PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
SEPTEMBER 14, 2006

Present: **Mayor Dana Williams; Council members, Marianne Cone; Candace Erickson; Roger Harlan; Jim Hier; and Joe Kernan**

Tom Bakaly, City Manager; Matt Twombly, Project Manager; Stacey Noonan, Recreation Complex Manager; and Alison Butz, Project Manager

1. **Council questions/comments.** Roger Harlan reported on the status of closings of various units of the 555 Deer Valley Drive affordable housing project and provided a School District update on testing students. Candace Erickson commented on a productive breakfast meeting recently held with the District and County. She thanked the Public Affairs Department for organizing the City Tour and discussed the traffic congestion in Lake Tahoe. It is important to address local traffic problems now and not be complacent. Mr. Erickson pointed out that the architecture at North Star is identical to Bachelor's Gulch and Beaver Creek and she hoped that the design for Park City Mountain Resort is distinctive. She reported on a ULCT policy meeting where topics included sales tax issues, RDA amendments, land use regulation rights, and telecommunications. Jim Hier agreed that the City should be proactive in addressing traffic and noted the traffic jam he encountered in front of the School District Office when high school students were getting out of school. He thanked the Chamber for its participation on the City Tour and emphasized the valuable marketing provided by our Chamber by creatively partnering with others.

Joe Kernan felt the City Tour was a good way to get to know City employees and Leadership participants. He explained his interest in pursuing the *blue bag* recycling program operated in Truckee and asked for support in encouraging the County to consider this system. It is less expensive than conventional curbside recycling because recycling and garbage are bagged and picked up together and sorted at a distribution center. This drastically decreases truck trips as the main role of recycling companies would be sorting rather than hauling. He hoped this could be considered by the Summit County Commission before the bid process begins. Marianne Cone also relayed her support of the concept. The Deer Valley Drive affordable housing project was again discussed.

Mr. Kernan pointed out that many cities use traffic coordinators rather than police and suggested this at certain times on Kearns Boulevard. Tom Bakaly felt this could be addressed in a manager's report.

In recognition of the appointment of new Art Board members scheduled on the agenda, Marianne Cone thanked retiring members. She spoke about the audit of the Park Bonanza Area by the consultant and asked Council for support in investigating a round-about at Meadows Drive. Members indicated their interest in pursuing studying a round-about as an option.

Mayor Williams relayed his condolences to Norm Anderson's family. The 911 Memorial was an amazing display and he thanked the Fire District for organizing the event. He reported on the status of cases of the West Nile Virus in the state and state energy policy business. He spoke about a meeting with Park City's new EPA regional counterpart where topics including The Montage, the bio-cell, and Richardson Flats were discussed. There was a COG meeting where cost sharing for a master traffic plan for eastern Summit County was proposed. Mayor Williams advised that Council members will be considering approval of a memorandum of understanding with the Summit County Animal Control Department in the near future. With regard to the traffic study, he advised that Park City has been asked to select a preferred model but expressed concern about providing input for an eastern Summit County project. The City Recorder informed Council members of upcoming meeting dates.

2. **Quinns Recreation Complex update.** Matt Twombly stated that in April 2005, the City's construction manager received subcontract pricing which was over budget and staff conducted a value engineering process to address budget limitations. One item not included in the revised contract is landscaping around the building, drip irrigation, and planting parking lot islands. Irrigation, seeding, sod, lawns and sports fields are included. Items like concrete bleachers, electrical and audio conduits, and additional parking lot lights were added to the project creating additional unforeseen costs. Mr. Twombly stated that staff is considering the use of interest earnings from parks bonds in the amount of $360,000 budgeted for neighborhood parks for completion of the recreation complex.

Candace Erickson understood that completing construction items total $150,000 and the landscaping is another $150,000. She suggested that Council address everything at once rather than considering this again in the spring for the landscaping; she is willing to approve $300,000. Jim Hier and Roger Harlan agreed. Mr. Hier asked about the timing of the arbitrage interest on the bonds and Gary Hill explained that up to this time, the state rate has been low enough that the City hasn't had to pay arbitrage, but typically it is three years from the issuance of the bonds.

Joe Kernan asked if there are elements of the projects that are being deferred which may substantially affect the success of the complex. Mr. Twombly indicated that goal posts are a high priority, especially for tournaments. It is anticipated that deferred items will be reviewed during the budget session. Gary Hill explained that there is an operating capital line in some of the maintenance budgets for ice and fields anticipated to be used to purchase some smaller items.

Jim Hier asked if this is a *budget* or *cash* issue. There are items that are needed for the successful operation of the recreation complex and other items that should just be completed this year. He didn't understand the advantage of delaying an approval of the total amount needed to July. Tom Bakaly recommended that the Council focus on the request to complete contracted construction work and landscaping but not consider funding equipment at this time. There is no budget adjustment required as long as the City stays within 10% of the contract amount and no action is required. Roger Harlan pointed out the significant cost of the shade pavilion at $130,000 and asked for more information on the project, including location.

Candace Erickson suggested funding the purchase of goal posts with RAP Tax revenue; she is concerned about providing necessary equipment to make the complex effective. Stacey Noonan explained that in order for the rink to break even, it is necessary to look beyond ice programs. Food is the *cash cow.* Acquiring kitchen equipment and lifts is important. The City received a grant for flooring for special events, but a lift is needed to move it. She explained that she would have prioritized these two items earlier but any excess capital went toward the reverse osmosis system to get the rink up and running. Jim Hier expressed his desire to meet with the City Manager to gain a better understanding of his position with regard to budget policies as opposed to practicalities. Marianne Cone encouraged the use of indigenous planting materials. Joe Kernan acknowledged Ms. Noonan's comment about looking beyond ice for added revenue.

3. **Quinns Wind Turbine Update.** Alison Butz indicated that Council discussed wind power at Quinns in June and at that time, staff was directed to proceed with LMC amendments to allow for wind turbines in the ROS Zone. The Planning Commission will be reviewing this the end of September with the recommendation that wind turbines are subject to conditional use permits to examine height, setbacks and/or impacts like noise. She explained that this process is similar to practices in other communities. In June, Council also expressed interest in locating the turbines in the highest wind potential areas. Staff met with Utah Clean Energy on site and looked at two options, including an area on the spine of the hill behind the ice sheet (hill site location). Council also desired to relate the power produced by the turbine to a specific application. The Zamboni was identified, but it requires a significant amount of power to recharge its batteries at 48 KWh per day. By comparison, each wind turbine produces about 13 KWh per day. Council can consider installing more than one turbine and she referred to elevations illustrating different scenarios. She explained that the need for guide wires on wind turbines installed on light posts at the fields makes that option unfeasible. The price per unit is about $10,000 for a total of $30,000. Staff will proceed with a conditional use application as well as a request for proposals for installation of the turbines. Discussion ensued regarding possible locations to capture maximum wind power.

