth* to encourage conservation. There was discussion about an estimate of 300-500 affected units. The Mayor thanked him for presenting this information but felt the term *HOA* is confusing as it is associated with single family subdivisions and perhaps *multi-family* better describes this housing stock. Jim Hier stated that he is not in favor of contracting out the City's water billing but felt it is a manageable task.

3. Speeding on Mine Road - Alan Schuler, SR224 and Prospect Avenue resident, stated that this is very hazardous place to live because of motorists ignoring speed limits and stop signs. He stated that he can't work in his yard or driveway and the noise from the traffic in his home is extremely disruptive. He asked if there are any plans underway to making the Mine Road one-way, reducing speeds, and installing speed bumps. Peg Bodell stated that Council addressed this in a work shop last week , it is a high priority and citizens will have an opportunity for input on a City-wide plan. Jim Hier emphasized that the Mine Road is under the authority of UDOT who has failed to transfer the road on two occasions to the City. Until it is owned by Park City, our means for changing traffic patterns are extremely limited. Peg Bodell interjected that citizens can still provide input on solutions when the process is underway. Mr. Schuler indicated that he has not received good response from the police and wondered if enforcement is the obligation of the Highway Patrol. The Mayor thanked Mr. Schuler for his input and expressed that this is somewhat of a different situation than the recent concerns expressed by Park Meadows residents, as the speeding problem is not being created by Mr. Schuler's neighbors. Community Vision meetings have not yet been scheduled but the Mayor invited Mr. Schuler to meet with him and the Chief of Police as a measure in the meantime.

With no further comments, the public input session was closed.

### III COMMUNICATIONS FROM COUNCIL AND STAFF

None.

### IV WORK SESSION NOTES AND MINUTES OF MEETING OF DECEMBER 20, 2001 AND JANUARY 17, 2002

Candace Erickson, "I move approval of the minutes". Peg Bodell seconded.  
Motion carried.

|                  | 12/20/01   | 1/17/02 |
|------------------|------------|---------|
| Peg Bodell       | Aye        | Aye     |
| Kay Calvert      | Abstention | Aye     |
| Candace Erickson | Aye        | Aye     |
| Jim Hier         | Abstention | Aye     |
| Fred Jones       | Absent     | Absent  |

### V CONSENT AGENDA PUBLIC HEARING

Ordinance approving the Coalition West Subdivision, located at 777 Park Avenue, Park City, Utah (motion to continue to April 18, 2002) - The Mayor requested

a motion to continue. Jim Hier, "I move to continue this until April 18". Peg Bodell seconded. Motion carried.

|                  |        |
|------------------|--------|
| Peg Bodell       | Aye    |
| Kay Calvert      | Aye    |
| Candace Erickson | Aye    |
| Jim Hier         | Aye    |
| Fred Jones       | Absent |

## VI CONSENT AGENDA

Assignment of kiosk lease, 514 Main Street, Park City, Utah - See staff report. The Mayor requested a motion to approve. Kay Calvert, "I so move". Jim Hier seconded.

|                  |        |
|------------------|--------|
| Peg Bodell       | Aye    |
| Kay Calvert      | Aye    |
| Candace Erickson | Aye    |
| Jim Hier         | Aye    |
| Fred Jones       | Absent |

Council member Bodell referred to a letter from the new tenant, Sally Elliott, which included suggestions to enhance services at the kiosk, like light retail. She recommended that the hours be extended on the weekends when tourists are on the street. There was discussion about the difficulty in recruiting employees to work over the weekends. Peg Bodell suggested providing business data to the Council as her business gets underway and formulating a business plan. With regard to selling food and other significant operational changes, Councilman Hier felt that formal Council approval should be sought. Motion carried.

## VII RESIGNATIONS AND APPOINTMENTS

Appointments (3) to Planning Commission for terms beginning April 1, 2002 and expiring (1) February 2005 and (2) February 2006 - Jim Hier, "I move that Diane Zimney and Bob Powers be reappointed to their positions and that Jim Barth be appointed to fill my unexpired term". Peg Bodell seconded. Motion carried.

## VIII ADJOURNMENT

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

Page 4  
City Council Meeting  
March 21, 2002

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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

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Janet M. Scott, City Recorder