HIDEOUT, UTAH TOWN COUNCIL REGULAR MEETING AND PUBLIC HEARINGS

July 11, 2024

Agenda

PUBLIC NOTICE IS HEREBY GIVEN that the Town Council of Hideout, Utah will hold its Regular Meeting and Continued Public Hearing electronically and in-person at Hideout Town Hall, located at 10860 N. Hideout Trail, Hideout Utah, for the purposes and at the times as described below on Thursday, July 11, 2024.

All public meetings are available via ZOOM conference call and YouTube Live.
Interested parties may join by dialing in as follows:

Zoom Meeting URL: https://zoom.us/j/4356594739
To join by telephone dial: US: +1 408 638 0986 **Meeting ID:** 435 659 4739
YouTube Live Channel: https://www.youtube.com/channel/UCKdWnJad-WwvcAK75QjRb1w/

Regular Meeting and Continued Public Hearing
6:00 PM

I. Call to Order and Pledge of Allegiance

II. Roll Call

III. Approval of Council Minutes

1. May 9, 2024 Town Council Meeting Minutes DRAFT

IV. Follow up of Items from Approved Minutes

V. Public Input - Floor open for any attendee to speak on items not listed on the agenda

VI. Continued Public Hearing – *continued from June 13, 2024*

1. Discussion and possible approval for amendments to Hideout Municipal Code Chapter 10.08, including, but not limited to, placement of hot tubs as in 10.08.08.15

VII. Agenda Items

1. Discussion and consideration of adopting Ordinance 2024-O-XX amending sections of the Hideout code updating sections in Chapter 1.16 Purchasing

VIII. Committee Updates

1. Planning Commission – *Planning Commissioner Donna Turner*
2. Economic Development Committee - *Council Member Severini*
3. Design Review Committee - *Thomas Eddington*
4. Parks, Open Space and Trails (POST) Committee - *Council Member Baier*
5. Transportation Committee - *Council Member Haselton*

IX. Closed Executive Session - Discussion of pending or reasonably imminent litigation, personnel matters, deployment of security personnel, devices or systems, and/or sale or acquisition of real property as needed

X. Meeting Adjournment

Pursuant to the Americans with Disabilities Act, individuals needing special accommodations during the meeting should notify the Mayor or City Recorder at 435-659-4739 at least 24 hours prior to the meeting.

HIDEOUT TOWN COUNCIL
10860 N. Hideout Trail
Hideout, UT 84036
Phone: 435-659-4739
Posted 07/10/2024

File Attachments for Item:

1. May 9, 2024 Town Council Meeting Minutes DRAFT

Minutes

Town of Hideout
Town Council Regular Meeting and Continued Public Hearing
May 09, 2024

The Town Council of Hideout, Wasatch County, Utah met in Regular Meeting and Continued Public Hearing on May 9, 2024 at 6:00 pm electronically via Zoom and in the City Council Chambers located at 10860 N. Hideout Trail, Hideout, Utah.

Regular Meeting and Continued Public Hearing

I. Call to Order and Pledge of Allegiance

Mayor Rubin called the meeting to order at 6:03 pm and explained the meeting was a hybrid meeting held both in person and electronically via Zoom.

Mayor Rubin led the Pledge of Allegiance.

II. Roll Call

Present: Mayor Phil Rubin

Attending Remotely: Council Member Chris Baier
Council Member Jonathan Gunn
Council Member Carol Haselton
Council Member Bob Nadelberg
Council Member Ralph Severini

Staff Present: Recorder for Hideout Alicia Fairbourne

Staff Attending Remotely: Town Administrator Jan McCosh
Town Attorney Polly McClean
Town Planner Thomas Eddington
Financial Consultant Katie Shepley

Public Present: Joel Pieper.

Public Attending Remotely: Wasatch County Sheriff Jared Rigby, Ben Probst, Nate Brockbank, Rob Sant, and others who may have logged in using a partial name or using only a phone number.

III. Public Input - Floor open for any attendee to speak on items not listed on the agenda

Mayor Rubin opened the floor for public comments at 6:06 pm.

There being no comments, Mayor Rubin closed the floor at 6:07 pm.

IV. Agenda Items

1. Presentation of the annual municipal audit performed by Ben Probst

Ben Probst from the Certified Public Accountant firm Gilbert and Stewart presented the annual municipal audit. Mr. Probst explained the audit process, which included gathering data, confirming third-party information, and reviewing financial reports prepared by the Town's Staff. The audit report indicated the Town's financial statements presented a fair view of its financial position as of June 30, 2023.

Mr. Probst highlighted the Management Discussion and Analysis section, which provided a summary of the Town's financial activities over the last two years. He also detailed various financial statements, such as the statement of net positions and the statement of activities, which included governmental and business-type activities.

Mr. Probst noted the Town had not submitted the required fraud risk assessment for Fiscal Year (FY) 2023. This assessment, which needed to be reviewed by the Council and submitted annually to the State Auditor's Office, was missed during FY23. However, he stated the Town had since complied with this requirement. Mayor Rubin discussed the need to ensure timely completion and submission of this assessment in future years.

Council Member Gunn sought clarification on whether the Town was in compliance after addressing the fraud risk assessment. Mr. Probst confirmed that the Town was now in compliance. Mr. Probst commended the Town's finance team for maintaining compliance with government auditing standards.

Mayor Rubin expressed appreciation for the efforts of the Town's finance team and the auditor, acknowledging the progress made in financial management and compliance.

2. Presentation and discussion of the Town of Hideout budget restatement for Fiscal Year 2024 and presentation of Tentative Budget for Fiscal Year 2025

Town Attorney Polly McLean suggested breaking the agenda item into two parts: Part 1 being the FY24 proposed budget amendment and part 2 being the presentation of the Tentative Budget for FY25. She noted the budget amendment for FY24 was not ready for approval during this meeting.

Mayor Rubin discussed the budget restatement for FY24 and presented the tentative budget for FY25. The FY24 budget, initially approved with a deficit, saw efforts to reduce this shortfall through better management of spending. Legal expenses were below budget, some hiring was delayed, and costs were reduced in various areas such as street expenses and outsourced engineering following the Town Engineer's resignation. These efforts reduced the budgeted overage by $273,000, leaving a $115,000 shortfall, which would be covered by transferring funds from the Capital Fund. After this transfer, the Capital Fund was expected to be at or above $400,000.

Mayor Rubin highlighted that the FY24 budget remained preliminary until the end of June. Ms. McLean confirmed that a public hearing would be held in June to amend the budget for FY24. Council Member Severini sought clarification on the reliance on the Capital Fund for covering shortfalls, emphasizing the need for a balanced budget in FY25 without further withdrawals from

this fund. Mayor Rubin noted the intention to propose a tax increase to close any revenue-expenditure gap rather than dipping into the Capital Fund again.

The discussion then shifted to the FY25 budget, which included a total spend increase of $250,000, raising the annual budget to approximately $2 million. The budget assumed no new revenue sources beyond approved subdivision growth. Significant expenditures included increased wages and salaries, professional services, additional staff costs due to infrastructure growth, and $75,000 for professional services related to the Ross Creek development. The budget also allocated $40,000 for improved communication capabilities and $50,000 for supporting matching grants, aimed at enhancing the Town's ability to secure funding.

Mayor Rubin emphasized the goal of a balanced budget for FY25, noting a projected $200,000 shortfall that could be addressed by a tax rate increase of approximately seventy five percent (75%). He noted that while a seventy five percent (75%) tax increase sounded significant, it represented a small portion of the overall tax bill due to other entities' shares. He emphasized this was a preliminary number.

Council Member Baier asked for clarification on the $75,000 budget for the Ross Creek development, which was explained as covering necessary costs like topological surveys and appraisals. Mayor Rubin reiterated the importance of these expenditures for attracting developers and facilitating the project.

The discussion then moved to the Enterprise Fund, with income expected to increase and a projected $4,000 shortfall. Mayor Rubin discussed plans to balance this budget, including the replacement of outdated water meters with new smart meters to improve water conservation and reduce resident issues with water bills. The possibility of using the Military Installation Development Authority (MIDA) funds to offset some budget expenses was mentioned, though these funds were not currently applied in the FY25 budget projections.

There being no further questions from Council, Mayor Rubin asked for clarification on the process for adopting the preliminary budget. Ms. McLean explained that the Council needed to adopt the tentative budget and set a time and place for the public hearing for the final budget adoption, suggesting a date in August due to truth in taxation requirements.

The discussion focused on scheduling the August meetings. Council Member Baier proposed having the Truth in Taxation Hearing at a reasonable hour, such as 6:00 or 7:00 pm, and starting the Regular Meeting earlier if needed. The Council agreed on setting the Truth in Taxation Hearing for 7:00 pm on August 8th, with the Regular Meeting potentially starting at 4:30 or 5:00 pm, depending on the agenda. Council Members discussed their availability and confirmed the plan, ensuring it would accommodate their schedules as well as public participation.

Mayor Rubin then asked for a motion to adopt the tentative budget for FY25 and set a date certain of August 8, 2024 at 7:00 pm for the Truth in Taxation Public Hearing.

Motion: Council Member Nadelberg moved to adopt the tentative budget for FY25 and set a date certain of August 8, 2024 at 7:00 pm for the Truth in Taxation Public Hearing to be held in person at Hideout Town Hall and electronically via Zoom. Council Member Severini made the second. Voting Yes: Council Member Baier, Council Member Gunn, Council Member Haselton, Council Member Nadelberg, and Council Member Severini. There were none opposed. The motion carried.