Mayor Williams expressed that his preference is to pursue a location with the highest potential and preferred the knoll behind the rink. With regard to arguments to protect the view shed, he pointed out that the turbines will be dwarfed by the light standards. Marianne Cone indicated her support of Option 2 and there was discussion about the potential of using adjacent properties not owned by the City. Roger Harlan believed the turbines should be placed in the best power generating locations or Option 1. There was discussion about testing wind in different locations before making a decision. Joe Kernan suggested that a wind turbine be accessible to the public by trail so that it can be used as an educational tool. There was consensus to test the wind for six months at three locations. Mayor Williams advised Council of a newly formed wind group who will begin conducting anemometer testing work throughout the County. Tom Bakaly interjected that members would have the testing data concurrent with the budget discussion in the spring.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
SEPTEMBER 14, 2006

I ROLL CALL

Mayor Dana Williams called the regular meeting of the City Council to order at approximately 6 p.m. at the Marsac Municipal Building on Thursday, September 14, 2006. Members in attendance were Dana Williams, Marianne Cone, Candace Erickson, Roger Harlan, Jim Hier, and Joe Kernan. Staff present was Tom Bakaly, City Manager; Mark Harrington, City Attorney; and Brooks Robinson, Planner.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Joe Kernan disclosed that Talisker and Park City Mines Company are recycling customers.

III PUBLIC INPUT (any matter of City business not scheduled on agenda)

Michael John, Steins Eriksen Lodge shuttle driver, urged Council to consider a new approach to winter *Main Street madness*. He suggested designating one side of the street to drop off guests and the other for picking them up. Currently there are delays because of stopped vehicles. Council members indicated an interest in exploring the suggestion and Jim Hier added that the HMBA should be involved.

IV WORK SESSION NOTES AND MINUTES OF MEETING OF AUGUST 17, 2006 AND AUGUST 24, 2006

Jim Hier made a correction to the memorandum of closed session for the meeting of August 24. Marianne Cone, "I move we approve the work session notes and minutes of the meetings of August 17, 2006 and August 24, 2006, as corrected". Candace Erickson seconded. Motion unanimously carried.

V RESIGNATIONS AND APPOINTMENTS

Appointments to the Art Advisory Board: four members for two year terms expiring June 30, 2008; and one member to fill an unexpired term to June 30, 2007 – The Mayor requested a motion to appoint Rhoda Stauffer, Puggy Holmgren, Chelsea Deckert, Hilary Nitka, and Mary Anne Neumeister. Marianne Cone clarified that Ms. Holmgren will be filling the one year unexpired term. Jim Hier, "I so move". Marianne Cone seconded. Motion unanimously carried.

VI CONSENT AGENDA PUBLIC HEARINGS

1. Continuation of hearing on Ordinance – 101 Prospect Street Subdivision plat amendment **(motion to continue to October 19, 2006)** – The Mayor requested a

motion to continue. Roger Harlan, "I so move". Candace Erickson seconded. Motion unanimously approved.

2. Continuation of hearing on Ordinance approving the Silver Baron Lodge, Phase II Condominium Record of Survey Plat located at 2800 Deer Valley Drive East, Park City, Utah – Brooks Robinson explained that the building is currently under construction. The Planning Commission forwards a positive recommendation on this project which creates 25 condominium units, totaling 124 out of the 125 allowed under the original conditional use permit and utilizes an additional 20.25 unit equivalents for 114.91 out of the 115 that have been approved over time. The remnant of .09 unit equivalents or 180 square feet can not be transferred to any other project. Courchevel Condominiums disputed the transfer of density and there is a finding of fact included in the Ordinance that if a court invalidates the transfer, the approval is void. In response to a question from Jim Hier regarding legal risk, Mark Harrington stated that there is an indemnification agreement in place protecting the City. The Mayor opened the public hearing and with no comments, closed it.

3. Ordinance approving the Iron Canyon Subdivision Lot 4 Plat Amendment, located at 2409 Iron Mountain Drive, Park City, Utah – Brooks Robinson clarified that this application is a request from an existing home owner to bring his residence in conformance with the building pad to accommodate a small addition to his garage. The Planning Commission forwards a positive recommendation as outlined in the Ordinance. The Mayor invited the audience to comment and hearing no input, closed the pubic hearing.

4. Ordinance approving the 5th Amended Condominium Record of Survey for The Knoll at Silver Lake Phase I, located at 7915 and 7895 Royal Street, Park City, Utah – Mr. Robinson stated that the amendment affects the record of survey for Units 2 and 4. These are very minor increases in square footage and parking requirements remain the same. The Planning Commission forwards a positive recommendation. The public hearing was opened and with no comments, was closed.

5. Ordinance approving a one-year extension of a plat amendment to combine Lots 1-3, Block 30 of the Snyders Addition to the Park City Survey into one lot of record located at 819 Empire Avenue, Park City, Utah – Planner Brooks Robinson explained that the request is provide another year to record the plat. The property is immediately adjacent to the Sweeney project and the owners would like an opportunity to see how that project unfolds and is ultimately platted. The Mayor opened the public hearing and with no comments, closed the hearing.

VII CONSENT AGENDA

Jim Hier, "I move approval of Consent Agenda Items 1 through 4". Marianne Cone seconded. Motion unanimously carried.

1. Ordinance approving the Silver Baron Lodge, Phase II Condominium Record of Survey Plat located at 2800 Deer Valley Drive East, Park City, Utah – See staff report and public hearing.

2. Ordinance approving the Iron Canyon Subdivision Lot 4 Plat Amendment, located at 2409 Iron Mountain Drive, Park City, Utah - See staff report and public hearing.

3. Ordinance approving the 5th Amended Condominium Record of Survey for The Knoll at Silver Lake Phase I, located at 7915 and 7895 Royal Street, Park City, Utah - See staff report and public hearing.

4. Ordinance approving a one-year extension of a plat amendment to combine Lots 1-3, Block 30 of the Snyders Addition to the Park City Survey into one lot of record located at 819 Empire Avenue, Park City, Utah - See staff report and public hearing.

VIII NEW BUSINESS

Memorandum of Understanding with United Park City Mines Company and the Leo – Rhea Partnership for release of mining claims on Gambel Oak Park in exchange for two payments in the total amount of $2 million by Park City Municipal Corporation – See staff report. Marianne Cone, "I move that we enter into a memorandum of understand with United Park City Mines Company and Leo – Rhea Partnership for release of mining claims on Gambel Oak Park in exchange for two payments in the total amount of $2 million by Park City Municipal Corporation". Candace Erickson seconded. Motion unanimously carried.

