

City Council Staff Report

Subject: Relocation of Rocky Mountain Power's
Bonanza Substation

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Date: January 24, 2013

Type of Item: Work Session

Recommendation:

Staff recommends that the Bonanza substation be relocated to 1555 Iron Horse Drive in the low profile alignment as described in this report and subject to staff's ability to secure a public-private funding package.

Topic/Description:

Rocky Mountain Power Substation Relocation

Background:

Rocky Mountain Power owns the Park City Substation in the Bonanza Park area which is critical to the City's power grid. It takes transmission line energy and converts it to distribution level charges that flow to homes and businesses in a significant portion of Park City. The substation is at nearly full capacity. Rocky Mountain Power has indicated that it needs to upgrade the substation by Fall 2015 in order to meet local power needs.

For the past several months staff has worked with Rocky Mountain Power to identify substation location options consistent with these goals and the Bonanza Park Area Plan. In November 2012, staff presented three substation scenarios to City Council for discussion:

- **Do Nothing.** Rocky Mountain Power will upgrade the substation within the existing footprint.
- **Mitigate.** Underground transmission lines at the existing site and provide visual screening as possible.
- **Relocate.** Move the substation to 1555 Iron Horse Drive and mitigate visual impacts.

Staff recommends relocating the substation to achieve the joint City Council/Planning Commission redevelopment goals for the Bonanza Park area and the resulting Bonanza Park Area Plan presented to the City Council and Planning Commission in January 2012. The Plan proposes a mixed-use concept for the 99 acre area that is envisioned to be a district that is locally focused in terms of residential development (mixed-income opportunities) and commercial development that diversifies the City's existing mix and might include a satellite campus for higher education, a business incubator, a culinary institute, or research/office space for new businesses.



Figure 1: Substation Study Area

The Bonanza Park district is a unique area within Park City – it is comprised of flat land that is easily developed (and redeveloped) and is located at the intersection of the City’s two transportation corridors (SR 224 and SR 248). The Bonanza Park Area Plan represents a significant opportunity to create a new residential/commercial district that addresses the needs of the local community. The vision for the Bonanza Park area stemmed from the joint City Council – Planning Commissions that were held from July – December 2011. The overall takeaway from those meetings focused on “collaboration” between the City and the private entities as a way to effectuate the kind of development that we would like to see for future generations.

Joint Redevelopment Goals for Bonanza Park (August 25, 2011 Joint Meeting)

<p><u>Current Character</u> Underutilized, Room to Grow Rundown, Outdated, Aging Lacking Identity Uniform, Boring, "Anywhere USA" Uninviting</p>	<p><u>Future Character</u> Vibrant Affordable Multi-Generational Contemporary Strong Identity</p>
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<p><u>Current Function</u> Entrepreneur/Sm. Business Opportunities Commercial Mixed Use Industrial Local Fulfills Everyday Needs</p>	<p><u>Future Function</u> Mixed Use Fulfills Everyday Needs Entrepreneur/Sm. Business Opportunities Local Focus Shopping</p>
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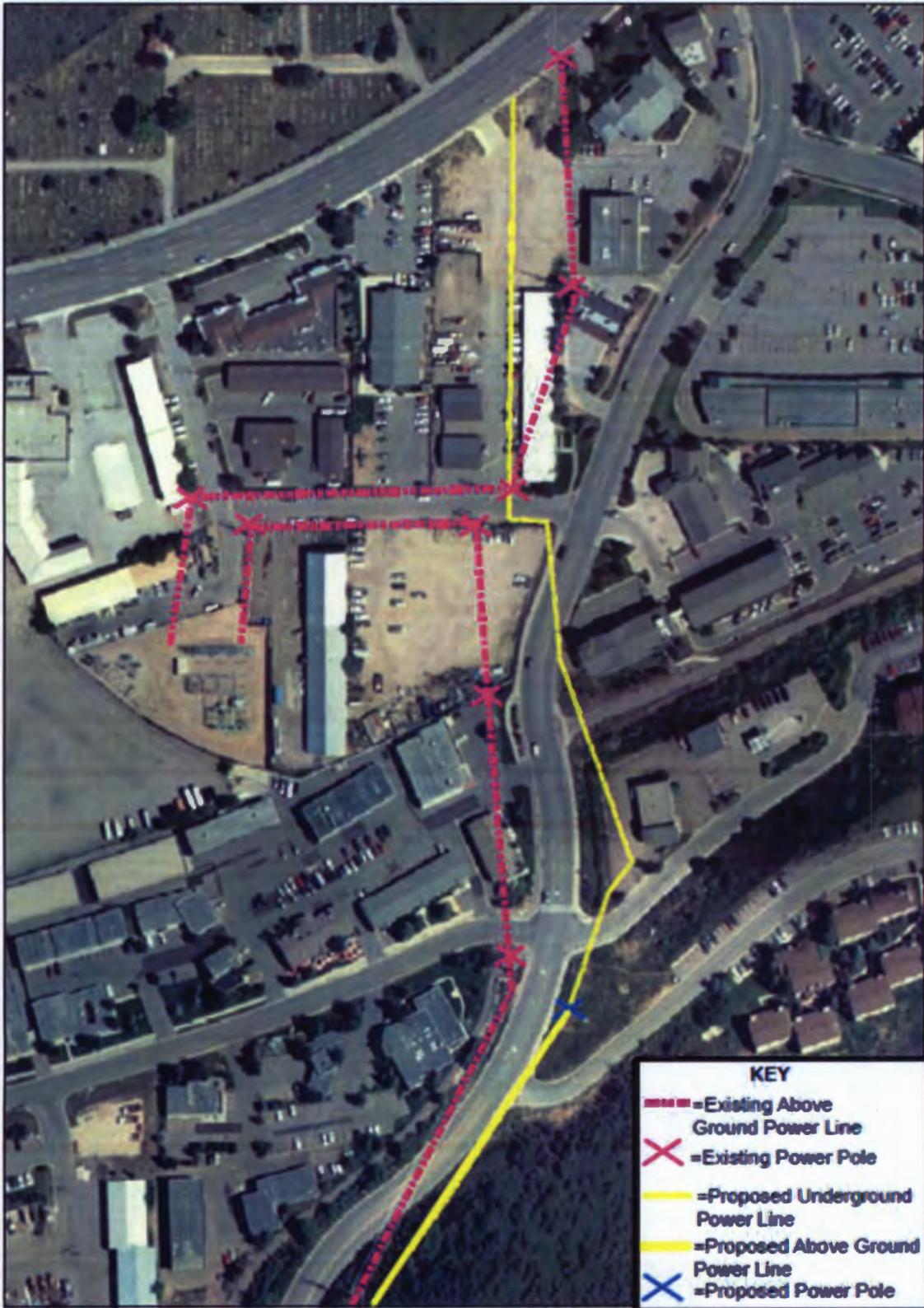