3. Discussion regarding designated code enforcement officers and procedure

Mayor Rubin asked Ms. McLean to brief the Council on the current code enforcement procedure. Ms. McLean explained that the Town utilized a Civil Code Enforcement Program, which was more user-friendly compared to criminal programs. The process involved issuing a notice of violation, describing the violation, listing fines, and providing a compliance deadline. Currently, Public Works employees were responsible for issuing notices, but this could be expanded to other town staff designated by the Mayor. The program's goal was to achieve at least eighty percent (80%) compliance.

Mayor Rubin added that during snow events, Public Works employees were often unavailable for code enforcement duties due to their primary responsibilities, such as plowing roads. He mentioned the potential hiring of additional staff to fill this gap. Council Member Baier expressed concern about unaddressed violations reported during the Jordanelle Cleanup Day and emphasized the need for year-round enforcement. She also highlighted issues with fireworks violations, noting that while these were civil matters, the Wasatch County Sheriff's Office could be involved if necessary.

Sheriff Rigby offered the assistance of the Sheriff's Office in enforcing fireworks regulations, and suggested coordination for specific high-risk periods. Council Member Severini proposed posting contractor violations on the Town’s website to increase transparency and deter repeat offenses. However, Mayor Rubin and others voiced concerns about the potential negative impact on contractors' reputations and suggested alternative methods for communicating violations.

Mayor Rubin mentioned the upcoming implementation of new software to streamline the citation process, making it easier for Public Works employees to issue and track violations. The Council discussed the possibility of training additional staff for code enforcement. Ms. McLean emphasized the need for utilizing town staff or contracted employees to avoid legal issues.

Ultimately, the Council agreed on the importance of effective communication and enforcement without creating neighborhood conflicts. They concluded by discussing the progress of training staff members in code enforcement tasks.

4. Presentation of a Thank You Letter offered from The Peace House of Park City

Mayor Rubin presented a thank you letter from The Peace House of Park City. The letter expressed gratitude for the Town's donation of one hundred (100) blankets on December 6, 2023, emphasizing the significant impact this contribution had on their programs and services for survivors of domestic violence and abuse. The Peace House highlighted their comprehensive care for survivors, including emergency shelter, safe housing, medical therapy, legal advocacy, case management, safety planning, and more. The organization provided over thirteen thousand (13,000) nights of emergency shelter and supported four hundred seventy (470) adults and children with various services, as well as one hundred twenty (120) individuals with sexual assault recovery services in 2023. The letter underscored that such support would not be possible without contributions like those from the Town and its residents.

Town Administrator Jan McCosh thanked the Community Engagement Committee for their excellent work on the blanket drive, which Mayor Rubin echoed. Mayor Rubin reflected on the sobering statistics shared by The Peace House regarding incidents of violence in the community, highlighting the critical and often unrecognized work of public responders and organizations like

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The Peace House. He encouraged continued support and awareness of these efforts to help those in need within the community.

5. Update of the fundraising efforts for Station 56

Council Member Baier highlighted a barbeque fundraiser event held, noting the presence of local media and a good turnout from the community. Council Member Baier, Council Member Gunn, and Wasatch Fire District Chief Eric Hales participated in a live interview on KPCW NewsHour the day before the barbeque to promote the event. During the barbeque, Chief Hales presented a concept study for the permanent station, which was well-received by the community and provided a tangible vision for the future. Council Member Haselton noted having the fire engine present was exciting and engaging for the residents. The barbecue was seen as a successful kickoff, contributing to the momentum of the fundraising efforts.

Council Member Gunn continued the update and outlined the fundraising goal of $200,000 to offset the costs incurred by the Town in establishing the temporary fire station. He emphasized the importance of the new station, which would significantly reduce response times for emergency services in the area, potentially saving lives. Thus far, $13,000 had been raised from about sixty (60) individual donors. The next steps involved reaching out to regional businesses, hosting additional public events, and engaging with the Homeowners Associations (HOAs) and developers to further the fundraising efforts. Council Member Severini added that showcasing the fire engine and engaging children and their parents in the community may be beneficial.

Council Member Nadelberg requested clarification on the rationale behind Hideout's fundraising efforts for a temporary fire station, given the recent approval by Wasatch County voters of a sales tax increase to fund emergency services. Council Member Baier explained that the recently implemented Emergency Medical Services (EMS) tax would not provide immediate funding for the fire station, which was why the Town's efforts were essential. The permanent station, to be funded by the EMS tax, was projected to be ready in three (3) years, thereby necessitating the establishment of a temporary station as an interim solution.

6. Consideration of approving Ordinance 2024-O-XX amending Hideout Municipal Code <u>1.16.060 Exemptions to Competitive Bidding Requirements</u>

This agenda item was not discussed and would be deferred to the June 2024 meeting.

V. <u>Continued Public Hearing</u>

1. Consideration of an amendment of the Master Development Agreement (MDA) for Deer Springs allowing short-term rentals in Phases 2B, 4, and 8

Mayor Rubin introduced a discussion regarding the amendment of the Master Development Agreement (MDA) for Deer Springs to allow short-term rentals in Phases 2B, 4, and 8. He invited Rob Sant, an Economic Development Consultant, to present the financial implications and potential impacts of this amendment.

Mr. Sant explained that he had developed an interactive financial model to analyze the benefits and revenues of permitting nightly rentals in specified phases of Deer Springs. The model allowed for the adjustment of assumptions and the examination of different revenue scenarios. He emphasized the importance of understanding how the resort community tax, sales tax, and transient room tax (TRT) would be affected.

Mr. Sant outlined four potential revenue streams in the model. The far-right column depicted the current scenario where Hideout received one hundred percent (100%) of the TRT after MIDA's ten percent (10%) administration fee. The first column showed the revenue Hideout would receive over a forty (40)-year period under the existing MIDA Interlocal Agreement. The second column included the property owner's offer to give the town thirty percent (30%) of the sales tax and resort community tax, while the third column reflected a proposal where the property owner would give their portion of thirty percent (30%) and MIDA would allocate their portion of thirty five percent (35%) to the Town. The last scenario demonstrated a significant increase in potential revenue if these amendments were approved.

To provide a clearer picture, Mr. Sant updated the daily rates and occupancy rates for different unit types in each phase. For example, townhomes were set at $150 per day, single-family homes at $400 per day, and a mix of both at $350 per day. He also adjusted the model to show that about 50% of the units in each phase would be used for nightly rentals.

Based on these assumptions, Sant presented the projected average annual revenues over a forty (40)-year period: approximately $95,000 per year under the current agreement, $123,000 if the property owner's percentage was included, and $140,000 if both the property owner's and MIDA's percentages were added.

Mr. Sant also addressed the potential costs and impacts of allowing nightly rentals. Quantitative data suggested slight increases in public safety and garbage services, which could be mitigated by adopting management standards. However, the more significant impacts were qualitative, affecting community cohesion and availability of long-term rental housing. He noted that other communities, like Park City, had experienced similar challenges, such as loss of seasonal housing and increased long-term rental prices.

Mr. Sant offered several recommendations to mitigate these impacts, which included adopting management standards for nightly rentals, requiring all such rentals to maintain business licenses, and considering a disproportionate cost of service license fee to address the higher costs associated with nightly rentals. This fee, implemented by communities like Brian Head, could help offset additional public safety and service expenses.

Council Member Gunn questioned the assumptions in Mr. Sant's financial model, specifically the projection that fifty percent (50%) of units would be rented thirty-five percent (35%) of the time. He expressed concern that these numbers seemed higher than current experiences in Klaim and Deer Springs Phase 1 and sought a benchmark or rationale for them.

Mayor Rubin clarified that the figures were starting points and emphasized the model's flexibility, allowing adjustments to see different impacts on revenue. Mr. Sant confirmed the model could be adjusted for occupancy rates and nightly rental percentages and mentioned Park City's higher occupancy rates as a benchmark.

Council Member Severini asked about the benefits of including all phases in the model. Mr. Sant confirmed the data included all phases, noting Phase 1 was already approved for nightly rentals. The proposal focused on Phases 2B, 4, and 8, but there was consideration of all phases.

Mayor Rubin suggested Thomas Eddington should present more details before the Council decided which phases to include, allowing for a more informed discussion.

Mr. Eddington recounted the series of meetings and decisions dating back to February 14, 2024 where the Hideout Planning Commission initially recommended only Phase 8 for short-term

rentals. During the Planning Commission meeting, the developer, Nate Brockbank, excluded Phase 2A from the request because several buyers of homes in Phase 2A stated they were not informed the homes would be considered for short-term rental use. Subsequent meetings had been held with the Town Council reviewing Phases 2B, 4, and 8, with additional financial analysis and public input requested.

Mr. Eddington highlighted the current proposal for all phases except Phase 2A, emphasizing a significant offer from the developer to dedicate water rights and $50,000 in funds which could be put towards the fire station.

Council Member Haselton inquired about the actual use of nightly rentals in Deer Springs Phase 1, leading to the revelation that eleven (11) out of forty-five (45) units had business licenses for such use. Mr. Brockbank explained the proposal to mandate the use of one of two specific management companies for future rentals to ensure compliance and proper management. The discussion emphasized the need for mechanisms to enforce regulations on current and future nightly rentals.