IX ADJOURNMENT

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

MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 4 p.m. Members in attendance were Mayor Dana Williams, Marianne Cone, Candace Erickson, Roger Harlan, Jim Hier, and Joe Kernan. Staff present was Tom Bakaly, City Manager; Mark Harrington, City Attorney; Tom Daley, Assistant City Attorney; Jerry Gibbs, Public Works Director; and Myles Rademan, Public Affairs Director. Candace Erickson, "I move to close the meeting to discuss property and personnel". Roger Harlan seconded. Motion carried unanimously. The meeting opened at approximately 4:50 p.m. Roger Harlan, "I move to open the meeting". Jim Hier seconded. Motion unanimously carried. The meeting for which these minutes were prepared was noticed by posting at least 24 hours in advance and by delivery to the news media two days prior to the meeting.

Prepared by Janet M. Scott

Janet M. Scott, City Recorder

City Council
Staff Report

Author:	**Matthew A. Twombly**
Subject:	**Quinn's Recreation Complex**
Date:	**September 14, 2006**
Type of Item:	**Construction Update, Legislative**

PARK CITY 1884

ECONOMIC DEVELOPMENT AND CAPITAL PROJECTS

Summary Recommendation:
Review the update on the Quinn's Recreation Complex construction, remaining items, budget and request for additional funding for changes to the contracts and landscaping and provide direction on funding strategies to complete the project as contracted.

Description:
Topic: Quinn's Recreation Complex

Background:
On April 7, 2005 the City approved an amendment in the amount of $1,304,703 for early mobilization, rink excavation and building concrete. A second contract award on May 5, 2005 in the amount of $5,466,843 was made for utilities, rink infrastructure and included the previous amendment. The final contract award was made on June 2, 2005 which added $5,110,475 for fields and rink finishes for a cumulative Guaranteed Maximum Price (GMP) addendum to the Construction Manager/General Contractor, CM/GC construction contract in the amount of $10,577,318 with Hogan Construction. The GMP was based off of the 90% construction plans bid for construction.

In the CM/GC construction contract negotiations, there were a number of deferred items and a considerable amount of value engineering to the project. One of the many items value engineered prior to the setting of the "Guaranteed Maximum Price" was the landscaping. The lowest bid for all of the landscaping, playing fields seeding, irrigation and lawns as designed was in the amount of $1,502,000. The City and CM managed to value engineer this portion of the project to approximately $650,000 for the fields, lawns, irrigation and seeding, and set aside a placeholder for drip irrigation, shrubs and trees in the amount of $70,000 but this was not included in the CM/GC scope of work and was not planned to be completed until the Spring in any event. Often the City will contract for the planting of trees and shrubs with local firms after the major earthwork, building and paving work is completed. In review of the plantings and drip irrigation needed, staff estimates the costs to be about $150,000 for the entire project.

Also in the value engineering efforts many of the more specialized items were not included in the scope of work or budget for the project both in the rink and for the fields. These items include: Infield conditioner, at $25,000 for 3 fields; backstop rubber at $10,000 for 3 fields; storage bins for maintenance at $18,000; completion of parking lot and lights north of the maintenance building at $60,000; portable/temporary goal posts for rugby matches or tournaments at $6,000 for one natural field, and $7,500 for the synthetic field; fuel cells ((2)150 gallon) for equipment fueling at $10,000; signage for interior and exterior of the rink at about $15,000; hood for the kitchen at $15,000; picnic tables for rink patio $5,000; lift and pallet truck for rink @ $7,000; hockey equipment for rentals $10,000; audio/visual equipment for meeting room(s) $5,000; figure skating harness $5,000; rink dividers $3,000; and the shade pavilion budgeted at $130,000 including design and engineering.

In addition to the value engineering was additional work not included in the GMP due to the bidding at the 90% construction documents and additional items requested by the owner and requested by the contractor for unforeseen conditions and catastrophic fuel and asphalt price increases. Examples of owner requested items, are additional fencing, lights and conduits for audio at the plaza, shades in the rink, and electrical conduit, manhole and panel at Field A for events, lights in parking lot D, and concrete bleachers at the rink. The additional items were added to the contract while the contractor was mobilized and the items could be incorporated into the work where it may otherwise be impossible in the future. Many items were budgeted as part of the GMP (such as the maintenance and restroom buildings) and the cost of the work came in higher than budgeted in the GMP due to unforeseen conditions.

To complete the owner requested items, including the reverse osmosis system for the ice rink, the change orders, and costs noted above, all resources were utilized including the money set aside for landscaping to complete the project and occupy the buildings.

The contractor has also requested relief due to catastrophic fuel, oil and aphalt price increases. The relief for fuel, oil and asphalt price increases is part of the State's contracting policy. After review of the City's Construction Management contract the Architect of Record, Elliott Work Group is recommending that the Contractor should receive relief as has consistently been done on most CM/GC contracts with municipalities. The contractor has completed the paving of the trails and parking lots in good faith while the issue is being resolved.

The project was originally scheduled to be substantially complete at the end of July. The anticipated substantial completion is now scheduled for mid October. Landscaping is not scheduled to begin until next spring/summer. The architect is continuing to attend weekly meetings, review questions, pay requests, and detail revisions to the plans. This work is beyond the scope of their contract and they seek reimbursement for their work. The architect is requesting a payment for time and materials not to exceed $4,500 per month for four months until closeout for construction administration.

When considered together, it is anticipated that $150,000 will be needed to complete the items included in the construction and architects contract.

Analysis:

During the budget hearings for the Capital Improvement Program, the Council approved adjustments to the '06 Budget for changes in revenue sources and $335,000 for the '07 Budget. The prioritized items for '07 were 1. Successful completion of approved scope of work. 2. Completion of remaining trails/sidewalk connections. 3. Completion of permanent bleachers at Field A. 4. Completion of Phase 2 shade structure pavilion. This budget adjustment was adopted prior to the change orders increasing the GMP as noted above. The first three items will be completed as currently contracted. The shade pavilion is included in the prioritized items for which there are no longer sufficient funds budgeted.

The City has worked with the contractor to complete all items of the project within the scheduled budgets. Unfortunately the timing to proceed with the items desired by the City, such as the bleachers, electrical & lights, fencing, came ahead of the realization of cost increases on budgeted items not yet completed.

In order to fund the $150,000 needed to complete the remaining items anticipated in the construction contract, staff recommends using general obligation bond interest earnings that have been budgeted to the Neighborhood Parks CIP (#805).