Figure 2: Existing/Future Conditions Map

Analysis:

Following a lengthy work session discussion on November 12, 2012, Council requested that staff return with the technical information listed below. Staff hired Intermountain Consumer Professional Engineers, Inc. (ICPE) to provide a third party review of the information submitted by Rocky Mountain Power.

- a. **Is it possible and what is the cost to construct a Gas Insulated Station (GIS)?** While theoretically possible to construct a GIS station that would completely conceal the substation, it is not an option in Utah. Rocky Mountain Power does not have experience with this technology and would not be able to implement it in Park City. This is a technology used for very large developments (such as in casinos in Las Vegas.) The \$15.5 mil construction estimate provided by ICPE is for the electrical infrastructure components only.
- b. **Is it possible to relocate the substation to the Silver Creek area (Quinns Junction Area)?** Relocating the substation outside of Bonanza Park will not meet Rocky Mountain Power's time frame of an upgraded substation in service by September 2015. Additionally, the cost to move the substation will be in excess of \$20 million. The electrical infrastructure components of the system are estimated to cost \$15,800,000. Adding in potential land costs, rights of way costs, potential soil and wetland mitigation costs, road reconstruction costs and cost to cross Highway 40, will push the cost in excess of \$20,000. This is not a viable option.
- c. **Are the proposed layouts and costs provided by Rocky Mountain Power reasonable?** The City's consultant, ICPE, reviewed both of these concerns and found them to be within generally accepted industry standards. It is ICPE's opinion that Rocky Mountain Power will not be able to expand totally within its existing footprint and will need more space depending on the alternative. If the do-nothing alternative (expand at existing with power lines overhead) is selected, Rocky Mountain Power would need an additional 900 square feet from Park City Mountain Resort's (PCMR) property. If the expansion on the existing site is selected with buried power lines in and out of the substation, Rocky Mountain Power would need the 900 square feet from PCMR and an additional 1,400 square feet of City property. If the expansion on the existing site is selected using the low profile system, Rocky Mountain Power would again need the 900 square feet from PCMR and an additional 5,340 square feet of City property. Rocky Mountain Power's construction costs for the electrical infrastructure components only were evaluated by ICPE. Other costs prepared by staff such as decorative walls/screening, utility relocation costs, roadway costs, retaining wall costs, were not evaluated by ICPE.

Council also raised concerns about the visual impact and cost of an upgraded substation. Specifically, Council requested the following additional information:

- c. **Are there other design/layout options that could be pursued to reduce the visual impact of the substation, and**
- d. **What funding options are available to offset costs of moving the substation and/or mitigating its impacts?**

This staff report focuses on these two questions and presents a design and funding approach for Council's consideration.

Preferred "Low Profile" Horizontal Substation Configuration

Following the November 2012 work session, staff met with Rocky Mountain Power to once again to discuss options to reduce the visual impact of the substation. At our December 2012 meeting, Rocky Mountain Power suggested a different option which would reduce the height by spreading the substation horizontally rather than stacking equipment vertically. Rocky Mountain Power operates substations with this "low profile" or "horizontal" layout in other locations in Utah. In addition to reducing the height of the substation, the power lines entering and leaving the substation in this configuration are all underground further reducing visual impact.



Figure 3: Low Profile with Building Screen

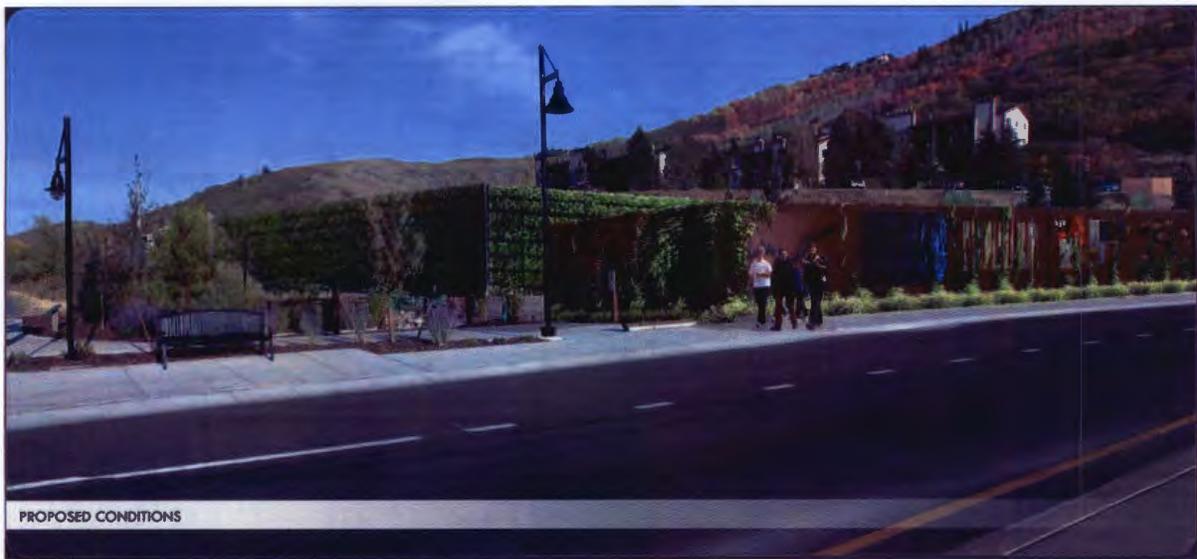


Figure 4: Low Profile with Art and Gardens

This “low profile” or “horizontal” layout has several advantages to prior design approaches:

- **Mitigates visual impact of substation.** The low profile layout reduces the height of the substation from a height of 60 feet to approximately 30 feet, or three stories. At this height it becomes possible to effectively screen the substation and significantly reduce its visual impact. The ability to screen the substation and incorporate it into the landscape of the area reduces the impact on the streetscape that the vertical option will have.
- **Reduces visual intrusion in the community.** The low profile layout reduces the visual intrusion from multiple vantage points including Iron Horse Drive and Upper and Lower Iron Horse Drive within the district, as well as neighborhoods in Prospector. It also improves the visual experience along the corridor.
- **Creates opportunities to resolve other land use issues.** This layout option also can address other land use issues including circulation and access for the residents of Lower Iron Horse Drive, and in turn through traffic on Bonanza Drive. Re-routing access into Prospector also provides the opportunity to address traffic flow in that area, as well as other development constraints.
- **Increases separation between residential uses and substation.** While the science on the impact of EMFs is not conclusive, the lower profile layout increases the distance between the substation and adjacent residential units.



Figure 5: Potential Low Profile Layout

Challenges of Low Profile Option

There are two critical issues that affect the feasibility of the Low Profile Option are Development Cost and Development Risk.

Development Cost:

The projected cost for the low profile substation relocated to 1555 Iron Horse Drive is \$11.4 million.

Project Cost for Low Profile Substation at 1555 Iron Horse

Substation relocation (RMP submitted costs)	\$3,770,056
Site prep/improvements; rights of way acquisition	\$ 500,000
Visual buffering and landscaping	\$ 600,000
Bridge across Silver Creek	\$ 965,000
Buried power lines – IN (required for low profile)	\$2,221,850
Buried power line – OUT (required for low profile)	\$3,355,000
TOTAL	\$11,411,906

(A related consideration is that fully funding the cost of the substation move up front to Rocky Mountain Power (substation relocation costs only) will reduce the project cost by \$111,000.)

Revenue: Sales and Property Tax

The other half of the equation is the Return on Investment – what is the anticipated financial return on relocating the substation. The relocation of the substation provides a substantial opportunity to increase sales and property tax revenue.

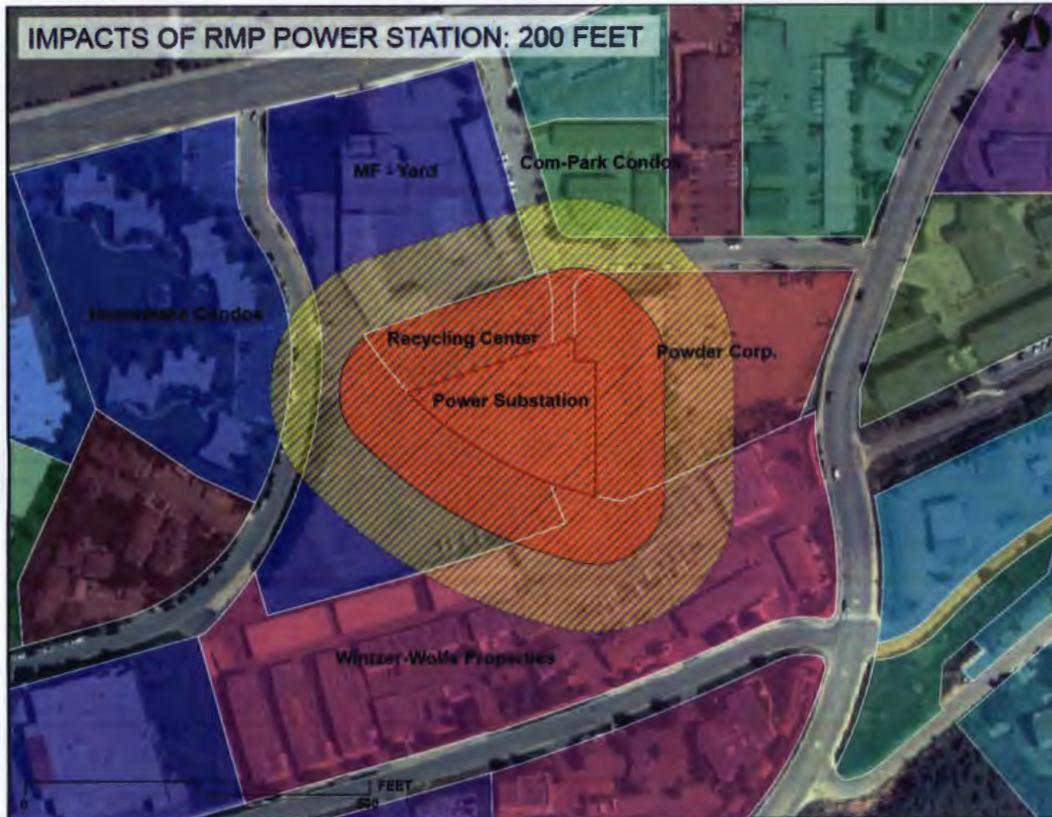


Figure 6: Property Ownership Map of Study Area with Radius of Impact

If the substation were to remain, this site would have reduced redevelopment potential and in turn reduced revenue generation. The substation would also have negative impacts on the surrounding area for about a 200' radius (a distance of just over a half of

a standard city block in length.) This affects an area of approximately 7.5 acres. After accounting for non-productive land (e.g., square feet that would be necessary for rights-of-way and open space requirements), the remaining buildable area with negative development impacts from the substation remaining in place is approximately four acres.

Assuming that this area was fully developed for mixed use purposes as envisioned in the draft Bonanza Park plan, there is the potential for approximately 750,000 square feet of development. The potential revenue in property and sales tax that could accrue to Park City if the substation was relocated and the site fully redeveloped is \$862,000 annually. As shown in Table 1 below, other taxing also will realize increased revenues with the relocation of the substation.

The revenue will be significantly less if the substation remains in place. This is due to the reduced amount of square feet that can be developed as well as the area of influence of the substation. This development would likely not be of the same scale or quality as anticipated in the Table 1 below.