Mayor Rubin expressed support for nightly rentals to generate revenue for the Town, acknowledging the rising costs of Town operations. He urged the Council to make a decision to provide clarity for the developer and future residents. He noted the ongoing concerns about the impact of nightly rentals on the community and the need for robust management and enforcement.

Council Member Gunn asked for clarification that none of the areas under consideration had been sold or were under contract, which was a critical point for moving forward. Mr. Brockbank stated there were contracts in place only in Phase 2A, which was excluded from the proposal.

Council Member Baier expressed appreciation for Mr. Sant's model, noting it met her expectations and assumptions. She summarized the financial impact of the proposed phases, excluding Phase 2A, which would yield approximately $123,000 annually over forty (40) years. Mr. Sant clarified that without Phase 2A, the revenue would be between $84,000 and $140,000, depending on an amended MIDA agreement.

Council Member Baier highlighted the strategic position of the subdivision, located between the Jordanelle Parkway and the State Park, which was appealing for both winter and summer activities. With the ongoing expansion of Ross Creek, Mayflower, and Deer Valley, Council Member Baier saw this as a significant opportunity for Hideout, which was constrained by its geographic limitations, and voiced strong support for the proposal.

Council Member Nadelberg expressed opposition to nightly rentals, stating that no full-time constituents he had spoken to supported more of them. He mentioned that if such rentals were necessary, he would only support placing them in Phase 8 due to its separation by Jordanelle Parkway from the main community. Council Member Baier inquired why Phase 8 was singled out, to which Council Member Nadelberg explained that the road serves as a clear dividing line, isolating it from the existing Town.

Council Member Baier countered by suggesting that other roads, like the one leading to Ross Creek, also functioned as dividing lines and could similarly contain nightly rentals without affecting the main community. Council Member Nadelberg, however, remained firm that constituents did not want nightly rentals anywhere in the Town.

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Mayor Rubin raised a point about potential commercial development, including hotels, near the Ross Creek entrance. Mayor Rubin questioned if the opposition to nightly rentals would extend to hotels, which might offer better economic value while still involving nightly stays. Council Member Nadelberg argued that hotels were different as they contain activities and disturbances within a small area. He remained skeptical about the Ross Creek location's appeal for hoteliers. He reiterated that constituents preferred higher property taxes over the disruption of nightly rentals, valuing community integrity over potential financial gains.

Council Member Severini echoed the sentiments of opposition to nightly rentals shared by Council Member Nadelberg. Council Member Severini noted that surveys indicated a majority of residents opposed nightly rentals, with many constituents expressing they did not want such developments in their neighborhoods. He emphasized that the Town branded itself as a community without nightly rentals and raised concerns about changing MDA's and zoning regulations in response to slow sales, viewing it as a poor foundation for Town planning.

Council Member Severini acknowledged the potential for increased revenue but criticized the long-term economic projections as insufficient, likening them to trickle-down economics with minimal immediate financial benefits. He suggested that efforts would be better focused on planned developments like Ross Creek and the Salzman property, which could generate more substantial capital in a structured environment. However, he expressed a willingness to support the proposal if the water provision was increased to forty (40) acre-feet, indicating that addressing the Town's water issues could sway his vote in favor of the proposal.

Council Member Baier reminded the council of the $75,000 allocated for the development of Ross Creek and highlighted the contributions of Mr. Brockbank, who donated the Ross Creek area and a fire station site to the Town.

Council Member Haselton expressed concerns about the Town's ordinances and MDA's, noting that exceptions were starting to be made. Despite these concerns, Council Member Haselton emphasized the critical need for water rights, which was a pressing issue for the Town. Regarding the issue of nightly rentals, she acknowledged hearing from residents who opposed them but suggested that certain areas might be more suitable than others. She was concerned about existing homeowners and potential impacts on them. She indicated a desire to hear more before making a final decision but confirmed readiness to vote during this meeting.

Mr. Brockbank emphasized his commitment to Hideout and argued in favor of allowing nightly rentals to support local economic growth. He highlighted his efforts in developing Deer Springs and his willingness to contribute significant resources, including water rights valued at approximately $1.5 million and various tax benefits. Mr. Brockbank acknowledged the community's concerns but stressed the economic benefits of nightly rentals in attracting visitors who would spend money locally. He expressed frustration that some residents opposed the idea of nightly rentals while acknowledging potential compromise in areas like the Salzman property. Mr. Brockbank concluded by affirming his dedication to the Town's development and his willingness to make substantial concessions to support its growth.

Council Member Gunn expressed the complexity of his decision regarding nightly rentals in Hideout. He acknowledged the survey which indicated strong opposition to nightly rentals among residents but noted that individual conversations revealed a nuanced perspective, particularly concerning potential tax increases. He highlighted the absence of specific data on residents' willingness to accept tax hikes versus allowing nightly rentals, which complicated the decision-

making process. Expressing readiness to vote on the matter if a motion was proposed, he emphasized the importance of public input before reaching a final decision.

Mayor Rubin expressed personal support for nightly rentals based on positive personal experiences as a user, highlighting economic benefits to local businesses and community turnover. He emphasized the potential for generating revenue at the State Park through increased visitor activity facilitated by nightly rentals.

Council Member Baier advocated for considering the deal as advantageous for Hideout. Stressing the rarity of such opportunities and the potential benefits for the community's future, she urged the Council to view the proposal as a solid offer that could positively impact Hideout's development.

With these perspectives shared, at 9:01 pm Mayor Rubin opened the floor for public comment, encouraging further input before a decision would be made.

Joel Pieper, a resident of the Rustler community, voiced his support for allowing nightly rentals in the Deer Springs area. He clarified that while he initially opposed nightly rentals in his immediate community, he viewed Deer Springs as sufficiently distant from his residence to be suitable for such use. Mr. Pieper acknowledged the concerns surrounding Phase 2A and appreciated Mr. Brockbank's decision to withdraw it due to notification issues to buyers. He emphasized that had buyers been informed earlier, he believed the entire Deer Springs area would easily support nightly rentals. As a resident, Mr. Pieper expressed his approval for allowing nightly rentals in Deer Springs, contrary to some community sentiments against them.

Mayor Rubin noted that he had spoken with residents who viewed nightly rentals in Deer Springs as a logical addition to the community, seeing potential benefits rather than drawbacks. These residents believed that allowing nightly rentals could be a smart move that aligned with efforts to enhance revenue generation, not only from rentals but also from other commercial ventures. They saw opportunities for synergy and utilization of local spaces that could benefit both residents and visitors alike. Mayor Rubin emphasized that success in this endeavor could lead to broader community benefits and increased usage of local amenities by both residents and visitors.

There being no further comments from the public, Mayor Rubin closed public comment at 9:10 pm.

Council Member Gunn expressed conditional support for the proposal, outlining specific clarifications he would like to see in the MDA before voting. Firstly, he emphasized the need for clarity that the assignment of TRT and sales taxes continues indefinitely, even beyond the expiration of the amendment. Secondly, he proposed that the $50,000 allocation be flexible for use in any public safety or similar facility within Hideout, potentially including Temporary Station 56. Thirdly, he suggested that the areas authorized for nightly rentals should be subject to all town ordinances, ensuring that any future regulations would apply comprehensively. Council Member Gunn stressed that his intent was not to reserve the right to outlaw nightly rentals but to ensure that reasonable regulations could be applied if needed in the future. He requested feedback from Mr. Brockbank on whether these principles aligned with his understanding and agreement.

Ms. McLean brought up several points regarding the MDA. She noted that there were still some typos present in the document despite previous revisions. While acknowledging that these were non-substantive issues, she emphasized the importance of correcting them. Additionally, she

pointed out a change in the expiration date of the MDA, which she felt was an important detail for the Council to consider and discuss.

Ms. McLean raised a point about the timing of transferring water rights, which had been previously discussed. Mr. Brockbank responded by referencing the MDA, noting that it currently stipulated the transfer of $50,000 and water rights within sixty (60) days of execution. He offered to deliver the funds and water within thirty (30) days of execution indicating his preference for the shorter timeframe. Ms. McLean then suggested striking paragraph six from the agreement. Council Member Gunn confirmed this detail was satisfactory.

Mr. Eddington provided updates on the Third Amendment to the MDA, highlighting changes made in collaboration with Mr. Brockbank and reviewed by Ms. McLean.

These updates included:

1. Striking paragraph 6 Term of Agreement.
2. Adding the legal description as Exhibit A.
3. Clarifying language related to property management companies for homeowners, specifying that all individual homeowners except for those in Phase 1 would be required to use one of the two designated property management companies.
4. The dedication of the $50,000 a would go towards the construction of a fire station or other public facility or amenity located within the town boundaries.
5. The assignment of the resort community and sales tax revenue is in perpetuity and shall survive the termination of the MDA.
6. No Accessory Dwelling Units (ADUs) may have a nightly rental allowance.
7. All nightly rentals must be for a minimum period of two (2) consecutive days.
8. No more than six (6) unrelated persons may stay overnight in a single unit at any one time.
9. No more than two (2) automobiles are allowed to park on the property at any time.
10. All nightly rental contracts must include a copy of Hideout's trash, parking and noise ordinances and a "Good Neighbor Brochure" that summarized these requirements and what is expected of the renter. These documents must be clearly posted in the rental unit at all times.
11. The owner of the nightly rental unit agreed to allow the Wasatch County Health Department's designee and the Wasatch Fire Department's designee to conduct an annual walk-through inspection of each rental unit to ensure compliance with all Town health, safety and welfare requirements. This review will also include an assessment of local government and/or local service district responses to the property. If three (3) substantiated complaints (e.g. police, fire, or similar emergency management services) relative to a property within a 24-month period are confirmed, the nightly rental may be revoked for a period of up to one (1) year.