In 2004 the City issued $9,000,000 in General Obligation bonds. $4,000,000 was earmarked for parks and the ice arena, with the remainder budgeted for open space purchases. The Parks and Ice bonds were divided between projects as follows:

	Neighborhood Parks	Ice Rink	Fields Complex	City Park	Total
Original Budget	$1,200,000	$2,000,000	$500,000	$300,000	$4,000,000

The City has been earning interest on the bond proceeds since the bonds were issued in 2004. As of June 30, 2006, the City had earned $364,041 in interest earnings all of which was budgeted to the Neighborhood Parks CIP (#805). Staff recommends that $150,000 of the interest earnings be used to complete the construction contract. This will leave approx. $600,000 for neighborhood parks.

	Neighborhood Parks	Ice Rink	Fields Complex	City Park	Total
Original Budget	$1,200,000	$2,000,000	$500,000	$300,000	$4,000,000
Interest Earnings	$364,041				$364,041
(Expenditures to Date)	($813,211)	($2,000,000)	($500,000)	($300,000)	($3,613,211)
Balance	$750,830	$0	$0	$0	$750,830
(less $150,000 for Quinns)	($150,000)				($150,000)
Revised Balance	$600,830				$600,830

Staff is not requesting an adjustment to the budget for the landscaping at this time, but will return to council as a part of the budget process when the landscaping work is bid for construction early in the Spring. Staff is planning to request a budget of $150,000 for soil amendments, drip irrigation, trees, shrubs, flowers, and bark mulch.

Staff has outlined and prioritized below the costs of specialty items excluded from the budget and contracts for the project. These items are for consideration, and differed for future funding:

	Fields		
1.	Fuel cells		$10,000
2.	Infield conditioner		$25,000
3.	Backstop rubber		$10,000
4.	Goal posts (2 natural fields)		$12,000
5.	Maintenance Bld. storage bins		$18,000
6.	Shade pavillion		$130,000
7.	Goal posts (synthetic)		$7,500
8.	Parking lot		$60,000
	Total Fields		**$272,500**
	Ice Rink		
1.	Lifts		$7,000
2.	Hockey equipment		$10,000
3.	Range hood		$15,000
4.	Audio visual equipment		$5,000
5.	Picnic tables		$5,000
6.	Figure skating harness		$5,000
7.	Rink divider		$3,000
	Total Rink		**$50,000**

In consideration of a recent letter to the editor regarding the sports lights, the architect chose the galvanized steel poles instead of darkly painted poles because the galvanized poles require very little maintenance, if any, compared to a painted pole which is especially important to the longevity of such an expensive investment. The poles were only recently assembled and erected and the finish will continue to dull over time.

To summarize the request: The $150,000 will be spent to complete the contracts of the architect and the contractor including the catastrophic fuel/asphalt increase, unforeseen conditions, and extra work on the project. Staff is not requesting additional funds for the landscaping or specialty items at this time.

Department Review:
City Manager, Economic Development and Capital Projects, Budget, Debt and Grants Department, Quinn's Recreation Complex Manager; have reviewed this report and all comments have been incorporated into the report.

Alternatives:

Approve the Request:
Approve the request to spend $150,000 in interest earning from the Neighborhood Parks CIP in order to complete the items currently included in the construction contract.

Deny the Request:
Denial of the request would jeopardize the contracts with the Contractor and the Architects for the performance of the project.

Continuance:
Continuance would prolong the negotiations with the contractor on the remaining uncompleted and outstanding items.

Do Nothing:
Doing nothing would have the same effect as continuance.

Significant Impacts:
There is enough budgeted in the Neighborhood Parks CIP to complete the construction contract items at Quinn's. Using these funds will still leave sufficient funding for neighborhood parks as originally anticipated.

Consequences of not taking the recommended action:
Not taking the recommended action would jeopardize the contracts with the contractor and architect for the performance of the project.

Recommendation:
Use interest earnings budgeted in the Neighborhood Parks CIP to complete the construction contract items at Quinn's Junction.

City Council
Staff Report

Author:	**Alison Butz**
Subject:	**Alternative Energy – Park City Ice Arena**
Date:	**September 14, 2006**
Type of Item:	**Informational**

Summary Recommendations:
Discuss the proposed placement and number of wind turbines and provide Staff with direction needed to implement the project.

Description:
Topic:
City Council review of potential alternative energy project.

Background:
On June 29th the Council discussed the placement of wind turbines at the Park City Ice Arena and provided Staff with direction to proceed with Land Management Code amendments to allow installation through a Conditional Use Permit in the ROS zone.

Mayor Williams strongly believed, with support from other Council members, that the turbine should be placed in an area with the highest wind potential rather than installing it next to the building as a demonstration.

Council discussed pursuing the option to become a beta test site for the turbine which reduces the cost of the turbines and allows for the return of the equipment to the manufacturer after a year. Council did provide direction to continue moving ahead with the project rather than conducting a wind test.

In March 2006, the City Council specifically outlined their Goals, Policies and Strategies with regards to the City's environmental initiatives. As part of that resolution Council listed "Pursue model environmental sustainability projects that are working symbols of the city's commitment" as part of their Policies and Strategies. Placement of a wind turbine at the Park City Ice Arena is consistent with parts of this policy.

Analysis:
On June 29th Staff received direction to proceed with amendments to the Code, return with location options, and continue to explore other renewable energy sources.

Land Management Code Amendments

The Planning Department has been actively researching and drafting language to permit wind turbines in the ROS zone through a Conditional Use Permit. Sample draft regulations drafted by the American Wind Energy Association form the basis of the amendments. The amendments will address everything from height, setbacks, noise and aesthetics.

The Planning Commission is scheduled to review the amendments and conduct a public hearing on September 27th. The amendments will then be forwarded to the City Council with a recommendation. Once the amendments are passed, the Planning Commission can then review the application for a Conditional Use Permit to allow the placement of the turbine at the Ice Arena.

<u>Location Options</u>
As discussed in June, the higher the wind generator is positioned, and the less interference it has the better its operation will be.

The model, storm 1.8, has changed names to the Skystream 3.7 and some of the estimated construction capacity has been changed. The turbine has a 35 foot high guy-wireless pole and is made of galvanized steel at the base would is similar to a flag pole. The pole can be painted a dark color to blend in with the vegetation in the background or match the finish of the field lighting poles. Its estimated minimum production capacity is 400 KWh per month at 12 MPH (daily production of 13KWh). A desire to be able to minimally power the zamboni has been expressed. The zamboni requires daily charging and based on a normal day use it would require 48kwh of electricity. With this knowledge the proposed options show the placement of three towers.

Staff did investigate the ability to place turbines on the new field lights. What Staff found was that once the towers exceed 35' in height, they require guy-wires to stabilize the towers. The proximity of the field lights to the fields would place the guy-wires directly in the field of play which is not optimal.