A conservative assumption would be that a quarter of the site's potential could be built upon/realized in the shadow of a substation (this development would likely include some of the uses that are currently located around the substation – they would remain in place given that demand for this location would likely not increase if the substation remained on the existing site). One-quarter of the square feet (and at a reduced assessed or sales valuation) would result in a property and sales tax revenue value of only \$206,000 annually for the City. Additional revenue would also be generated by the approved 1555 Lower Iron Horse Drive Master Planned Development. Applying the same assumptions provided in Table 1 below, once built the approved MPD would generate \$146,000 per year for the City in property and sales tax revenue.

Table 1: Revenue Forecasts for Substation Relocation

	% of Bldg	SF	\$ / SF (sale)	Actual	Assessed
Retail	20%	145,643	175	25,487,501	25,487,501
Office	20%	145,643	175	25,487,501	25,487,501
Residential (Affordable)	20%	145,643	200	29,128,572	16,020,715
Residential (Primary)	30%	218,464	325	71,000,894	39,050,492
Residential (Second Home)	10%	<u>72,821</u>	500	<u>36,410,715</u>	<u>36,410,715</u>
		728,214		187,515,182	142,456,922
Property (Real Estate) Taxes					
PC Share					
Area Real Estate Tax Rate	0.009546	0.001431			
PCMC, School District, Summit County, PC Five, Weber Basin, and Mosquito Abatement				<u>Total</u>	<u>PC Share</u>
				Estimated Annual RE Taxes	\$1,359,894 \$203,856
Sales Taxes					
Commercial - Retail SF		145,643			
Estimated \$ / SF per Design Workshop Study		200			
Utah General Sales Tax	0.047				
Summit County Options Sales Tax	0.0025				
Summit - Recreation, Arts, and Parks Tax	0.001				
Summit - Restaurant Tax	0.01				
Summit - Motor Vehicle Rental Tax (NA)	0.025				
Summit - Transient Room Tax (NA)	0.03				
PC Share					
Resort Sales Tax Rate (2012+)	0	0.016			
Local Option Sales Tax	0.006	0.0036			
Mass Transit Tax	0.003	0.003			
				<u>Total</u>	<u>PC Share</u>
				Estimated Annual Sale Taxes	\$2,024,436 \$658,306
Total Taxes					
				<u>Total</u>	<u>PC Share</u>
				Total Annual Taxes Estimated	\$3,384,330 \$862,162



Figure 7: Property Ownership Map of Bonanza Park

Funding Options

Funding options for a project with such a short timeline and high price tag are fairly limited. Currently there is no funding allocated for the substation relocation, and the options below do not factor what percentage of the funding should come from private property owners.

The relocation of the substation is an investment in the future of Park City that will yield long-term, positive economic impacts on the immediate Bonanza Park area and the entire Park City economy and community. The direct and indirect benefits discussed in this staff report should be considered when discussing the City's possible return on investment in the relocation of the substation. Due to the relatively large dollar amount and short timeframe of the project, staff recommends that all potential funding options include the issuance of sales revenue or other municipal backed assessment bonds. Staff would recommend a 15-year bonding timeframe. The estimated annual debt service for the entire \$11.4 million project cost would be \$1,050,000.

The following are brief descriptions of some potential funding tools which may be available for the substation project:

Reallocation of the Capital Improvement Plan (CIP), including adjustments to the 10-year Additional Resort Communities Sales Tax Plan

As part of FY 2013 budget, City Council adopted the 5-year CIP. This includes the first five years of the 10 year plan for the additional resort communities sales tax funds. The potential exists to fund all or a portion of the substation relocation project costs by reallocating CIP funds (including projects funded with the additional resort sales tax) towards the substation project. The reallocation of CIP funds would require funding delays and reduction in budget to currently funded CIP projects. The extent of the project delays or budget reductions would depend on the final cost of the substation project and the amount of the City's share of any public-private funding package. If directed by Council, staff will prepare possible capital budget adjustment scenarios. According to the ballot language, a portion of the Additional Resort Communities Sales Tax could be used for funding the substation. Council should indicate to staff if reallocation of the Resort Communities Sales Tax revenue within the CIP is an option. Without consideration of the Resort Communities Sales Tax any significant level of city funding for the substation relocation is unlikely.

Economic Development Area/Community Development Area

Another potential funding source is the use of Tax Increment Financing (TIF"s) such as an Economic Development Area (EDA) or Community Development Area (CDA). These financing options are in many ways the equivalent of an RDA. The Bonanza Park Planning Area would be as a project area which would follow a specific development plan. The development area would be funded with a portion future tax increment beyond what is currently generated (the tax base). The formation of a new Bonanza Park TIF would require significant planning. As with the current RDA"s, a new TIF area would require the „buy-in" of the other taxing entities involved rather than the property owners as required with an Assessment Area. The short time-frame under which we are operating could be a significant limiting factor in the use of this tool for the relocation of the substation. An additional and perhaps greater challenge in creating a new Bonanza Park TIF area is that a large portion of Bonanza Park is already located within the Lower Park RDA. A new TIF area could not overlap and existing area which would therefore limit the footprint of the new area.