Mr. Eddington then presented an updated phasing plan and unit count for Phase 8, which had been approved by the Planning Commission. Proposed changes included:

1. A change from the originally proposed duplex/townhouse units to cottage units

2. Include a commercial pad with vertical buildout for tenant(s)
3. Include a clubhouse/community center with a swimming pool
4. Include two (2) affordable/workforce housing units

There was discussion about the minimum square footage for the commercial space, which was left unresolved pending further review. Mr. Brockbank expressed concerns about the feasibility of including workforce housing versus additional commercial space on the second floor. Council Members deliberated on the necessity of specifying these details in the MDA versus leaving them to future approvals. Ultimately, it was decided to focus on including essential uses like the commercial pad and clubhouse in the MDA, with specifics to be finalized at a later time.

There was a brief discussion regarding the process to amend the MIDA Interlocal Agreement. Mr. Sant clarified that Mr. Brockbank must draft a letter endorsing the proposed changes. This letter would then be submitted to MIDA Staff, requesting inclusion on the upcoming agenda for consideration.

There being no further comments or questions from Council, Mayor Rubin asked for a motion.

Motion: Council Member Baier made a motion to amend the Master Development Agreement for the Deer Springs Subdivision allowing short-term/nightly rentals in all phases except Phase 2A with the changes to the MDA as described. Council Member Gunn made the second. Voting Yes: Council Member Baier, Council Member Gunn, and Council Member Haselton. Voting No: Council Member Nadelberg and Council Member Severini. The motion carried 3-2.

Council Member Haselton expressed gratitude to Mr. Brockbank for his support as a developer in Hideout. Council Member Severini followed, emphasizing Mr. Brockbank's positive impact while suggesting room for improvement in future approaches. Mr. Brockbank responded, expressing appreciation for the collaborative governance process and committed to continuing his dedicated work in Hideout. Mayor Rubin concluded by thanking everyone involved, particularly recognizing the efforts of Mr. Sant throughout the deliberations.

VI. <u>Committee Updates</u>

1. Planning Commission - *Planning Commissioner Joel Pieper*

Planning Commissioner Joel Pieper provided a brief report. He noted that no new projects were on the agenda last month, so no meeting took place. The next scheduled meeting was set for Thursday, May 16th, at 6:00 pm. On the agenda for the upcoming meeting were discussions about relocating a driveway in Reflection Ridge and possibly addressing zoning ordinances related to hot tubs, spas, and swimming pools. Mayor Rubin thanked Commissioner Pieper for his update and expressed appreciation for his presence at the meeting.

2. Economic Development Committee - *Council Member Severini*

Council Member Severini highlighted several recent activities. He noted the addition of Tim Dora, a new member of the EDC who was a hotel owner and developer actively involved in efforts to attract hotels to the Town. Mr. Dora had agreed to sign the non-disclosure and sensitive

information forms, indicating his commitment to contributing ideas and insights for hotel development.

Council Member Severini also mentioned meetings with David and Daniel Salzman to discuss the evolution of their property post-Bloom, emphasizing their goals which mirrored previous development ambitions. He praised the Salzman's for their constructive engagement and discussed ongoing discussions with Dave Cummings regarding development in the Jordanelle area near Heber.

Looking ahead, Council Member Severini identified Ross Creek and the Salzman property as key focus areas for commercial and mixed-use development efforts. Ms. McCosh confirmed the summary and acknowledged the ongoing work ahead for the Committee.

Mayor Rubin clarified that the Bloom project was no longer viable and emphasized the need to refer to the Salzman property accurately moving forward.

3. Design Review Committee - *Town Planner Thomas Eddington*

Mr. Eddington reported that while there were no significant new projects to review over the past month, the Committee was beginning to engage with developers on landscaping matters. Specifically, they were addressing concerns regarding native grasses and exploring ways to supplement and enhance landscaping efforts. This proactive approach reflected the Committee's focus on ensuring aesthetic and environmental considerations aligned with community expectations and project requirements.

4. Parks, Open Space and Trails (POST) Committee - *Council Member Baier*

Council Member Baier shared exciting news that the Utah Outdoor Recreation Grant had been approved for the Ross Creek project, securing approximately $35,000 towards a total project cost estimated at $150,000. The project, which included significant in-kind contributions from the State Park, would involve constructing a new one-mile trail connecting a parking lot to the perimeter trail. This trail aimed to redirect pedestrian traffic away from roadways within the State Park, which would enhance safety and accessibility. Additionally, the project addressed environmental concerns such as water flow disruptions caused by previous construction activities from Shoreline to Lakeview. The Committee expressed gratitude for the collaborative effort and highlighted ongoing efforts to secure additional funding through grants to offset the Town's financial commitment.

5. Transportation Committee - *Council Member Haselton*

Council Member Haselton provided details on the spring, summer, and fall schedule for the Richardson Flat bus service. The service, now running with the original silver bus, operated every 40 minutes starting at 6:45 am from Richardson Flat. The last bus departed at 7:45 pm from both Richardson Flat and Old Town Transit Center. It included three (3) mid-route stops and was not an express service. Council Member Haselton noted that there were currently no updates available from High Valley Transit.

DRAFT

VII. Approval of Council Minutes

1. March 6, 2024 Town Council Meeting Minutes DRAFT

Council Member Haselton noted a typo on page 2, line 40, changing "and" to "an".

Motion: Council Member Haselton moved to approve the March 6, 2024 Town Council Meeting Minutes with the aforementioned correction. Council Member Gunn made the second. Voting Yes: Council Member Baier, Council Member Gunn, Council Member Nadelberg, and Council Member Severini. Abstaining from voting: Council Member Haselton. There were none opposed. The motion carried.

VIII. Follow up of Items from Approved Minutes

There were no follow up items from the approved minutes.

IX. Closed Executive Session - Discussion of pending or reasonably imminent litigation, personnel matters, and/or sale or acquisition of real property as needed

Council Member Baier indicated she would like to discuss pending litigation. Therefore, Mayor Rubin asked for a motion to adjourn the public meeting and move into a closed Executive Session.

Motion: Council Member Gunn moved to adjourn the public meeting and reconvene in a closed Executive Session to discuss pending litigation. Council Member Severini made the second. Voting Yes: Council Member Baier, Council Member Gunn, Council Member Haselton, Council Member Nadelberg, and Council Member Severini. There were none opposed. The motion carried.

The Regular Meeting adjourned at 10:01 pm.

Mayor Rubin called the Executive Session to order at 10:10 pm.

Present: Mayor Phil Rubin

Attending Remotely: Council Member Chris Baier
Council Member Jonathan Gunn
Council Member Carol Haselton
Council Member Bob Nadelberg
Council Member Ralph Severini

Staff Attending Remotely: Town Attorney Polly McLean

X. Meeting Adjournment

Motion: Council Member Gunn moved to adjourn the Executive Session. Council Member Baier made the second. Voting Yes: Council Member Baier, Council Member Gunn, Council Member Haselton, Council Member Nadelberg, and Council Member Severini. There were none opposed. The motion carried.

DRAFT

The meeting adjourned at 10:57 pm.

_____

Alicia Fairbourne, Recorder for Hideout

DRAFT

File Attachments for Item:

1. Discussion and possible approval for amendments to Hideout Municipal Code Chapter 10.08, including, but not limited to, placement of hot tubs as in 10.08.08.15

Staff Report to Town Council for Revisions to Zoning Ordinance

To: Mayor Philip Rubin
Hideout Town Council

From: Thomas Eddington Jr., AICP, ASLA
Town Planner

Re: Update - Revisions to Zoning Ordinance

Date: July 11, 2024 Town Council Meeting

Background

The Planning Commission, on February 26, 2024, reviewed and favorably recommended several Zoning Ordinance revisions and new language for inclusion in the ordinance. The Town Council adopted these zoning code revisions on February 28, 2024.

One section of new language addressed hot tubs as well as pools and fencing. It has been brought to our attention that the language prohibiting hot tubs in the front yard should be more definitive since some existing homes have a hot tub in the front yard - on the second level on a deck or balcony. The following revisions, in red, are recommended so that these hot tubs do not fall into the category of 'existing non-conforming' uses. The update to setbacks is to allow hot tubs in rear yards that may have houses built to the rear setback limits which, with the previous language, would prohibit those homeowners from locating a hot tub in the rear yard.

At the Town Council's June 13th meeting, some public input was provided relative to:

- Structural integrity for the decks supporting hot tubs.
- The possibility of a building permit requirement for hot tubs, swim spas, and swimming pools.
- Locating hot tubs on condo lots with limited buildable area and/or immediately surrounding common area.

The following includes recommended revisions to address these issues:

10.08.08.15 Hot Tubs, Swim Spas, and Swimming Pools

A. A building permit must be obtained from the Town of Hideout prior to the installation of all hot tubs, swim spas, and swimming pools.