Option #1
Based upon comments received in June, Staff met on site with Utah Clean Energy and Tai Robinson with Intergalactic Hydrogen (distributor of turbines) and surveyed the hill site behind the Ice Arena and determined the wind corridor. Also discussed was the potential to place three turbines which could produce an amount of electricity closer to the needs of the zamboni. As seen on Exhibit A, by placing the turbines up along the west slope of the hill, the potential for gathering higher wind speeds increase.

The placement on the hillside would require some disturbance of the vegetation and staff is considering having the equipment carried in to the site instead of allowing vehicles on the hill. The trench for the conduit could follow the existing cut along the south side of the hill (Exhibit B) to reach the electrical panel at the Ice Rink.

Option #2
Some Council members were concerned about placing the turbines on the hillside behind the Ice Arena. During the walkthrough with Utah Clean Energy and Tai

Robinson, the group looked at the potential to replace some parking lot lights adjacent to the Ice Arena with towers that would accommodate both the turbines and lights. The existing poles are not designed for the sheer force needed for the turbine placement and the replacement poles would be higher, but are still within the wind corridor at the site which allows for a higher potential of wind speeds.

Cost
The cost of each unit is $5,400 without the tower. With the addition of the tower, foundations, conduit and connection to the Ice Arena's electrical panel the estimated total cost for three turbines is $30,000. Due to the cost of the unit and installation staff would need to conduct an RFP which can be done concurrently with the CUP process.

The beta test program is no longer available for this model type. Staff will continue to discuss options with the manufacturer and pursue rebates, grants and other funding sources.

<u>Other Renewable Energy Sources</u>
Council has stated their interest in pursing solar power at the Ice Arena. During its research, Staff has found that municipalities in California have leased out their roofs to companies for them to invest in the infrastructure and receive the tax credits while the City then negotiated a reduced KWh rate from the leasee. Staff is continuing to investigate this option along with alternate funding options that would reduce the cost of solar.

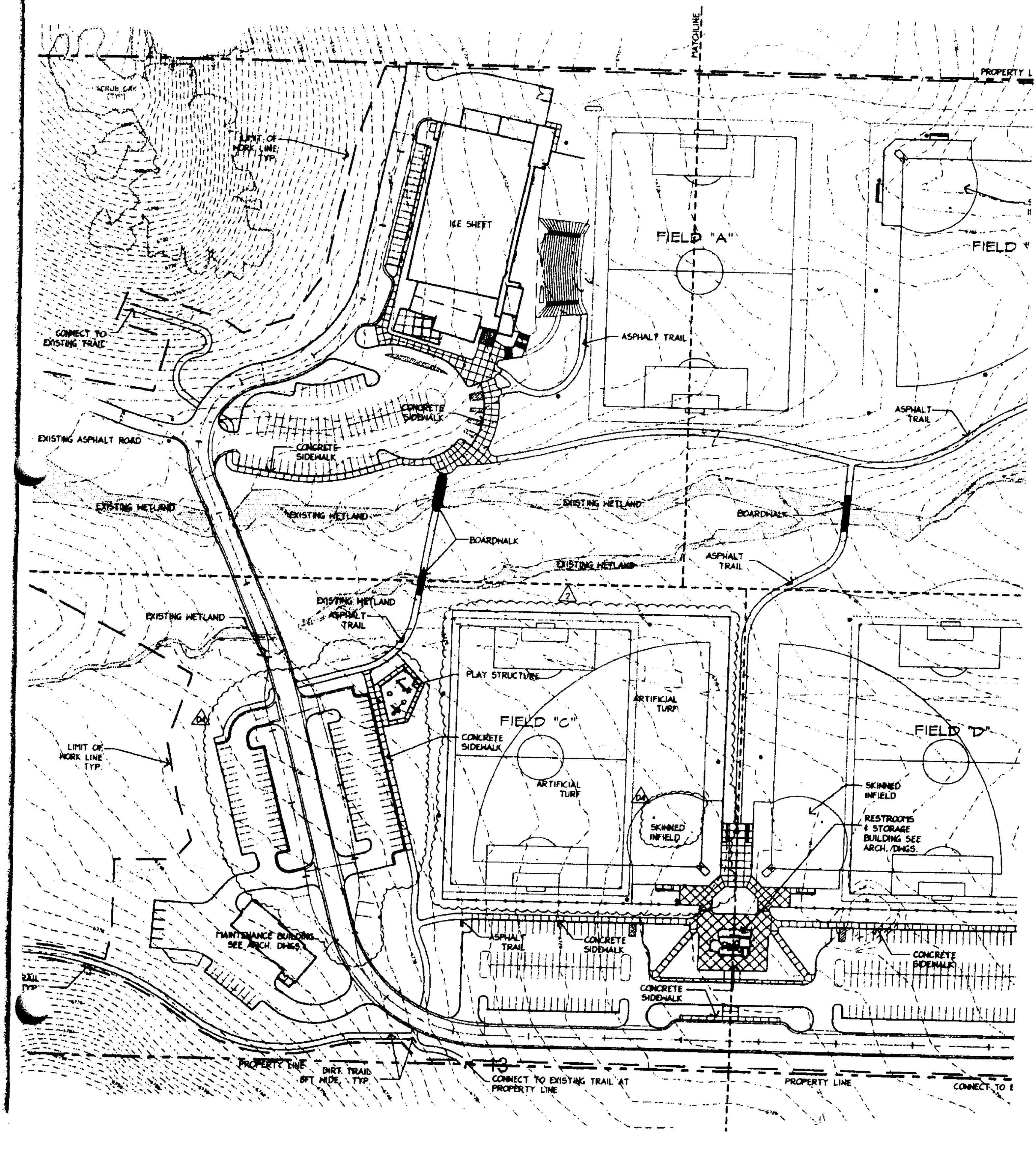
Significant Impacts:
The placement of the wind turbine at the Park City Ice Arena meets parts of Council's Environmental Policy and Strategy to pursue model environmental sustainability projects that are working symbols of the city's commitment to the environment. The modest energy production of one wind turbine does not meet Council's goal to power the zamboni. Staff has proposed the placement of three turbines at an increased cost.

At this time, no budget line has been identified for this project; Staff would evaluate current projects and funding to determine funding.

Department Review:
All applicable departments have reviewed the proposed wind turbine and their comments have been incorporated within the report.

Recommendation:
Review the proposed placement of wind turbine and provide Staff with direction on how to proceed.

