

**PARK CITY COUNCIL WORK SESSION MINUTES
SUMMIT COUNTY, UTAH
DECEMBER 13, 2012**

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

Diane Foster, Interim City Manager; Mark Harrington, City Attorney; Tyler Poulson Environmental Projects Manager; Kent Cashel, Transportation Manager; and Jennifer Danowski, Budget Analyst

1. Council questions/comments. Andy Beerman stated that he attended yesterday's familiarization tour hosted by the City. He felt staff did a great job of sharing information. Liza Simpson spoke about meeting with the consultants evaluating the County fairgrounds and event. She thanked Tyler Poulson for promoting the new car share program and reported that it is really easy to sign up. Andy Beerman noted that he and Cindy Matsumoto met John Paul DiGoria who is a major investor in the expansion of Bonanza Park. He is Mark Fischer's partner, who he respects, and a philanthropist billionaire. Mr. DiGoria pointed out that he has been involved in Park City on a variety of levels for almost 30 years, including the Caledonian and some other projects. He has never sold any of them because he likes being part of the Park City community. Mayor Williams spoke about meeting Mr. DiGoria years ago in California.

Alex Butwinski reported on the Ski Utah meeting where marketing and visitors were discussed. He attended part of the ULCT session on Monday and a Utah Quality Growth Commission meeting. The Commission has a \$195,000 budget for open space and Summit County received \$65,000 of that amount toward the acquisition of Toll Canyon. Dick Peek relayed that he skied opening day at Deer Valley. Mayor Williams attended a Mosquito Abatement meeting and reported that only biological pest control methods were applied this year. The special district is interested in applying for Blue Sky grants for a hot water solar system for the building and offsetting its carbon footprint. The new director just finished his first season and did a great job. The Mayor also reported on the Sewer District meeting where there was discussion about WISCIWIP. The District experienced the lowest number of hook-ups this year in its recent history.

2. City fleet fuel strategy. Tyler Poulson introduced Matt Abbott who is the new environmental project manager. There were 94 applicants, 50 of whom had masters degrees or higher.

Kent Cashel explained that in October Council requested that staff return with an update on the City's fleet fuel strategy. In 2006, the City began a trial program with biodiesel in the trolley and a significant amount of staff time was invested on the project because at that point in time, most engine manufacturers would not cover warranties if biofuels were used. Staff studied the chemical properties of biodiesel and system components and came to the conclusion that the engine would not be seriously damaged. Different blends were tried on the trolley for a year and performance was monitored. In 2007, staff worked with a fuel supplier to begin providing biodiesel at a pump and the whole fleet was converted to biodiesel as well as providing an outlet in the community for invested citizens. He relayed that during the 2009 Visioning Session, staff discussed field strategy with members to gain feedback. The high level direction was not to pursue every leading edge technology that comes along but to continue to monitor the development of promising technologies that continue to evolve and become market-ready.

Staff has been primarily focused on hybrid electric vehicles and CNG developments. Mr. Cashel stated that the electric bus industry continues to be monitored and in 2011 Council was updated on this policy and direction at that time was to continue with the direction given in 2009.

He relayed that there are three elements that need to be analyzed very carefully because these decisions are big dollar and high risk. Environmental concerns drive direction but each of these technologies brings with it either operational benefits or impacts which need to be understood upfront as well as financial investments.

Tyler Poulson displayed a PowerPoint presentation. With regard to emissions affecting air quality, biodiesel rates the lowest among the categories, rating lower than CNG. EPA and other industry partners are continuing to make progress on cleaner burning fuels. The hybrid electric option is slightly better. Essentially the same fuel is burned but at a slightly better efficiency. CNG makes the most environmental sense as there is a 50% to 90% reduction in emissions. With life cycle greenhouse gas emissions there is not much difference between the options. CNG is not always the best environmental alternative compared to diesel or gasoline. He stated that the National Center for Atmospheric Research evaluated coal relative to gas, and in particular shale gas. Its analysis found a net warming impact by making the transition to gas as an electricity source as opposed to coal. Mr. Poulson explained that Cornell University and EPA are among others who found similar outcomes when looking at the life cycle impact of natural gas in relation to climate. The new more unconventional methods around fracking are in fact worse than how natural gas is traditionally procured when it comes to climate because of the excess methane and leakage during that process. He emphasized that when comparing CNG to diesel or gasoline, there is not necessarily a carbon footprint reduction strategy or a solution when it comes to mitigating climate change.