B. All hot tubs, swim spas, and swimming pools, inground and above-ground, must meet the following setback and screening requirements:

1. Hot tubs must be located in the rear yard unless as provided for herein. No hot tubs, swim spas, ~~and~~ or swimming pools are allowed in the front yard or side yards of any structure unless situated on an upper-story deck or balcony that is integral to the building's architecture and built to structural standards to support the proposed hot tub. ~~They must be located in the rear yard only.~~
2. All hot tubs, swim spas, and swimming pools must meet a minimum 5'-0" rear and side yard setbacks, or a minimum of 50% of all side and rear yard setbacks, whichever is greater. ~~building setbacks as required in the applicable zoning district.~~
    a. If a property owner has a lot with limited or zero-lot line setbacks (e.g., no setbacks and/or the residential structure is built to the property lines), a hot tub may be located up to the rear or side yard lot line, or "limited common area" lot line, subject to a minimum 10'-0" setback from any adjacent residential unit or structure.
    b. If a property owner has a lot with limited or zero-lot line setbacks (e.g., no setbacks and/or the residential structure is built to the property lines) and receives approval from their respective HOA Board of Directors to locate their hot tub in the HOA's "common area," a hot tub may be located in that location subject to a minimum 10'-0" setback from any adjacent residential unit or structure.
3. All swimming pools must have a fence of at least six (6') feet high surrounding the complete perimeter of the pool. Utah law (Utah Office of Administrative Rules) specifies that this fence "may not permit a sphere greater than 4 inches" through any part of the fence. The door for the gate must be self-closing, self-latching, and require a key, electronic sensor, or combination to be opened. Chain link fencing is not a permitted fence type; any fencing must be decorative in terms of material and design. The fence must be approved by the Town Planner and meet the Town's Development Standards. ~~and Design Guidelines.~~

Recommendation

The Planning Commission reviewed the language and, in a split vote, favorably recommended these Zoning Ordinance updates to the Town Council (see draft minutes below). The Town Council should consider adopting the proposed/revised zoning language regarding hot tubs including the new language updated as a result of the public input received at the June 13, 2024 Town Council public hearing.

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2. **Discussion and possible recommendation to the Hideout Town Council for amendments to Hideout Municipal Code Chapter 10.08, including, but not limited to, placement of hot tubs as in 10.08.08.15**

Mr. Eddington reviewed this item which had been included in the zoning ordinance discussed at the February Planning Commission meeting and subsequently adopted by the Town Council. He noted one item had been identified for correction regarding locations of hot tubs being prohibited in the fronts of homes. The designs of some of the homes in Deer Waters and Lakeview Estates included second story front facing balconies with hot tubs already installed.

Mr. Eddington suggested the code language should be revised to allow for hot tubs on upper-level balconies or decks, however not on street level decks or in front yards. In response to a question from Commissioner Ginsberg, Mr. Eddington noted that HOA requirements may be stricter than the Town code. It was discussed that any existing hot tubs would be grandfathered if the revised language was adopted.

There being no further questions from the Planning Commissioners, the public hearing was opened at 6:43 PM. There was no public comment, and the public hearing was closed at 6:44 PM.

Further discussion ensued among the Planning Commissioners regarding whether lattice or other types of privacy screens on front balconies was appropriate, noting the preference for hot tub locations to take advantage of the Town's mountain and water views, preferences to avoid locating hot tubs at street level, and acknowledging the fact that some homes were designed with only front facing locations for such use. Commissioner Joel Pieper noted he was not comfortable with hot tubs being in the line of site from the street.

Motion: Commissioner Ginsberg moved to make a positive recommendation to the Hideout Town Council for amendments to Hideout Municipal Code Chapter 10.08, including, but not limited to, placement of hot tubs as in 10.08.08.15. Commissioner Turner made the second. Voting Yes: Commissioner Ginsberg, Commissioner Tihansky and Commissioner Turner. Voting No: Chair Matyszczyk and Commissioner Pieper. Absent from Voting: Commissioner Cooper. The motion carried.

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TOWN OF HIDEOUT

ORDINANCE 2024-O-XX

AN ORDINANCE AMENDING CHAPTER 10.08 SETBACKS RELATED HOT TUBS IN THE HIDEOUT MUNICIPAL CODE

WHEREAS, the Council of the Town of Hideout recognizes the importance of regulating the placement hot tubs, swim spas, and swimming pools within the city limits for the protection and well-being of residents and visitors; and

WHEREAS, the Council finds it necessary to assign setback requirements for hot tubs, swim spas, and swimming pools to ensure compatibility with the surrounding environment and to maintain the aesthetic quality of residential areas; and

WHEREAS, Council wishes to allow hot tubs to be located on upper decks or balconies even if within the front yard;

Now, Therefore, be it Ordained by the Council of the Town of Hideout, State of Utah:

Section I: Amendment. Chapter 10.08 "Hot Tubs, Swim Spas, and Swimming Pools" is hereby amended as redlined (Exhibit A).

Section II. Effective Date: This ordinance shall become effective upon publication as required by law.

Passed and Adopted by the Town Council of Hideout, Utah, this _____ day of _____, in the year 2024.

TOWN OF HIDEOUT

_____
Philip J. Rubin, Mayor

ATTEST:

_____
Alicia Fairbourne, Recorder for Hideout

Exhibit A
Revised Zoning Ordinance Language

10.08.08.15 Hot Tubs, Swim Spas, and Swimming Pools

A. A building permit must be obtained from the Town of Hideout prior to the installation of all hot tubs, swim spas, and swimming pools.

B. All hot tubs, swim spas, and swimming pools, inground and above-ground, must meet the following setback and screening requirements:

- Hot tubs must be located in the rear yard unless as provided for herein. No hot tubs, swim spas, ~~and~~ or swimming pools are allowed in the front yard or side yards of any structure unless situated on an upper-story deck or balcony that is integral to the building's architecture and built to structural standards to support the proposed hot tub. ~~They must be located in the rear yard only.~~
- All hot tubs, swim spas, and swimming pools must meet a minimum 5'-0" rear and side yard setbacks, or a minimum of 50% of all side and rear yard setbacks, whichever is greater. ~~building setbacks as required in the applicable zoning district.~~
  - If a property owner has a lot with limited or zero-lot line setbacks (e.g., no setbacks and/or the residential structure is built to the property lines), a hot tub may be located up to the rear or side yard lot line, or "limited common area" lot line, subject to a minimum 10'-0" setback from any adjacent residential unit or structure.
  - If a property owner has a lot with limited or zero-lot line setbacks (e.g., no setbacks and/or the residential structure is built to the property lines) and receives approval from their respective HOA Board of Directors to locate their hot tub in the HOA's "common area," a hot tub may be located in that location subject to a minimum 10'-0" setback from any adjacent residential unit or structure.
- All swimming pools must have a fence of at least six (6') feet high surrounding the complete perimeter of the pool. Utah law (Utah Office of Administrative Rules) specifies that this fence "may not permit a sphere greater than 4 inches" through any part of the fence. The door for the gate must be self-closing, self-latching, and require a key, electronic sensor, or combination to be opened. Chain link fencing is not a permitted fence type; any fencing must be decorative in terms of material and design. The fence must be approved by the Town Planner and meet the Town's Development Standards. ~~and Design Guidelines.~~

File Attachments for Item:

1. Discussion and consideration of adopting Ordinance 2024-O-XX amending sections of the Hideout code updating sections in Chapter 1.16 Purchasing

To: Mayor and Council

From: Polly McLean, Town Attorney
Cameron Platt, Assistant Town Attorney

Date: June 7, 2024 (Council Meeting on June 13, 2024)

Re: Staff Report on Procurement Policy (Chapter 1.16 of the Hideout Municipal Code)

Council briefly discussed updating the procurement chapter in its April Council meeting. Below include the information provided at that meeting as well as some additional information and recommendations. The Code includes definitions specific to this Chapter. The Code appoints the Mayor as the finance officer.

Purchase Approval amounts:

The current code has the following amounts:

1. Purchase up to one thousand five hundred dollars ($1,500.00) may be authorized and must have the approval of the town clerk. **Recommend raising to up to $5,000**
2. Purchase of up to five thousand dollars ($5,000.00) may be authorized and must have the approval of the town engineer or town administrator. **Recommend raising to up to $25,000 and remove engineer since a contract position.**
3. Purchase up to fifteen thousand dollars ($15,000.00) may be authorized and must have the approval of the mayor. **Recommend raising to up to $50,000**
4. Purchase over fifteen thousand dollars ($15,000.00) may be authorized and must have the approval of the town council. **Recommend raising to over $50,000**

- In a review of other entities (Heber City, Park City, Brian Head, Brighton, and Alta), the amounts the other entities delegate are quite a bit higher. For example, Heber City allows for the City Manager to approve up to $50,000. Many municipalities allow the Purchasing Agent (often the Town Clerk, Town Administrator or Mayor) to approve up to a threshold and then otherwise it goes to the Council for approval. That amount ranges from $15,000 (template for districts procurement) to $25,000 (Brian Head, Alta, State Auditor Template Suggestion) to $50,000 (Heber City) to $100,000 (Park City). Ivins breaks it down to department head up to $7,500, city manager up to $15,000 and up if routine, and City Council if not-routine and over $15,000 (Routine expenses such as payroll, utility bills and, payment for previously approved leases, contracts, professional services and maintenance of city equipment and property.)
- Hideout has not designated any one person to be the purchasing agent but instead has several different people who can approve based on the amount of the Purchase.
- Having higher limits allows the staff and Mayor to enter into agreements as they come up and avoid the need to wait to enter into contracts or call special meetings.
- I would also recommend amending this section to include authorization for purchases and services and make the language mandatory. That includes amending this section to include services and making the authorization mandatory. (For example, "Purchase <u>or services</u> over

fifty thousand dollars ($50,000.00) shall be authorized and must have the approval of the town council")

- This section applies to all purchasing in Chapter 1.16.
- Added a section prohibiting amounts to be subdivided to get around thresholds.
- Added section to address change orders. See 1.16.045

  A. Change orders may be approved by the person in the amounts indicated above, provided the total contract price, including the change order, is within the original budget amount.