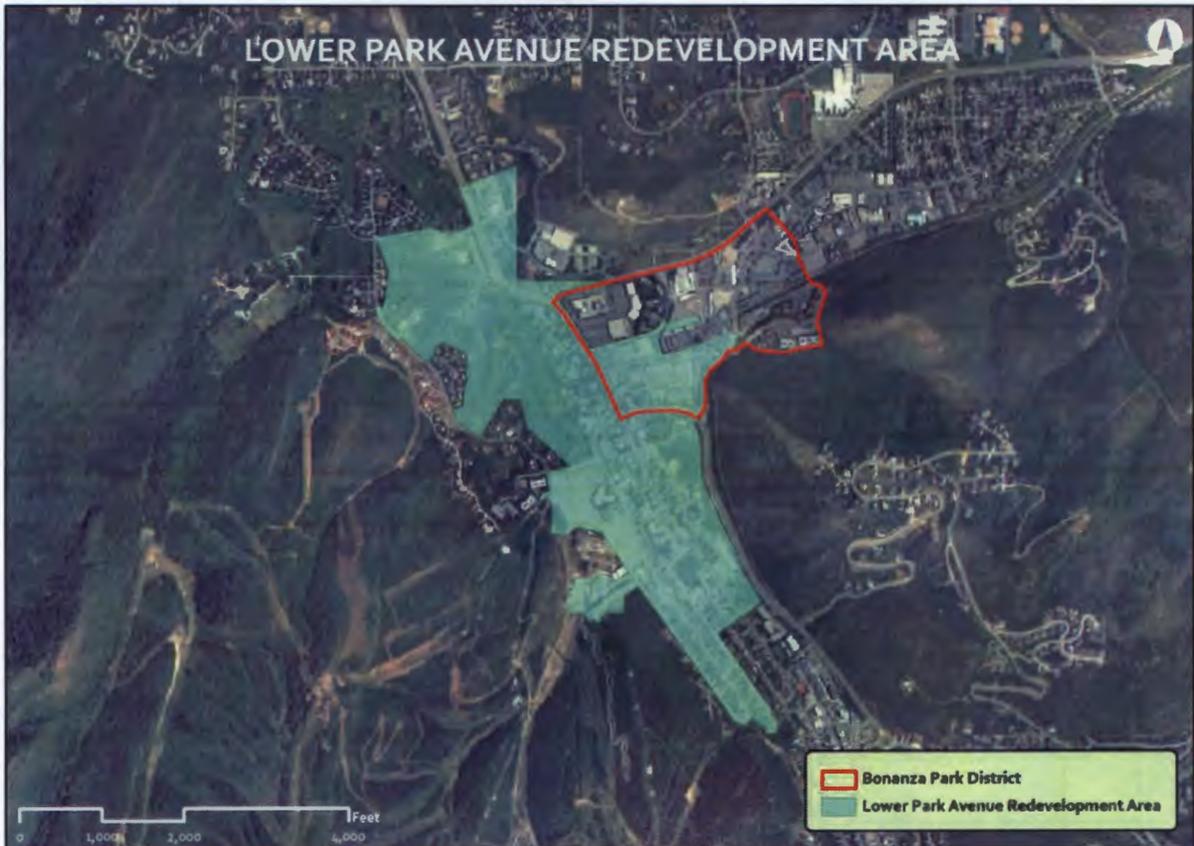


Figure 7: Lower Park Avenue Redevelopment Area and Bonanza Park

City Property Tax Abatement

Staff also recommends looking at the use of city property tax abatement as another tool in its financial toolbox for Bonanza Park. The City could monetize the time value of property tax abatement. In exchange, the affected property owner(s) would contribute to either substation relocation or other improvements in the area up front. The city would “repay” this contribution by abating property taxes in lieu of a cash payment that it would make if a bond was issued.

Lower Park Avenue RDA

It is not permissible to use Lower Park Ave RDA funds for the costs associated with the substation relocation. The existing substation location and the proposed relocation to 1555 Iron Horse Drive are not within the Lower Park Avenue RDA boundaries. State statute requires that utilities and infrastructure located outside the district be publicly-owned in order to be eligible for RDA funds. Rocky Mountain Power is a private utility company thus making the project ineligible for RDA funds.

Special Assessment Area

Utah State Code, under the Assessment Area Act, allows the City and property owners to set up special assessment areas to be used for the purpose of financing the costs of improvements, operation and maintenance, or economic promotion activities that benefit property within the assessment area. Similar to the RDA requirements, infrastructure financed through a Special Assessment Area bond must be publicly owned. The substation is owned by Rocky Mountain Power, a private utility company. Its relocation cannot be financed by an Assessment Bond.

Present Value Comparison

For Council to be able to evaluate and compare the alternatives based on the sale and property tax impacts and up-front costs, a present value analysis is being provided. This analysis combines the anticipated up-front costs for each alternative with its anticipated social and property tax impacts over the next 20 years. The 20 years of revenue was then converted to its present value, so the anticipated cost/revenue for each alternative can be compared.

The present value analysis for the move to 1555 Iron Horse Drive has the following assumptions:

- The total tax revenue gain would not be realized until 5 years after the substation is moved, the first 5-years of growth will be curved from 0 to 100% of the total anticipated tax revenue gain accordingly.
- Analysis is for revenue generated for 20 years immediately after the relocation.
- Annual discount rate is set to be a modest 3% per year.

Low Profile Substation at 1555 Lower Iron Horse	
Total Project Cost	\$11,411,906
Net Present Value of Revenue Forecast	\$10,475,000
ROI (Revenue/Cost)	\$936,906
Years Until Break Even	23

Development Risk

The low profile substation is a new concept provided to us by Rocky Mountain Power in the last five weeks. The tight timeline that Rocky Mountain Power has outlined creates development risk for this option. The site would need to be prepared to Rocky Mountain Power's standards by summer 2014. Our analysis to date indicates this to be most viable option for the relocation of the substation. That being said, there are still a number of issues that we have not had the opportunity to fully examine such as the access road alignment and the related issues of potential rights of way acquisition and/or a vehicular rail trail crossing.

Policy Discussion

Staff is requesting council discussion on the relocation of the substation to 1555 Iron Horse. Specifically, staff is requesting direction on the following policy questions:

1. Does Council concur with staff's recommendation to relocate the substation in a horizontal layout?
2. Staff is requesting Council authorization to explore funding options with affected property owners where the substation would be relocated. To what extent does Council support a public- private funding package for the relocation?
3. The substation is the first cost of redevelopment and early City financial participation would provide the City with the maximum ability to negotiate gives and gets such as design guidelines, green development criteria, timing of construction, preferred business/institutional uses, multi-generational housing and/or private funding

requirements for future infrastructure in the area What are the “gets” that Council would like to see in order to consider public funding for the relocation.

Other Related Substation Upgrade Considerations

There are additional costs associated with the upgrade of the substation that are unrelated to the issue of whether the power station is relocated.

1. **Impact of power lines crossing Old Town.** Burying the power lines as they cross Old Town is important to preservation of the community character. The estimated cost for this option is \$5 million. As this project is located in the Lower Park Avenue RDA district, it could be funded by the LPARDA. Rocky Mountain Power anticipates starting this construction beginning in 2018.
2. **Potential re-alignment of power poles in other areas of town.** Rocky Mountain Power does not anticipate re-aligning the location of power poles. Should the City request the re-alignment of power poles, this would be an additional expense to the City. Staff is including a place holder of \$500,000 for this work. There is not an identified funding source for this activity. This upgrade is not anticipated to occur within the next ten (10) years.
3. **Expansion of the Judge substation.** Staff believes the substation should be expanded on-site. Rocky Mountain Power would like to relocate it to be closer to the road. It is unclear if this expansion would have additional costs to the City. Rocky Mountain Power anticipates starting this construction beginning in 2018.