Mr. Poulson stated that on the life cycle front, a quick comparison can be done by example using a Honda Civic which is made for gasoline, hybrid or CNG. Those three vehicles can be compared for the 2012 year and the Civic hybrid burning standard gasoline represents 27% lower greenhouse gases than the natural gas Honda Civic. The CNG Civic compared to the traditional Civic are almost equal. The extractor processes for diesel, biodiesel and CNG, the depletion of finite materials, and food for fuel were examined. The Energy Information Administration found that 14% of the US supply is delivered through fracking and the rest is through a non-fracking type for delivering CNG. However, by 2035, 45% of the US supply will be delivered through fracking and extraction from a shale product. He relayed that over time, those *upstream impacts* with regard to CNG will worsen as the process shifts to more and more fracking. His research on fuel for food particularly looked at soybean oil which is only a portion of the soybean which is not utilized for food production. About 80% of the soybean is solid and is the food product and the oil product is used as an additive for food. Tyler Poulson stated that out of the solid soybean food product, 98% is used as animal feed and the food for fuel production in a large way is animal food as opposed to competing for human consumption.

With regard to the potential of the three resources with CNG, that technology is considered as a finite based fossil fuel. Over time, its extracted profile will become less attractive from an environmental perspective. He pointed out that we are currently using a soy mix for biodiesel and research is being conducted on many other alternatives. The potential is there to reduce greenhouse gases and also not to compete for fuel sources in certain ways but in terms of commercially available options; it is not something recommended from an environmental perspective. He rated hybrid electric a little bit higher because of efficiencies gained by utilizing this technology.

The Mayor asked if there is a corresponding drop in emissions with different grades of biofuel. Tyler Poulson believed that from a greenhouse gas perspective, it is not necessarily 1:1 and is not sure how other pollutants would be impacted by the mix. In response to a question about fleets using biofuels from the Mayor, Kent Cashel responded that different blends are being used. There seems to be some variability on tailpipe data depending upon the operating environment and he has not seen any definitive information. Using higher biofuel blends and diesel may cause issues in the winter. Biofuels prompt the growth of bacteria in tanks which needs to be monitored. Discussion ensued on experimental blending and Kent Cashel explained having to comply with OSHA and EPA regulations. The fuel the City uses is a national standard so the quality and fuel content are consistent. There is a standard for B20 but not necessarily for higher blends.

Alex Butwinski expressed his interest in hybrid electric technology. He asked if this technology is practical for the bus fleet and felt that a cost comparison on operation and maintenance would be helpful. Mr. Cashel advised that there is a process in place to obtain federal funding for buses. The Department of Transportation operates a testing facility in Altoona, Pennsylvania and vehicles must be certified in order to receive federal dollars. Park City's buses are certified for 12 years. He understands that Proterra has run its electric bus through the Altoona test facility and has been certified. However, it needs to be charged 15 to 20 minutes an hour. This might work for the trolley but probably not for the buses operating on other routes. The technology may evolve but the development of electric buses is in its early stages. Alex Butwinski pointed out electricity costs associated with pumping fuel. Mr. Cashel agreed and added that CNG is compressed natural gas and the pressure to fill a tank as large as a bus requires 3600 psi and a massive compressor. On a fleet-wide basis, the City would probably need 2,500 square feet to house a compressor and storage tanks which is one of the expensive capital investments. Mr. Butwinski questioned if this is a practical solution.

Mr. Beerman believed that natural gas is a bridge technology and asked what long term technology the City should invest in and how it may fit within the life cycle of the fleet. Mr. Cashel stated that he doesn't have that answer and the industry is not definitive. Each of these technologies has challenges and it may take a technological leap to move ahead to the next level. Electric power has battery issues and hydrogen fuel creates distribution and storage issues. He encouraged continuing to monitor technology rather than starting to invest on a certain track. Tyler Poulson stated that from an environmental perspective, a hydrogen fuel cell is an energy carrier not an energy source and something like electricity is needed to push energy into the fuel cell. He pointed out the need to build infrastructure for hydrogen which utilizes electricity to deliver the fuel. Kent Cashel felt the electric option has the most promise but there are issues with life cycle impacts.

Mr. Cashel suggested the things to think about on an operating basis is owning and controlling the fuel supply. Location is extremely important because proximity represents efficiencies and the fuel supply should probably be located at the fuel barn. Performance is important and maintenance is unique to the fuel, making training essential. Federal funding is also unpredictable in terms of funding for alternative fuels.