  B. If the Change Order increases the amount so that another level of approval is required, that approval shall be sought.

  C. The Mayor or Designee shall provide a full and complete accounting and description to the Council for any change order or series of change orders with respect to a project that is over $20,000, or for competitive bids, 20% of the original amount. If a competitive bid change order exceeds $50,000, Council must approve the change order.
- **Recommendation**: The Council should consider raising the threshold for when they see purchases to a higher amount, include service and that threshold amounts should match other thresholds in the chapter to be consistent with one another.

1.16.040 CONTRACT, PURCHASE AND SERVICE APPROVAL REQUIREMENTS

1. Contract, ~~P~~purchase or service up to ~~one thousand five hundred dollars ($1,500.00)~~ five thousand dollars ($5,000) ~~may~~ shall be authorized and must have the approval of the town clerk.
2. Contract, purchase or service ~~Purchase~~ of up to ~~five thousand dollars ($5,000.00)~~ twenty-five thousand dollars ($25,000) ~~may~~ shall be authorized and must have the approval of the ~~town engineer or~~ town administrator.
3. Contract, purchase or service~~Purchase~~ up to ~~fifteen thousand dollars ($15,000.00~~) fifty-thousand dollars ($50,000) ~~may~~ shall be authorized and must have the approval of the mayor.
4. Contract, purchase or service ~~Purchase~~ over ~~fifteen thousand dollars ($15,000.00)~~ fifty-thousand dollars ($50,000) ~~may~~ shall be authorized and must have the approval of the town council. Purchases allocated as part of the budget have received Council approval through the budget process.

Competitive Bid Amounts:

Competitive Bids are required for work, materials or services where price is the determining factor. The types of items that would fall in this category would be construction projects, road work, equipment or supplies. This ensures that the Town is getting the work from the lowest responsible bidder. Currently our code requires the following:

Under $1,000 – not required **(Recommend under $5,000)**
$1,000-$10,000 – 3 quotations should be solicited **(Recommend from $5,000 to $50,000)**
Over $10,000 – competitive bid process required **(Recommend over $50,000)**

Review of other entities shows the following trends:

Requirement	Amount	Entity
No bid required	$500	Districts Template
	$1,000	Ivins
	$2,500	Brighton,
	$4,000	Heber City
	$5,000	Alta, SLVLESA (police district)
	$25,000	Brian Head
Two or Three Quotes	$500-$50,000	Districts Template
	$2,500-5,000	Brighton
	$4,000-$100,000	Heber City
	$5,000- $25,000	Alta
	$5,000-$20,000	SLVLESA
Competitive Bid Process	Over $5,000	Brighton
	Over $15,000	Auditor Template Suggestion
	Over $20,000	SLVLESA
	Over $25,000	Brian Head, Alta
	Over $50,000	District Template
	Over $100,000	Heber City

Based on this sample, **staff recommends over $5,000 for needing price quotations and over $50,000 for competitive bids.** Having these numbers also matches the thresholds for purchasing/services and would have the award of the bid be granted by the Council.

The code for an unknown reason puts the requirements for competitive bids for building improvements and public work projects, which is set by State law, in the section for Prohibited Acts (1.16.070). Staff has moved these sections to a new section next to the competitive bidding section. A sub-section to allow design build projects pursuant to State law has also been added.

Exemptions to Competitive Bidding/Purchase not requiring Sealed Bids: There are situations where the Town is ensured that the amount of the Contract will be the lowest price or that there is a unique situation related to contract where a lower price would not be available. The following language adds specialized contracts, sole sources and public agency procurement.

1. **(replace generally) Specialized Contracts** which are not adapted to award by competitive bidding or proposals, such as 1) contracts for additions to, repairs and

maintenance of equipment owned by the Town, which may be more efficiently done by a certain person or firm; 2) contracts for a particular brand of equipment or product which is uniquely suited to the town's needs by reason of training of its personnel or compatibility with existing equipment or to assure standardization or a continuation of supplies or services, or 3) contracts for the purchase of used equipment or items that are unique as to quality, condition and price.

2. Sole Source
   Purchases made from a single-source provider. The Purchasing Agent may procure from a sole source when after conducting a good faith review of available sources, determines that no other sources are reasonably available, or that competition would be unlikely to produce other acceptable offers. The Purchasing Agent shall put that determination in writing for the file.
3. Auctions
   Auction, Closeout, Bankruptcy Sales: The Purchasing Agent may determine that supplies, materials, or equipment can be purchased at any public auction, closeout sale, bankruptcy sale or similar sale and that it will be at or below the market cost in the community.
4. State Procurement
   Purchases made through the cooperative purchasing contracts administered by the State Division of Purchasing, or any other public agencies of the state, shall not require bids or quotes of any type.
5. Emergency
   Emergency Procurements. The Purchasing Agent, the Mayor or designee may make emergency procurements when there exists a threat to public health, safety and welfare or circumstances which place the city or its officers and agents in a position of serious legal liability; provided that such emergency procurements shall be made with such competition as is practicable under the circumstances. A written determination of the basis for the emergency and for the selection of the contractor shall be included in the contract file. The Council shall be notified of any emergency contract which would have normally required their approval at the next regularly scheduled council meeting. Emergency procurements shall be limited to those supplies, services, or construction items necessary to meet the emergency.

Professional Services Professional Services is another type of service that is exempt from competitive bidding. It has been put into its own section. Request for Proposals shall be used for Professional Services estimated to be over $50,000. This matches the threshold where competitive bids are required. Because the amount has been increased, it is recommended to remove the fiscal year qualifier to the amount. In a review of other jurisdictions, some except professional services from any RFP process, others only require a RFP when over $50,000. For uniformity, it would make sense for the RFP threshold to match that of the competitive bidding. Council approval amounts are now uniform for all contracts and purchasing.

A. Procurement of Professional Services: The procurement of professional services shall be based upon qualifications and shall be secured ~~on a competitive basis to the maximum practical extent except as noted below:~~

Amount Of Contract	Request For Proposals
Up to $50,000~~10,000.00 per fiscal year~~	No RFP is required; competitive quotes recommended
Over $50,000~~10,000.00 in one fiscal year~~	Formal request for proposals required

B. ~~The town council shall approve the award of contracts for professional services exceeding fifteen thousand dollars ($15,000) in any single fiscal year.~~ Awards shall be made to the individual or firm whose proposal is determined to be the most advantageous to the town, taking into consideration price and the evaluation factors set forth in the request for proposals.

TOWN OF HIDEOUT

ORDINANCE #2024 – O-_____

AN ORDINANCE AMENDING SECTIONS OF THE HIDEOUT CODE UPDATING SECTIONS IN CHAPTER 1.16 PURCHASING

WHEREAS, Town Council wishes to update its code related to its purchasing chapter;

WHEREAS, the Council desires to maintain the most efficient process possible for procurement of services, supplies and equipment while balancing oversight by the administrator, the mayor or the council; and

WHEREAS, after careful consideration, the Council has determined that it is in the best interest of the health, safety and welfare of the citizens to update the policy regarding procurement quotation requirements, competitive bid requirements, and removing council approval for requests for proposals and competitive bid openings;

WHEREAS, after careful consideration, the Council has determined that it is in the best interest of the health, safety and welfare of the citizens to update the policy regarding procurement of services, supplies and equipment.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF HIDEOUT, UTAH, THAT:

SECTION I: Amendment. Chapter 1.16 Purchasing is hereby amended as redlined in Exhibit A.

SECTION II: Effective Date. This Ordinance shall take effect upon publication.

PASSED AND ADOPTED by the Town Council of Hideout, Utah, this ___ day of _____ in the year 2024.

TOWN OF HIDEOUT

_____

Phil Rubin, Mayor

ATTEST:

_____

Alicia Fairbourne, Recorder for the Town of Hideout

Exhibit A

1.16 PURCHASING

1.16.010 DEFINITIONS - PURCHASING

Unless the context requires otherwise, the terms as used in this chapter, or in the rules and regulations adopted pursuant to this chapter, shall have the following meaning:

ADEQUATE APPROPRIATION BALANCES: Sufficient fund balance which must exist in the line item appropriation of the account number against which the purchase order is charged

BIDDING: Procedure used to solicit quotations on price and delivery from various prospective suppliers of supplies, equipments and contractual services.

CONTRACTUAL SERVICES: Forecasts of future requirements of supplies, equipment of contractual services submitted by town departments upon request of the mayor or his designee.

LOCAL BIDDER: A firm or individual who regularly maintains a place of business and transacts business in, or maintains an inventory of merchandise for sale in, or is licensed by or pays sales to, the town.