Attachments:
Exhibit A – Site Plan of proposed location
Exhibit B – Renderings of height of turbines on hill site
Exhibit C – Rendering of turbines on parking lot lights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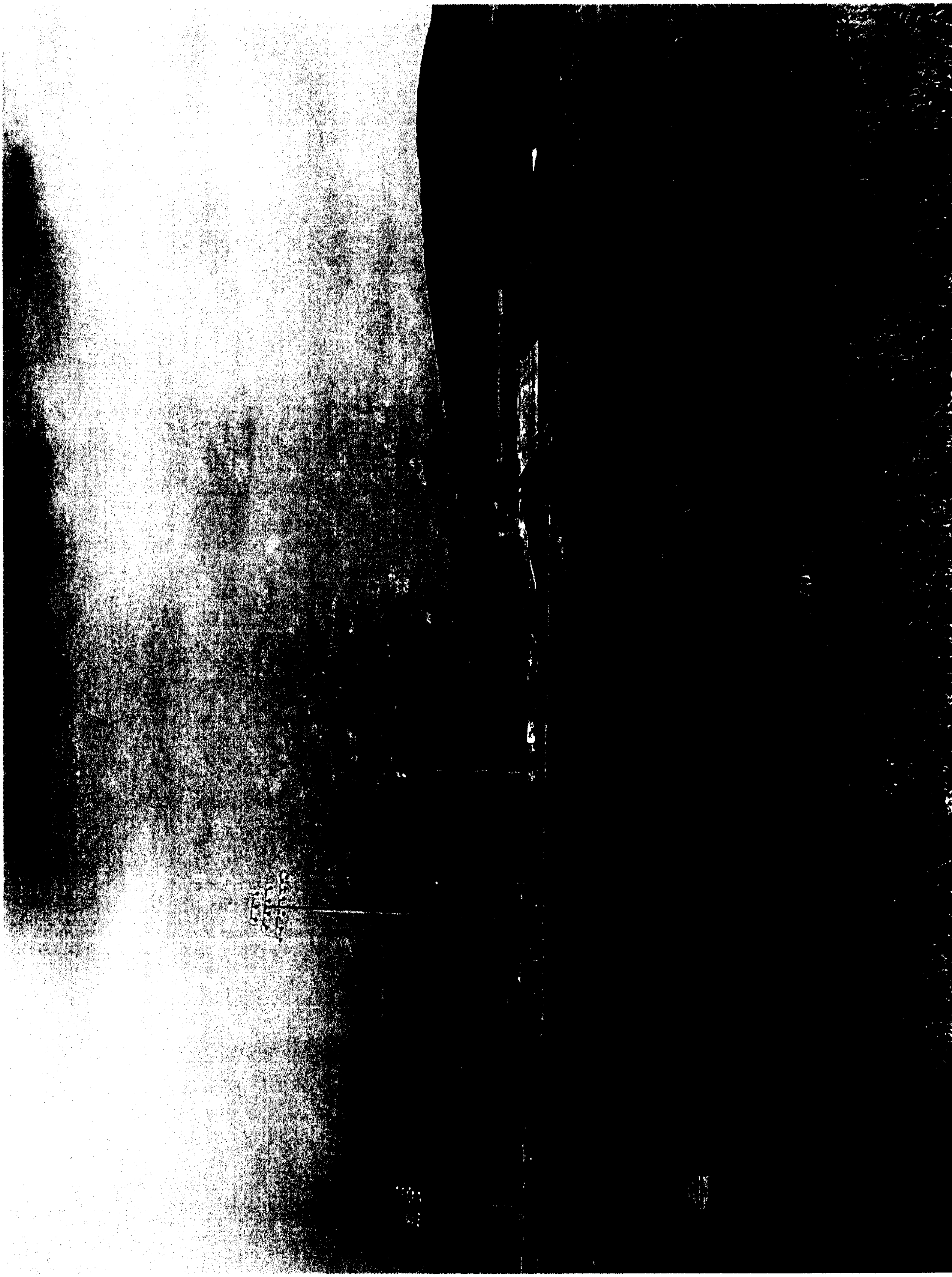
PROPERTY LINE
LIMIT OF WORK LINE, TYP.
ICE SHEET
FIELD "A"
FIELD "B"
CONNECT TO EXISTING TRAIL
ASPHALT TRAIL
CONCRETE SIDEWALK
EXISTING ASPHALT ROAD
EXISTING WETLAND
BOARDWALK
PLAY STRUCTURE
ARTIFICIAL TURF
FIELD "C"
FIELD "D"
SKINNED INFIELD
RESTROOMS & STORAGE BUILDING SEE ARCH. DWGS.
MAINTENANCE BUILDING SEE ARCH. DWGS.
DIRT TRAIL 8FT WIDE, TYP.
CONNECT TO EXISTING TRAIL AT PROPERTY LINE
13



City Council Staff Report

Author: Brooks T. Robinson
Subject: Silver Baron Lodge, Phase II Condominium Conversion
Date: September 14, 2006

PARK CITY 1884
PLANNING DEPARTMENT

Summary Recommendations
Staff recommends the City Council hold a public hearing for the Silver Baron Lodge, phase II, condominium record of survey plat and approve the application based on the findings of fact, conclusions of law and conditions of approval as found in the draft ordinance.

Topic

Applicant:	Silver Baron Partners, L.C.
Location:	2800 Deer Valley Drive East
Zoning:	Residential Development (RD) as part of the Deer Valley Master Planned Development (MPD)
Adjacent Land Uses:	Courcheval to the south, The Lodges to the north, undeveloped Estate-zoned land to the east, wetlands and open space to the west across Deer Valley Drive East

Background
On April 5, 1996, the Planning Commission approved a Conditional Use Permit for 125 residential condominium units utilizing 108 Unit Equivalents. This project is called The Lodges at Deer Valley. It is part of the Deer Valley Master Plan.

Buildings B, C, D, E and F have been completed and occupied. In 2001 the Planning Commission approved a CUP amendment and Deer Valley MPD amendment to transfer of 7 UEs from neighboring Courcheval. With the completion of building F, there are 109 units utilizing 94.66 Unit Equivalents (UEs). A total of 20.34 UEs were remaining for what would be Building A.

The City amended the CUP and Record of Survey for The Lodges in March and April of 2005. The amendments separated The Silver Baron Lodge (Building F) from The Lodges and platted the condominium record of survey for the Silver Baron Lodge. The new project includes the Silver Baron Lodge (Building F) with the remaining 20.34 Unit Equivalents from Building A and Courcheval. The previous location of Building A on the north (Queen Esther) side of The Lodges project is now included in the Silver Baron Lodge condominium plat and will remain as open space.

On November 9, 2005 the Planning Commission amended the Silver Baron Lodge CUP to add 24 units encompassing 20.25 Unit Equivalents (UEs) to the Silver Baron Lodge.

The remnant 0.09 UEs (180 square feet) cannot be transferred to any other project. The CUP also included a small exercise room (711 sf) for owners and guests and a conference room of approximately 3,500 square feet.