Kent Cashel reported that a large investment needs to be made. Biodiesel didn't require significant funding. A hybrid electric bus costs \$200,000 more for exactly the same vehicle. There is no additional cost for a fuel depot or storage facility but refitting the fleet would cost about \$6.5 million over a whole replacement cycle. In order to convert to CNG at least \$2.2

million is needed to retrofit the storage facility as the air would have to be monitored and vented. UTA is currently designing a facility. It would cost \$6 to \$7 million to replace the fleet. Staff feels there is some benefit in looking at the smaller end of the fleet in terms of bringing new technology on board, like trucks and passenger cars. Over the course of the next eight years, the City will go through a whole new set of vehicles and there are potential opportunities. The life cycle was explained as well as converting gasoline or diesel engines to CNG. Manufacturers are moving toward building dedicated engines but that is a couple of years away. Mr. Peek asked about meeting volume needs and Mr. Cashel understood that there is a high pressure line close to the facility.

Mr. Cashel noted that technology is evolving so quickly that significant research needs to be conducted. There are many questions regarding environmental concerns ranging from tailpipe emissions to manufacturing cycles and Tyler Poulson added that a metrics driven approach is needed. The financial payback is critical and this feature needs to be analyzed. Liza Simpson felt that capital investments need to be considered as well and referred to the new fuel island. Kent Cashel assured members that the City is a long way off of replacing gas and diesel. Tyler Poulson spoke about simultaneously using two fuels over a period of time when migrating from a certain fuel to an alternative. Liza Simpson stated her preference for hybrid because the biggest problem to solve seems to be the battery life and she pointed out the growing interest in solar powered generation. Tyler Poulson pointed out that the big gap that exists is the behavioral element and reducing vehicle miles traveled but Park City has an impressive portfolio including a local free bus system, bus service to Salt Lake, walking and biking opportunities, and a car sharing program. The Mayor commented that the efficiency of the bus system affects ridership.

Kent Cashel recommended focusing on converting small classes of the fleet and considering CNG. The buses require a major capital investment because of fueling. He stated that staff can bid the alternate fuel options when acquiring vehicles. Staff has spent a significant amount of time on this but feels it wise to continue to research. Dick Peek commented on the size of the buses and Mr. Cashel explained that the size of the buses relate to accommodating the number of riders during peak times. Andy Beerman stated that he likes staff's recommendation and is personally not a fan of CNG because of extraction and infrastructure reasons. He considers it a bridge technology. Cindy Matsumoto stated that she is not very interested in CNG and prefers exploring the hybrid for smaller fleet vehicles. The Council supported Option 2 in the staff report. The Mayor felt that regardless of what Council feels about CNG from an environmental standpoint, it is going to be here and will be the largest source of fuel over the next 30 to 50 years in this country.

3. Natural gas contract. Jennifer Danowski explained that staff is recommending changing service for City buildings from a retailer, Questar Gas, to buying gas from a wholesale service. Expected savings total \$35,000 annually. The City would still have to rent the pipeline from Questar but \$2 a dekatherm will be saved. New meters will be installed at four locations so usage can be better tracked. The meters would not have to be switched out again if the City decides to purchase gas in the future from a retailer. She emphasized that if the arrangement does not work out, the plan can be changed next year.

**PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
DECEMBER 13, 2012**

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, December 13, 2012. Members in attendance were Dana Williams, Andy Beerman, Alex Butwinski, Cindy Matsumoto, Dick Peek, and Liza Simpson. Staff present was Diane Foster, Interim City Manager; Mark Harrington, City Attorney; Francisco Astorga, Planner; and Jonathan Weidenhamer, Economic Development Manager.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

None.

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

1. Performing Arts Center - Teri Orr, Performing Arts Center, showed a video of the Parsons Dance Company. She thanked the City Council for providing emergency funding for the Center during the year. She introduced David Parsons and the dancers who will be performing Saturday night at the Eccles Center.
2. Food tours on Main Street - Shirin Spanenberg explained that she will be conducting food tours on Main Street which will be starting next week.

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")*

Staff confirmed that MGB+A is the correct award for the Main Street Streetscape Enhancement Project.

1. Consideration of a professional services contract with MGB+A for the Main Street Streetscape Enhancement Project in the amount of \$114,080, in a form approved by the City Attorney - and
2. Consideration of a Resolution for Building Department fee waivers on new renewable energy projects in 2013 - Andy Beerman, "I move we approve the Consent Agenda Items 1 and 2". Alex Butwinski seconded. Motion unanimously carried.