PROFESSIONAL SERVICES : Professional and other skilled services such as auditing, architecture, engineering, surveying, appraisals, legal service, or counseling, sought or obtained from sources other than regular city employees.

PUBLIC PROPERTY: Any item of real or personal property owned by the town.

RESPONSIBLE BID: An offer, submitted by a responsible bidder, to furnish supplies, equipment or contractual services in conformity with the specifications, delivery terms, conditions and other requirements included in the invitation for bids.

RESPONSIBLE BIDDER: A bidder who submits a responsible bid; a bidder who has furnished, when requested, information and data to prove that his financial resources, production or service facilities, service reputation and experience are adequate to make satisfactory delivery of supplies, equipment or contractual services on which he bids; and a bidder who has not violated or attempted to violate any provision of this chapter.

SUPPLIES, MATERIALS: Any and all articles or things which shall be furnished to or used by any town department.

TOWN PURCHASE ORDERS: Official documents used in committing town funds toward the purchase of supplies, equipment and contractual services.

TOWN REQUISITIONS: Standard forms used by departments providing detailed information as to quantity, description, estimated price, recommended supplier and signature authorization for requested purchases.

1.16.020 FINANCE OFFICER

The mayor is hereby appointed the finance officer of the town, and is authorized to exercise the powers conferred upon such finance officer as specified in Utah Code Annotated, as amended, as follows:

1. Authority: The mayor is hereby authorized to:
    1. Approve any payroll checks prepared for an authorized town employee hired in accordance with personnel policies established by town ordinance or resolution. The amount paid to any such authorized employee shall also be in agreement to be specific salary assigned to such employee pursuant to a salary schedule adopted by the governing body or a salary amount assigned by ordinance of the town council.
    2. Give final approval to all claims submitted for the payment of routine expenditures, such as utility bills, payroll related expenses, supplies and materials, which were purchased according to authorized purchasing procedures established by ordinance or resolution.
    3. Give final approval to all claims submitted for capital purchases which were made pursuant to established purchasing procedures, referenced in the budget document and approved by an appropriate resolution adopted for the current fiscal year budget.
2. Restrictions: The above approval authority delegated to the mayor is hereby subject to the following restrictions:
    1. No claim may be approved by the mayor which is not within the duly and legally adopted budget.
    2. No claim may be approved which was not made in accordance with personnel and purchasing procedures established by ordinance or resolution.
3. Verified Claims: The above authorization shall not prevent the governing body from approving all or part of a list of verified claims, including a specific claim in an amount in excess of the stated maximum, where certified by the finance officer.
4. Pre-audit Required: The town clerk shall pre-audit all claims pursuant to state statute requirements and shall not disburse any payments without appropriate approval. Procedures shall be established whereby documented approval is obtained as authorized by this chapter.

1.16.030 REQUISITIONS AND ESTIMATES

All persons responsible for a department in the town shall file with the town clerk, detailed requisitions or estimates of their requirements in supplies and contractual services in such a manner, at such times and for such future periods as the mayor and/or town council shall prescribe.

1.16.035 PROHIBITION AGAINST SPLITTING OR SUBDIVIDING

No contract or purchase shall be split or subdivided so as to avoid the requirements of this chapter.

1.16.040 CONTRACT, PURCHASE AND SERVICE APPROVAL REQUIREMENTS

1. Contract, ~~P~~purchase or service up to ~~one thousand five hundred dollars ($1,500.00)~~ five thousand dollars ($5,000) ~~may~~ shall be authorized and must have the approval of the town clerk.
2. Contract, purchase or service ~~Purchase~~ of up to ~~five thousand dollars ($5,000.00)~~ twenty-five thousand dollars ($25,000) ~~may~~ shall be authorized and must have the approval of the ~~town engineer or~~ town administrator.
3. Contract, purchase or service~~Purchase~~ up to ~~fifteen thousand dollars ($15,000.00~~) fifty-thousand dollars ($50,000) ~~may~~ shall be authorized and must have the approval of the mayor.
4. Contract, purchase or service ~~Purchase~~ over ~~fifteen thousand dollars ($15,000.00)~~ fifty-thousand dollars ($50,000) ~~may~~ shall be authorized and must have the approval of the town council. Purchases allocated as part of the budget have received Council approval through the budget process.

1.16.045 CHANGE ORDERS.

A. Change orders may be approved by the person in the amounts indicated above, provided the total contract price, including the change order, is within the original budget amount.

B. If the Change Order increases the amount so that another level of approval is required, that approval shall be sought.

C. The Mayor or Designee shall provide a full and complete accounting and description to the Council for any change order or series of change orders with respect to a project that are over $20,000 , or for competitive bids, 20% of the original amount. If a competitive bid change order, exceeds $50,000, Council must approve the change order.

1.16.050 COMPETITIVE (SEALED) BID OR QUOTATION REQUIREMENTS

A. Specified

Purchase of up to ~~$1000.00~~ $5,000	No competitive price quotations are required.
Purchase from $~~1000.00 to $10,000.00~~ $5,000 to $50,000	Informal price quotations shall be obtained prior to purchase. It shall be the responsibility of each department to obtain said quotations. Quotations shall be recorded on an “Informal competitive price quotation record”. At least three (3) quotations should be solicited if possible.
Purchases over $~~10000.00~~ $50,000	Formal sealed bids must be obtained prior to purchase. Requests for formal bids shall be submitted to the town clerk. ~~The request must receive town council approval prior to the town clerk sending out notice for “formal invitation to bid”.~~ Sealed bids shall be submitted as designed in the notice with the statement “bid for (item)” on the envelope. Bids shall be opened in public at the time and place stated in the public notice. ~~A tabulation of all~~

	~~bids received shall be open for public inspection during the regular business hours for a period of not less than 30 days after the bid opening~~.

B. Rejection of Bids: In its discretion, the town council may reject, without cause, any/all bids presented, and re-advertise for bids pursuant to the procedure hereinafter prescribed.

C. Award of Contracts: Except as otherwise provided herein, contracts shall be awarded by the town council to the lowest responsible bidder, except that in the event the Town Council, as part of its review and approval of the town budget, has approved a specific line item appropriation for the supplies or services, the contract may be awarded by the Town Administrator, regardless of amount, as long as the approved line item appropriation is not exceeded. In such event, the Town Administrator shall follow applicable bidding requirements before award of the bid.

~~C.~~D. In determining "lowest responsible bidder", in addition to price, the town council shall consider:

1. The ability, capacity and skill of the bidder to perform the contract or provide the service required;
2. Whether the bidder can perform the contract or provide the service promptly, or within the time specified, without delay or interference;
3. The character, integrity, reputation, judgment, experience and efficiency of the bidder;
4. The quality of performance of previous contracts or services;
5. The previous and existing compliance by the bidder with laws and ordinances relating to the contract or service;
6. The sufficiency of the financial resources and the ability of the contract to provide the service;
7. The quality, availability and adaptability of the supplies or contractual services to the particular use required;
8. The ability of the bidder to provide future maintenance and service for the use of the subject of the contract.

~~D.~~E. Award To Other Than Lowest Bidder: When the award is not given to the lowest bidder, a full and complete statement of the reasons for placing the order elsewhere shall be prepared by the town clerk as directed by the mayor and filed with the other papers relating to the transaction.

~~E.~~F. Tie Bids: If two (2) or more bids received are for the same total amount or unit price, quality and service being equal, the town council shall re-advertise for bids unless the matter is otherwise resolved without controversy.

~~F.~~G. Performance Bonds: Before entering a contract, the town council shall have the authority to require a performance bond in such amount as it shall find necessary to protect the best

interests of the town. The form and amount of said bond shall be described in the notice inviting bids.

1.16.055 BUILDING IMPROVEMENT OR PUBLIC WORKS PROJECTS AND DESIGN-BUILD SERVICES:

A. Notwithstanding the requirements stated above, if the estimated cost of a building improvement, public works project, or road project exceeds the bid limit (all as defined in UTAH CODE ANN. § 11-39-101, et seq. and UTAH CODE ANN. § 72-6-108 and 109), the City shall request bids as required in UTAH CODE ANN. § 11-39-101, et seq

B. BID LIMIT: The estimated dollar cost of a building improvement or public works project which, if exceeded, requires bids to be requested for the project. The bid limit is as follows:

1. For a building improvement:

a. For the year 2003, forty thousand dollars ($40,000.00); and

b. For each year after 2003, the amount of the bid limit for the previous year, plus an amount calculated by multiplying the amount of the bid limit for the previous year by the lesser of three percent (3%) or the actual percent change in the consumer price index during the previous calendar year; and

2. For a public works project:

a. For the year 2003, one hundred twenty five thousand dollars ($125,000.00); and

b. For each year after 2003, the amount of the bid limit for the previous year, plus an amount calculated by multiplying the amount of the bid limit for the previous year by the lesser of three percent (3%) or the actual percent change in the consumer price index during the previous calendar year.

3. For Class C roads,

a. for the year 2024, $350,000; and

b. for each year after 2024, the amount of the bid limit for the previous year, plus an amount calculated by multiplying the amount of the bid limit for the previous year by the actual percent change in the National Highway Construction Cost Index during the previous calendar year.

C. The Town hereby adopts by this reference Utah Code Ann. §11-39-103 and § 63G-6a-1205(4)(i), and authorizes the Mayor or Designee to utilize the construction delivery methods known as design build services.