The City received a completed Condominium Conversion application on June 7, 2006, for Phase II of the Silver Baron Lodge. Phase II is currently under construction. This application creates 25 condominium units (total of 124 out of 125 allowed) utilizing 20.25 Unit Equivalents (total of 114.91 UEs of 115 allowed). The remnant 0.09 UEs (180 square feet) cannot be transferred to any other project.

On August 23, 2006, the Planning Commission heard this application during its regular meeting and forwards a positive recommendation.

Analysis

The project is located within the RD zoning district. Setbacks in the RD zone are as follows:

- Front: 20 feet, a front facing garage 25 feet
- Rear: 15 feet
- Side: 12 feet

The Silver Baron Lodge meets the minimum setback requirements. This application meets the requisite subdivision requirements of Title 15-7 of the Park City Municipal Code and the Conditional Use Permit approval for the Silver Baron Lodge.

This application creates 25 condominium units (total of 124 out of 125 allowed) utilizing 20.25 Unit Equivalents (total of 114.91 UEs of 115 allowed). The remnant 0.09 UEs (180 square feet) cannot be transferred to any other project. The units range in size from 998 square feet to 2,000 square feet.

Parking is provided at the Code requirement as Phase I had excess parking for the number of units constructed at that time.

Staff finds good cause for this record of survey as this condominium is consistent with the development pattern envisioned in the Deer Valley MPD, as amended, and the Conditional Use Permit for the Lodges/Silver Baron Lodge, as amended.

Courchevel has notified the City that they dispute applicant's ownership of the seven transferred units and the applicant has not complied with the Courchevel CC&Rs. That matter is beyond the jurisdiction of the City.

Department Review

This project has gone through an interdepartmental review. No further issues were brought up at that time.

Notice

The property was posted and notice was mailed to property owners within 300 feet. Legal notice was also put in the Park Record.

Public Input
No public input has been received by the time of this report.

Alternatives

- The City Council may approve the Silver Baron Lodge, phase II, condominium record of survey as conditioned or amended, or
- The City Council may deny the Silver Baron Lodge, phase II, condominium record of survey and direct staff to make Findings for this decision, or
- The City Council may continue the discussion on the Silver Baron Lodge, phase II, condominium record of survey.

Significant Impacts
There are no significant fiscal or environmental impacts from this application.

Consequences of not taking the Suggested Recommendation
The units could not be separately sold.

Recommendation
Staff recommends the City Council hold a public hearing for the Silver Baron Lodge, phase II, condominium record of survey plat and approve the application based on the findings of fact, conclusions of law and conditions of approval as found in the draft ordinance.

Ordinance No. 06-

AN ORDINANCE APPROVING THE SILVER BARON LODGE, PHASE II, CONDOMINIUM RECORD OF SURVEY PLAT LOCATED AT 2800 DEER VALLEY DRIVE EAST, PARK CITY, UTAH.

WHEREAS, the owners of the property known as the Silver Baron Lodge, located at 2800 Deer Valley Drive East, have petitioned the City Council for approval of the Silver Baron Lodge, phase II, record of survey; and

WHEREAS, the property was properly noticed and posted according to the requirements of the Land Management Code; and

WHEREAS, proper legal notice was sent to all affected property owners; and

WHEREAS, the Planning Commission held a public hearing on August 23, 2006, to receive input on the Silver Baron Lodge, phase II, record of survey;

WHEREAS, the Planning Commission, on August 23, 2006, forwarded a positive recommendation to the City Council; and,

WHEREAS, on September 14, 2006, the City Council approved Silver Baron Lodge, phase II, condominium record of survey; and

WHEREAS, it is in the best interest of Park City, Utah to approve the Silver Baron Lodge, phase II, record of survey.

NOW, THEREFORE BE IT ORDAINED by the City Council of Park City, Utah as follows:

SECTION 1. APPROVAL. The above recitals are hereby incorporated as findings of fact. The Silver Baron Lodge, phase II, record of survey as shown in Exhibit A is approved subject to the following Findings of Facts, Conclusions of Law, and Conditions of Approval:

Findings of Fact:

1. On April 5, 1996, the Planning Commission approved a Conditional Use Permit for 125 residential condominium units utilizing 108 Unit Equivalents. This project is called The Lodges at Deer Valley. It is part of the Deer Valley Master Plan.
2. Buildings B, C, D, E and F have been completed and occupied. Building F is Silver Baron Lodge, phase I.
3. In 2001 the Planning Commission approved a CUP amendment and Deer Valley MPD amendment to transfer of 7 UEs from neighboring Courcheval.
4. With the completion of building F, there are 109 units utilizing 94.66 Unit Equivalents (UEs). A total of 20.34 UEs were remaining for what would be Building A.

5. The City amended the CUP and Record of Survey for The Lodges in March and April of 2005. The amendments separated The Silver Baron Lodge (Building F) from The Lodges and platted the condominium record of survey for the Silver Baron Lodge. The new project includes the Silver Baron Lodge (Building F) with the remaining 20.34 Unit Equivalents from Building A and Courcheval. The previous location of Building A on the north (Queen Esther) side of The Lodges project is now included in the Silver Baron Lodge condominium plat and will remain as open space.
6. On November 9, 2005 the Planning Commission amended the Silver Baron Lodge CUP to add 24 units encompassing 20.25 Unit Equivalents (UEs) to the Silver Baron Lodge. The remnant 0.09 UEs (180 square feet) cannot be transferred to any other project. The CUP also included a small exercise room (711 sf) for owners and guests and a conference room of approximately 3,500 square feet.
7. The City received a completed Condominium Conversion application on June 7, 2006, for Phase II of the Silver Baron Lodge. Phase II is currently under construction. This application creates 25 condominium units (total of 124 out of 125 allowed) utilizing 20.25 Unit Equivalents (total of 114.91 UEs of 115 allowed). The remnant 0.09 UEs (180 square feet) cannot be transferred to any other project.
8. The Silver Baron Lodge meets the minimum setback requirements.
9. The units range in size from 998 square feet to 2,000 square feet.
10. Parking is provided at the Code requirement.
11. The proposed record of survey is consistent with the approved Deer Valley Master Planned Development, as amended, and the Lodges/Silver Baron Lodge CUP, as amended.
12. Courchevel has notified the City that they dispute applicant's ownership of the seven transferred units and the applicant has not complied with the Courchevel CC&Rs. That matter is beyond the jurisdiction of the City.

Conclusions of Law:
1. There is good cause for this record of survey.
2. The record of survey is consistent with the Park City Land Management Code and applicable State law regarding condominium plats.
3. Neither the public nor any person will be materially injured by the proposed record of survey.
4. Approval of the record of survey, subject to the conditions stated below, does not adversely affect the health, safety and welfare of the citizens of Park City.