Next Steps

Should Council wish to explore a public-private funding package, Staff will return to Council in early February with a tentative funding plan to relocate the substation. Rocky Mountain Power has requested that a decision to be made within the next month to meet their schedule for upgrading the substation. Once a decision regarding the location of the substation, Rocky Mountain Power will submit a CUP application which will go before the Planning Commission and begin work on the alignment of overhead lines and poles.

Department Review: This report has been reviewed by the interim City Manager, Planning, Budget, Sustainability and Legal. All comments have been integrated into this report.

Recommendation:

Staff recommends that the Bonanza substation be relocated to 1555 Iron Horse Drive in the low profile alignment as described in this report and subject to staff's ability to secure a public-private funding package.

**PARK CITY COUNCIL WORK SESSION MINUTES
SUMMIT COUNTY UTAH
NOVEMBER 29, 2012**

Present: Mayor Dana Williams, Alex Butwinski, Liza Simpson, Dick Peek, Cindy Matsumoto, Andy Beerman.

Staff present was Diane Foster, Interim City Manager; Mark Harrington, City Attorney; Thomas Eddington, Planning Director; Katie Cattan, Planner; Heinrich Deters, Trails and Open Space Project Manager; Jim Blankenau, Environmental Regulatory Programs Manager; Brent Howser, Strategic Initiatives Manager; Tyler Poulson, Environmental Sustainability Program Manager.

1. Council questions/comments. Council Member Simpson had attended a joint Transit Advisory Board meeting. The Park City to Salt Lake bus route is changing slightly and getting ready to go into full winter service. A more extensive update would be given in February and she suggested that Mayor Williams or Council Member Beerman be included in that discussion due to their work on Mountain Transportation issues. The Transit Advisory Board also talked about CNG.

Alex Butwinski had attended two Planning Commission meetings: a special work session dedicated to the General Plan update, and the regular meeting which included a discussion on a number of LMC amendments, including the possibility of allowing MPDs in the Heber Avenue subzone. The Planning Commission heard considerable public input and he noted the hearing was very civil and everyone had researched the facts. Council Member Butwinski had also attended an Arts and Culture meeting. The Art Board and other non-profits meet once a month to discuss their current projects.

Mayor Williams reported that he had not attended the Council of Governments meeting because of the City Manager interviews. However, he understood that Kent Cashel would be part of that group primarily due to the use of funds collected through driver's license fees for purchasing property and right-of-ways for improvement projects. Mayor Williams expressed his appreciation to the Staff and the Citizens Committee for their work in the City Manager hiring process. He also thanked the City Council for their participation and stated when the process is completed he believes they will have made the best decision possible.

2. General Plan Update. Planning Director Thomas Eddington presented the layout for the new General Plan which was divided into four chapters based on the Core Elements of Small Town, Natural Setting, Sense of Community and Historic Character, which were identified during Visioning 2009. The Planning Commission had reviewed the first three Chapters and the final chapter, Historic Character, would be presented and discussed on December 11, 2012. Director Eddington stated that significant public input has been received and there has been interesting dialogue among the Planning Commission. The Staff has software that allows the Planning Commission to answer questions anonymously before discussing the related issues. The process is going well and moving forward.

Planner Katie Cattan spoke about the task force, which has also been of significant benefit to the General Plan process. During the month of August and September the Staff met with the task force comprised of 12 members of the community. That was the first time they started using the key pad polling process to answer questions. The task force discussed current trends in Park City and the goals and strategies necessary to keep the healthy trends moving forward, as well as a shift in trends that were seen as threatening to the core values. Planner Cattan remarked that four task force meetings were scheduled; however, based on the success, a fifth meeting was held to discuss the items that had evolved throughout the conversations. She noted that much of the task force discussion focused on primary homes, energy, housing, and affordable housing.

Planner Cattan stated that the next step in the process was to edit the task force discussions and to hear feedback from the internal Staff and departments who would be influenced by the goals and strategies. Phyllis Robinson, who played a large role in helping with the Bonanza Park Plan, was asked to do a final edit of the General Plan. Planner Cattan stated that the process had reached the point of implementing Planning Commission edits. The Staff was working diligently to have a complete draft of the General Plan by January 31st.

Dick Roth, a task force member, stated that he was astounded by the professionalism of Director Eddington, Planner Cattan, and others from the Planning Department and wanted the City Council to know the caliber of people on staff. They had assembled a task force of a broad group of people from different areas of expertise. Mr. Roth looked forward to participating in more City processes.

Council Member Beerman stated that he also attended the Planning Commission meeting on Tuesday evening and he was very impressed with the presentation on the General Plan. The articulation of the goals was deeper than the outline presented today, and he found it to be thoughtful and exciting. Council Member Beerman thought the Staff was headed in the right direction with the General Plan and he complimented their work.

Interim City Manager Diane Foster clarified that the draft would be completed by January 31st and work sessions were scheduled for February. In terms of expectation, she wanted everyone to understand that it could still be several months before the General Plan was finalized.

Council Member Peek referred to Goal 7, Sense of Community Housing, and asked if that was aimed at everyone or just the City. Director Eddington replied that it was for everyone. He explained that the General Plan identifies different strategies for each goal. Some are more municipal based and others are more holistic City-wide based. Planner Cattan stated that the General Plan is planning action strategies for those that would be implemented by the LMC and affect the greater community.

Council Member Peek referred to Goal 14 and asked if there was a reason why National Designated Historic Resources and Districts were not included in the sentence. Director Eddington noted that the strategies and action implementations for that goal talk about preserving the National District. Planner Cattan pointed out that Park City has more locally designated historic resources than nationally designated districts. Addressing the local also captures the national. Council Member Peek was concerned that if the word "national" was not in the General Plan, it would be dropped from the LMC re-writes over time.