1.16.060 EXEMPTIONS TO COMPETITIVE BIDDING REQUIREMENTS

1. **Specialized Contracts** which are not adapted to award by competitive bidding or proposals, such as:

a) contracts for additions to, repairs and maintenance of equipment owned by the Town, which may be more efficiently done by a certain person or firm;

b) contracts for a particular brand of equipment or product which is uniquely suited to the town's needs by reason of training of its personnel or compatibility with existing equipment or to assure standardization or a continuation of supplies or services, or

~~1.~~ c) contracts for the purchase of used equipment or items that are unique as to quality, condition and price. ~~Generally: Contracts which by their nature are not adapted to award by competitive bidding, such as contracts for additions to and repairs and maintenance of equipment owned by the town, which may be more efficiently added to, repaired or maintained by a certain person or firm, contract for equipment which, by reason or training of the personnel or an inventory of replacement parts maintained by the town, is compatible with the existing equipment parts maintained by the town, shall not be subject to the competitive bidding requirements of this chapter.~~

2. **Sole Source/Purchases made from a single-source provider**. The Town Administrator or their designee may procure from a sole source when after conducting a good faith review of available sources, determines that no other sources are reasonably available, or that competition would be unlikely to produce other acceptable offers. The Town Administrator or designee shall put that determination in writing for the file.

3.

~~2.~~4. **Auction, Closeout, Bankruptcy Sales**: If the department head determines that supplies, materials or equipment can be purchased at any public auction, closeout sale, bankruptcy sale or similar sale, and that it ~~if a majority of the town council at a regular or special meeting concurs in such determination and makes the finding that a purchase at any such auction or sale~~ will be made at a cost below the market cost in the community~~, a contract or contracts may be let, or the purchase made, without complying with the competitive bidding requirements of this chapter~~.

5. **Public Agency Procurement**. Purchases made through the cooperative purchasing contracts administered by the State Division of Purchasing, or any other public agencies of the state, shall not require bids or quotes of any type

~~3. Emergency Purchases~~:

6. **Emergency Purchases**: The Town Administrator, the Mayor or designee may make emergency procurements when there exists a threat to public health, safety and welfare or circumstances which place the Town or its officers and agents in a position of serious legal liability; provided that such emergency procurements shall be made with such competition as is practicable under the circumstances. A written determination of the basis for the emergency and for the selection of the contractor shall be included in the contract file. The Council shall be notified of any emergency contract which would have normally required their approval at the next regularly scheduled council meeting. Emergency procurements shall be limited to those supplies, services, or construction items necessary to meet the emergency.

   ~~1. In the case of actual emergency, the head of any department may purchase directly any supplies whose immediate procurement is essential to prevent delays in the work of the department which may virtually affect the life, health or convenience of any employee or citizen of the town.~~

~~2. The head of the department shall send to the mayor a full written report of the circumstances of the emergency. The report shall be filed with the town council as provided above.~~

~~4.~~ **1.16.065 PROCUREMENT OF PROFESSIONAL SERVICES AND REQUEST FOR PROPOSALS**: The procurement of professional services shall be based upon qualifications ~~and shall be secured on a competitive basis to the maximum practical extent except as noted below~~:

Amount Of Contract	**Request For Proposals**
Up to $50,000~~10,000.00 per fiscal year~~	No RFP is required; competitive quotes recommended
Over $50,000 ~~10,000.00 in one fiscal year~~	Formal request for proposals required

~~The town council shall approve the award of contracts for professional services exceeding fifteen thousand dollars ($15,000.00) in any single fiscal year.~~ Awards shall be made to the individual or firm whose proposal is determined to be the most advantageous to the town, taking into consideration price and the evaluation factors set forth in the request for proposals. Awards shall be authorized under the same requirements as 1.16.040 PURCHASE AND SERVICE APPROVAL REQUIREMENTS above.

1.16.070 PROHIBITED ACTS AND ACTIVITIES

1. Conflicts Of Interest: Elected officials, officers and employees that own a substantial interest in a business which does or anticipates doing business with the town must disclose such interest prior to discussion by the governing body.
2. Collusion Among Bidders: Any agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition, by agreement to bid a fixed price, or otherwise, shall render the bid of such bidders void.
3. Advance Disclosures: Any disclosures in advance of the opening of bids, whether in response to advertising or an informal request for bids, made or permitted by a member of the town council or a town employee, shall render void the advertisement or request for bids.
4. Gratuities: The acceptance of any gratuity in the form of cash, merchandise or any other thing of value by an official or employee of the town from any vendor, contractor or prospective vendor or contractor, shall be cause for removal or other disciplinary action.

~~5. Competitive Bid Required for Building Improvements:~~

~~1. Bid Requirements: All purchases and contracts, whether by sealed bid, quotation or negotiation, shall be made on a competitive basis to the maximum practical extent, except as noted below:~~

~~Amount Of Purchase~~	~~Bid Required~~
~~Up to $1,000.00~~	~~No bid required-competitive quotes recommended~~
~~$1,001.00 to $40,000.00~~	~~No bid required-competitive quotes recommended~~
~~Over $40,000.00~~	~~Formal bid required~~

~~2. Amounts In Excess Of Forty Thousand Dollars:~~

~~1. If the improvement is a building improvement and the estimated cost of the improvement is in excess of forty thousand dollars ($40,000.00), the town shall, if it determines to do the work, only do so by contract let to the lowest responsible bidder after publication of notice at least twice in a newspaper of general circulation printed and published in the town at least five (5) days prior to the opening of bids.~~

~~2. The term "lowest responsible bidder" means any prime contractor who has bid in compliance with the invitation to bid and within the requirements of the plans and specifications for a construction project, who is the lowest bidder, who has furnished a bid bond or equivalent in money as a condition to the award of a prime contract and who furnishes a payment and performance bond as required by law.~~

~~3. When the cost of a contemplated improvement exceeds the bid requirement sum, the job cannot be divided into smaller jobs to avoid having to bid the job.~~

~~4. The town shall send out all bids based on the information provided by staff and shall keep a list of the date the bids were mailed and a list of the vendors to whom the bids were mailed. The town shall also receive all bids and keep a list of the date and time they were received. Whenever practical, the opening of the bids shall be made in the presence of the staff and the town clerk.~~

~~3. Amounts Up To Forty Thousand Dollars But In Excess Of One Thousand Dollars: If the improvement is a building improvement and the estimated cost of the improvement is forty thousand dollars ($40,000.00) or less, but in excess of one thousand dollars ($1,000.00), the town may make the improvement without calling for bid, except as otherwise provided within this chapter.~~

~~4. Purchases Up To One Thousand Dollars: Competitive Bid Not Required: These purchases shall be obtained by using purchase orders issued by the staff to obtain supplies and services, which have been approved as part of the budget.~~

~~1. Written competitive bids are not required, but staff are encouraged to obtain competitive quotations.~~

2. The employee receiving the supplies shall sign the delivery ticket to designate that he/she obtained the supplies or services in good condition.

6. Competitive Bid Required for Public Works Projects:

1. Requirements: All public works projects, whether by sealed bid, quotation or negotiation, shall be made on a competitive basis to the maximum practical extent except as noted below:

Amount Of Purchase	**Bid Requirement**
Up to $1,000.00	No bid required - competitive quotes required
$1,001.00 to $125,000.00	Informal bids required (2 if possible)
Over $125,000.00	Formal bid required

2. Amounts In Excess Of One Hundred Twenty Five Thousand Dollars:

1. If the improvement is a public works project and the estimated cost of the improvement or maintenance of existing facilities is in excess of one hundred twenty five thousand dollars ($125,000.00), the town shall, if it determines to do the work, only do so by contract let to the lowest responsible bidder after publication of notice at least twice in a newspaper of general circulation printed and published in the town at least five (5) days prior to the opening of bids. The cost shall be estimated by the town engineer.

2. The term "lowest responsible bidder" means any prime contractor who has bid in compliance with the invitation to bid and within the requirements of the plans and specifications for a construction project, who is the low bidder, who has furnished a bid bond or equivalent in money as a condition to the award of a prime contract and who furnishes a payment and performance bond as required by law.

3. When the cost of a contemplated improvement exceeds the bid requirement sum, the job cannot be divided into smaller jobs to avoid having to bid the job.

4. The town shall send out all bids based on the information provided by the staff and shall keep a list of the date the bids were mailed and a list of the vendors to whom the bids were mailed. The town shall also receive all bids and keep a list of the date and time they were received. Whenever practical, the opening of the bids shall be made in the presence of the staff and the town clerk.

3. Amounts Up To One Hundred Twenty Five Thousand Dollars, But In Excess Of One Thousand Dollars: If the improvement is a public works project and the estimated cost of the project is one hundred twenty five thousand dollars ($125,000.00) or less, but in

~~excess of one thousand dollars ($1,000.00), the town may make the improvement without calling for bid, except as otherwise provided within this chapter.~~

4. ~~Purchases Up To One Thousand Dollars; Competitive Bid Not Required: These purchases shall be obtained by using purchase orders issued by the department head to obtain supplies and services, which have been approved as part of the budget.~~

    1. ~~Written competitive bids are not required, but the staff are encouraged to obtain competitive quotations.~~

    2. ~~The employee receiving the supplies shall sign the delivery ticket to designate that he/she obtained the supplies or services in good condition.~~