V NEW BUSINESS

1. Consideration of a Plat Amendment for 2460 / 2520 Sunny Slopes Drive, Park City, Utah – Planner Francisco Astorga explained that the property was platted as part of the Gleneagles Subdivisio. A single family dwelling was constructed and an admistrative lot line adjustment was made in 1993 to accommodate an addition to the dwelling but for some reason, the lot line adjustment was never recorded. The property owner has submitted a plat amendment application to move forward with approval. The Planning Commission forwarded a positive recommendation and staff recommends approval. Clarification on the property line adjacent to the street was made in response to a question from the Mayor and discussion ensued on the timing of the state's subdivision regulations.

The Mayor opened the public hearing; there was no input and the public hearing was closed. Liza Simpson, "I move that we approve the Gleneagles 12R and 13R plat amendment based on the findings of fact, conclusions of law, and conditions of approval as found in the draft ordinance". Dick Peek seconded. Motion unanimously carried.

2. Consideration of a Plat Amendment for 2550 Deer Valley Drive, Park City, Utah – Francisco Astora stated that the applicant has requested a continuance to January 10, 2013. The Mayor opened the public hearing; there were no comments from the public. Alex Butwinski, "I move that we continue the plat amendment for 2550 Deer Valley Drive to January 10th". Dick Peek seconded. Motion unanimously carried.

3. Consideration of an Amendment to Record of Survey, 1400 Deer Valley Drive, Park City, Utah – Planner Astorga explained that is a condominium record of survey at Fawngrove for Unit 1 to expand an entry area by approximately 120 square feet. The density for Fawngrove is based on the number of units and not square footage. The Mayor opened the public hearing; there were no comments and the public hearing was closed. Dick Peek, "I move to approve the First Amendment to the Fawngrove Condominium Phase 1". Andy Beerman seconded. Motion unanimously carried.

4. Consideration of a City Services Agreement with the Park Silly Sunday Market for 2013, in a form approved by the City Attorney – Jon Weidenhamer explained that this is a one-year contract for this summer. The agreement reflects four changes including possibly expanding the footprint of the Farmers Market to the BrewPub or Swede Alley surface lots which will be confirmed in the Supplemental Plan. There is provision to accommodate the Tour of Utah and a reduction in cash from \$85,000 to \$80,000 to \$65,000. There is a requirement to establish a working group consisting of representation from the City Council, HPCA and PSSM. The Supplemental Plan will address noise, parking, and transit. Liza Simpson asked that the map of the use areas be corrected and posted on-line to show that the Swede Alley surface lots might be utilized for the Farmers Market.

Andy Beerman asked for clarification on the role of the working group. Charlie Johnson, attorney for PSSM, explained that the purpose of the working group is to provide an opportunity to communicate any issues and to make parties accountable. Liza Simpson

was pleased that a working group has been established so that the oversight of vendors is adequately addressed. Alex Butwinski asked about the Tour of Utah date and if PSSM gains an additional Sunday and Mr. Weidenhamer explained that it is not in the Agreement but felt it is not an issue. The Mayor opened the public hearing.

Alison Butz stated that the HPCA is in support of the contract as written. A preliminary meeting was held about the type of issues that will be discussed by the working group and a tentative schedule for meetings has been established. She thanked the City Council for looking at this.

Kimberly Kuehn, PSSM, introduced her sister Katie Boyd who will be working with her. She expressed her excitement about the working group. Their goal is to stay on Main Street and to work together. She thanked the City Council and expressed that she liked the idea of using Swede Alley for the expansion of the Farmers Market which has been popular.

With no further public input, the public hearing was closed. The Mayor expressed his appreciation of the willingness of PSSM to work on issues. Andy Beerman, "I move we approve the City Services Agreement with the Park Silly Market for 2013". Dick Peek seconded. Motion unanimously carried.

VI ADJOURNMENT

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

MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 1 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; Clint McAfee, Water Manager; Joan Card, Environmental and Regulatory Manager; Tom Daley, Deputy City Attorney; Brooke Moss, Human Resources Manager, Jolene Weston, Consultant; and Mark Harrington, City Attorney. Dick Peek, "I move to close the meeting to discuss personnel, litigation and property". Andy Beerman seconded. Motion carried unanimously. The meeting opened at approximately 3:15 p.m. Cindy Matsumoto, "I move to open the meeting". Liza Simpson 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