Council Member Butwinski echoed the comments regarding the great work by the Staff. He believed the most amazing was the interaction and the public participation that has been part of this process. People attended the special General Plan work sessions and were willing to make comment or ask questions. He observed the same type of public participation at the regular Planning Commission meeting regarding the MPD, and noted that many of the same people had attended both meetings. They were actually interested in the overall planning of the community and not just single issue participants. Council Member Butwinski remarked that citizen participation is a key part of this and it should be highly publicized so people understand that their voices can be heard.

Council Member Beerman read from 3C, Sense of Community and Special Events, "Park City shall provide world-class recreation infrastructure to host events". He thought the infrastructure provided goes beyond recreational infrastructure. In his opinion, recreational infrastructure includes chairlifts, trails, etc.; however, the City was also providing transportation systems, lodging and other forms of infrastructure. Planner Cattan agreed that the term "recreation infrastructure" was too narrow and it should be changed.

Mayor Williams summarized that there was general agreement among the City Council that the General Plan was moving in the right direction and they were pleased with the results of the process. Mayor Williams particularly liked the connectivity to the Vision.

3. Mine Hazard Update. Heinrich Deters, Trails and Open Space Project Manager, provided an update of the Mine Hazard Ordinance and how Park City Municipal, as a landowner, came into compliance. He reported that the City Council adopted the Physical Mine Hazard Ordinance in April 2011, with the goal of reducing hazards primarily related to open holes or mine shafts. The City had received a letter of Notification of the Ordinance which explained the ordinance and the timelines. It also showed the 38 City-owned parcels that needed to be evaluated. The Staff evaluated each parcel and through the due diligence process had determined which parcels had past mining claims and potential mining hazards. Using the mining map they were able to identify specific locations through GPS. Mr. Deters stated that the Staff compiled the documentation, printed photos, and put everything together in a packet. He reported that no hazards were found on City-owned property that needed mitigation.

Jim Blankenau, Environmental Regulatory Programs Manager, noted that property owners were asked to evaluate their own property. If they find hazards that require mitigation, a mitigation plan must be submitted prior to December 1, 2012. There is an option for a one-year extension if the property owner can show that progress is being made in their evaluation. Mitigation must occur within three years.

Council Member Peek asked if there was ongoing monitoring of some of the sites. Mr. Deters replied that in his opinion, there has to be some ongoing monitoring. They had hiked to unusual places without trails which should be watched to avoid unexpected situations. However, he definitely thought areas on the trails should be monitored. When the ordinance was enacted it included a provision whereby if a new hazard was found and it was reported to the City or another property owner, they would have an obligation to submit a new mine hazard mitigation form.

Council Member Butwinski asked about compliance enforcement. Mr. Deter stated that most of the evaluations have been received with the exception of a few property owners. Two letters were sent to property owner over the past year as a reminder of the December 1st deadline. A penalty of up to \$1,000 per violation would be implemented for those who do not comply.

Mayor Williams understood that they were primarily looking for sealed shafts, but not testing for compliance with the Soils Ordinance. Mr. Deter replied that this was correct. They were looking for hazards that could cause physical harm. Mayor Williams asked if the BLM was notified because they control the area east of the Prospector Ponds, including some of the Prospector Ponds. Mr. Deter believed he was referring to the Hidden Meadows open space area and that was included as part of the City's inventory.

4. Quarterly Goals Format. Brent Howser, Strategic Initiatives Manager, reported the intent to tie the Quarterly Goals Update to the Strategic Planning Process. He provided a brief background of the recently adopted Park City 2030 long range strategic plan, which outlined the Council priorities to eventually achieve the community vision and desired outcomes. Mr. Howser noted that one recommendation in the Long Range Strategic Plan was to come up with a department by department business plan that lays out strategies in each department, and the action steps necessary to pursue those strategies. He also presented the budgeting concepts they have been working on for a few years. Mr. Howser reported that the Department Business Plans would be made available to the City Council and the public on the website through a link on document central. He reviewed a Public Works Business Plan as an example of how the plan works.

Mr. Howser remarked that the report in the new Quarterly Goals Report compiles all the actions steps from each business plan into one report. However, the report is lengthy because it contains all the action steps from every City department. He presented the

Quarterly Goals Report contained in the Staff report and indicated how the layout flows from the Council Priority area to strategies in the Business Plans and the action steps for each strategy. The report is laid out to show what is being done, the deliverables outcome, and who has the responsibility. He indicated the area on the report for status updates when quarterly updates are done. There was also an area for comments when explanations are needed.

Mr. Howser noted that the current report was 32 pages and requested input from the Council on the layout and ideas for shortening the report. He was concerned that a shorter report would require eliminating some of the content. Mr. Howser offered suggestions on how a shorter report could be accomplished.

Council Member Beerman understood that they were trying to match up everything with the strategy plans and goals and priorities. However, he noticed that a number of departments were repeated. For example, the emergency management plan was shown in five different locations. To avoid being repetitive, he suggested consolidating by department and having sub-headings to show what goals or priorities they tie back to. Mr. Howser pointed out that the action steps were not repeated, but he agreed that the departments could possibly be consolidated. Diane Foster stated that multiple departments that go into a single program might be consolidated. She thought the suggestion from Council Member Beerman would be an easier process for the Staff.

Council Member Peek suggested using color and bold type in the format to make it easy to scan for changes in the report. He liked the page format as opposed to something larger.

Mayor Williams asked if the Council was generally comfortable with the layout. Council Member Simpson thought the material presented was a lot to digest; and suggested that they use the format presented a few times before they take steps to shorten it. She preferred to have a longer report where they could see all the actions items rather, than have someone else choose what they may or may not be interested in seeing.

Council Member Butwinski agreed that they should use the current format until they define what they really need. Regarding the format, he suggested using italics to highlight the changes since there was already bold type used in the report. Council Member Butwinski thought the goal for snow plowing on Page 20 should also include, "one pass down every street at least every 24 hours". That was agreed to over two years ago and he assumed it had slipped through the cracks. Using Page 21 as an example, he thought there could be better headings under Strategies to clarify the intent.

Ms. Foster summarized that the formatting suggestions should be incorporated into the report, and that the length and content of the report should remain in its current form for now. The Council concurred.

5. Municipal lighting and lighting public art. Tyler Poulson, Environmental Sustainability Program Manager, reported on a study session that was held in July regarding dark skies. One topic of interest resulting from that study was uplighting public art. The Staff had evaluated the uplighting of public art and monuments, taking into account the City Council goals and some industry standards. The Staff recommendation was that the uplighting of public art, monuments and statues would achieve various Council goals with marginal downsides, such as a minimal impact to dark skies and a small energy footprint related to that activity.

Mr. Poulsen reviewed visual examples of what uplighting looks like from both a fixture perspective and from an art/monument perspective. The concept of uplighting is to direct light upwards towards an object. Uplighting is used to enhance the character and profile of major public monuments. The Eiffel Tower and various pyramids were positive examples of the use of uplighting. To demonstrate the negatives of uplighting, Mr. Poulsen presented an example of a monument that was well lit; however, there was a lot of light trespass and the lighting was intrusive. He presented an example of an art piece to show how lighting added visual value. Mr. Poulsen stated that part of the decision in the Staff recommendation was looking at the relative impact of uplighting art to light pollution and dark skies in general. If the uplighting is done well, it has minimal impact and adds good value.

Mr. Poulsen remarked that the LMC currently states that uplighting of all flags except for the U.S. Flag is prohibited. The Federal government issues guidance on U.S. flags and states that if flags are flown at night they should not be enveloped in darkness. He noted that the LMC has restrictions in terms of maximum flag size and pole height. A flag cannot be above 24 square feet in size or 28 feet in height. Mr. Poulsen stated that the language recommendation provided for the LMC allows uplighting of the U.S. flag.

The Staff recommended that the City Council pursue the LMC amendment to allow uplighting of public statues, monuments, ground mounted art, and to also include U.S. flags. If the City Council agrees with that recommendation, the Staff would take it to the Planning Commission in January and it would ultimately return to the City Council for formal action.

Mr. Poulsen stated that when he and the Planning Department drafted the LMC language, they were looking at publicly owned installations, primarily due to the amount of control and discretion that could be provided towards the uplighting project. He noted that the language was intentionally not overly prescriptive in terms of defining how uplighting would apply to each project.

Council Member Beerman clarified that the intent was the ability to uplight public art; but not uplight the bus shelter art and other areas unless there was a determined need. He was told that this was correct.

The Council members generally supported the Staff recommendation. Director Eddington stated that the recommendation would go before the Planning Commission with other LMC amendments on January 9, 2013. Ms. Foster asked if the Staff would add "municipal owned" for clarification. Director Eddington stated that private art and private uplighting were addressed in the Code, however, it was ambiguous. He offered to revise the language to address municipal public art.

Mr. Poulsen stated that Municipal Lighting was another topic discussed during the Dark Skies study session. Comments from Council members in July was that the City should consider leading the way in terms of Municipal owned lighting before taking on a community-wide dark skies initiative where people are asked to retrofit and become dark skies compliant. The Staff considered that recommendation and provided information in the Staff report regarding the process and associated costs. At this time the Staff was not recommending a professional survey or full-scale retrofit of Municipal owned lighting. Mr. Poulsen reviewed slides of Municipal-owned lighting.

The first example was three fixtures on Swede Alley that were installed at different times for a different purpose. Another example was a pole and fixture along Main Street. Mr. Poulson noted that the Staff report referenced commentary from the City's Historic Preservation Consultant. As they consider Main Street Improvements, the City should either refurbish or replace in-kind fixtures along Main Street to maintain their historic integrity. A third example showed a variety of fixtures and poles that were installed as part of different developments at different times. Mr. Poulson commented on the costs and environmental impacts of migrating towards standardized lighting. He presented examples of recreation lighting that has been installed in an effort to balance the needs of a world-class resort with amenities to the community. Mr. Poulson that the lights on the tennis courts at City Park is considered a shielded light fixture. He pointed out the lighting needs depend on the space to be lighted. The light fixture for a soccer field may be different than the lighting utilized for a tennis court.

Mr. Poulson presented images of the recreation lighting and light poles at Quinn's field. He stated that in 2010 the Staff investigated the concept of attaching visor to those lights as a way to focus light in different areas. At that time a professional assessment concluded that wind loading issues would put an undue burden on the poles and cause a safety hazard. The only way to change out those lights would be a full replacement, costing approximately \$250,000. The decision was made not to move forward with that replacement.

Mr. Poulson provided recent examples of where the City was installing new and more efficient lighting. One example was the Public Works Building at 1053 Ironhorse. Similar lighting fixtures were utilized at some public restrooms in parks. Mr. Poulson commented on an added level of complexity with street lighting. The City owns a number of the street lights within the City limits; however, Rocky Mountain Power and other public entities also own a number of street lights. In order to move towards a streamlined process, the City would have to take ownership and maintenance of all those light fixtures. Staff had determined that the timing was not right for the City to consider that step now.

Council Member Simpson wanted to know who pays the power bill on the lights owned by other entities. Mr. Poulson replied that the lights owned by Rocky Mountain Power are organized under a state level rate at the Public Service Commission. The City pays for the use of the fixtures, but not the kilowatt power used. The City pays Rocky Mountain Power for the service of providing street lighting.

Mr. Poulson reviewed slides of LED lights that were piloted in the parking lots at City Hall. In addition to assessing the aesthetics of those lights, the Staff also looked at financial cost benefit. With the existing high sodium lights in the south parking lot, there was no compelling payback to move towards an expensive \$1100 LED fixture. However, LED fixtures are becoming better, more efficient and more durable, and the market is moving in that direction.

The Staff recommendation for outdoor lighting was not to pursue a robust or a major retrofit of Municipal lighting. The Staff will continue to pursue using LED and highly efficient lights when doing new installs or where it makes sense.

Council Member Butwinski asked if making LED lighting warmer would change the light distribution. Mr. Poulson replied that the lighting can be tailored to what they want by changing the shield, the lighting color, etc.

Council Member Beerman stated that he recently piloted several rooms in the hotel with LED lighting. They have incredible warm light and it disburse much better than fluorescent lights. He thought the City should be ready to update when they have to start replacing lights to avoid having to purchase more of the old type lights.

The Council was generally in favor of the Staff recommendation.