Conditions of Approval:
1. The City Attorney and City Engineer will review and approve the final form and content of the record of survey for compliance with State law, the Land Management Code, and the conditions of approval, prior to recordation of the plat.
2. The applicant will record the record of survey at the County within one year from the date of City Council approval. If recordation has not occurred within one year's time, this approval for the plat will be void.
3. All conditions of approval of the Deer Valley Master Planned Development and the Silver Baron Conditional Use Permit shall continue to apply.
4. Should a court of competent jurisdiction invalidate ownership of or the transfer of the

seven units of density from Courchevel, this approval is null and void. Developer is proceeding at their own risk.

SECTION 2. EFFECTIVE DATE. This Ordinance shall take effect upon publication.

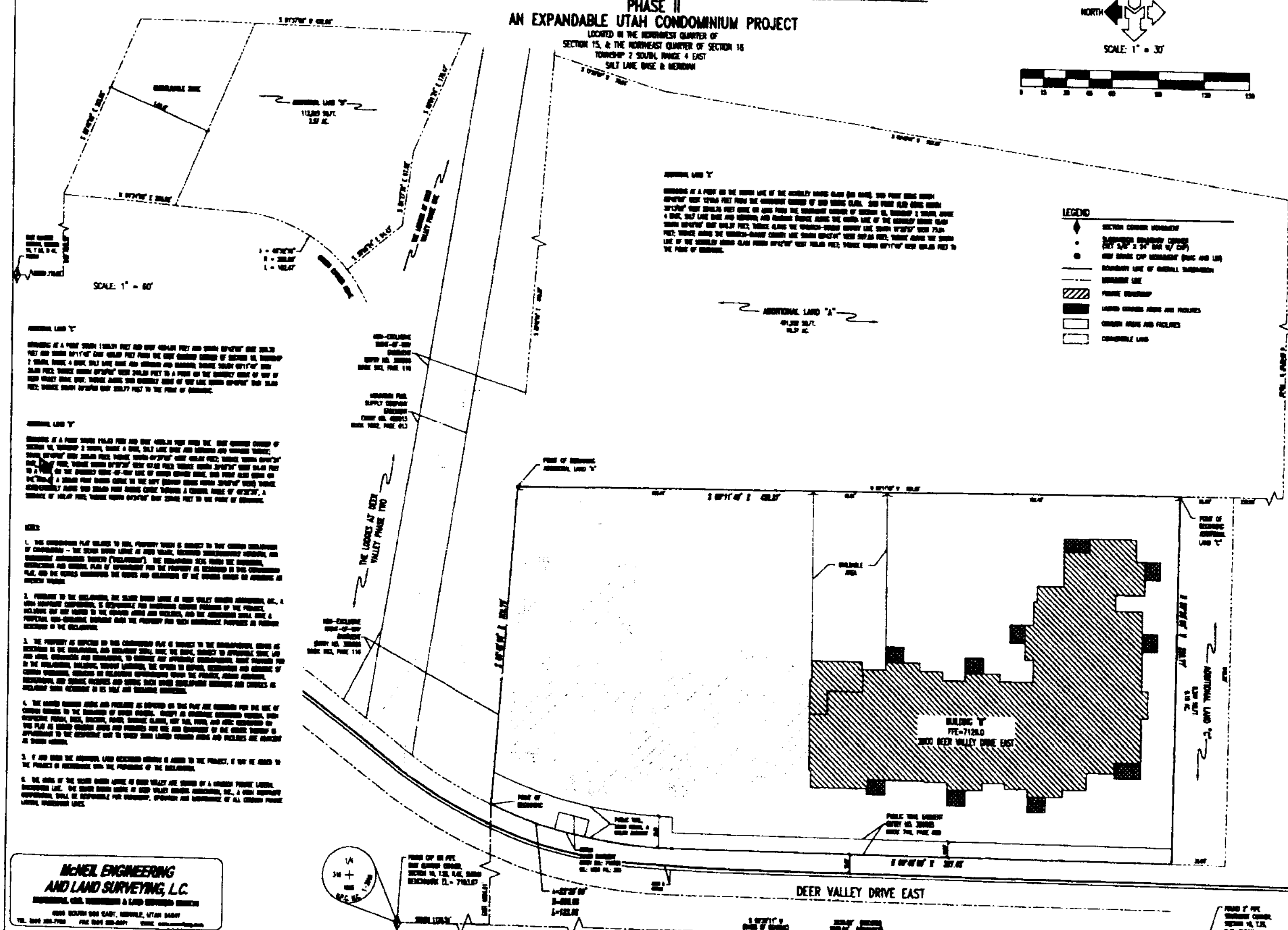
PASSED AND ADOPTED this 14th day of September, 2006.

THE SILVER BARON LODGE AT DEER VALLEY

PHASE II

AN EXPANDABLE UTAH CONDOMINIUM PROJECT

LOCATED IN THE NORTHWEST QUARTER OF SECTION 15, & THE NORTHEAST QUARTER OF SECTION 16 TOWNSHIP 2 SOUTH, RANGE 4 EAST SALT LAKE BASE & MERIDIAN



McNEIL ENGINEERING AND LAND SURVEYING, L.C.

SURVEYOR'S CERTIFICATE

BOUNDARY DESCRIPTION

OWNER'S DEDICATION

THE SILVER BARON LODGE AT DEER VALLEY

PHASE II

ACKNOWLEDGMENT

STATE OF UTAH } S.S.
Summit County

MY COMMISSION EXPIRES:

CONSENT TO RECORD AND SUBORDINATION

ACKNOWLEDGMENT

STATE OF UTAH } S.S.
Summit County

MY COMMISSION EXPIRES:

RECORD OF SURVEY MAP
THE SILVER BARON LODGE AT DEER VALLEY
PHASE II

AN EXPANDABLE UTAH CONDOMINIUM PROJECT

LOCATED IN THE NORTHWEST QUARTER OF SECTION 15, & THE NORTHEAST QUARTER OF SECTION 16 TOWNSHIP 2 SOUTH, RANGE 4 EAST SALT LAKE BASE & MERIDIAN

SHEET 1 OF 4

COUNCIL APPROVAL	PARK CITY PLANNING COMMISSION	SNYDERVILLE BASIN WATER RECLAMATION DISTRICT APPROVAL	PARK CITY ENGINEER	APPROVAL AS TO FORM	CERTIFICATE OF ATTEST	RECORDED #
PARK CITY MAYOR	CHAIRMAN	S.B.W.R.D.	DATE / CITY ENGINEER	PARK CITY ATTORNEY	PARK CITY RECORDER	

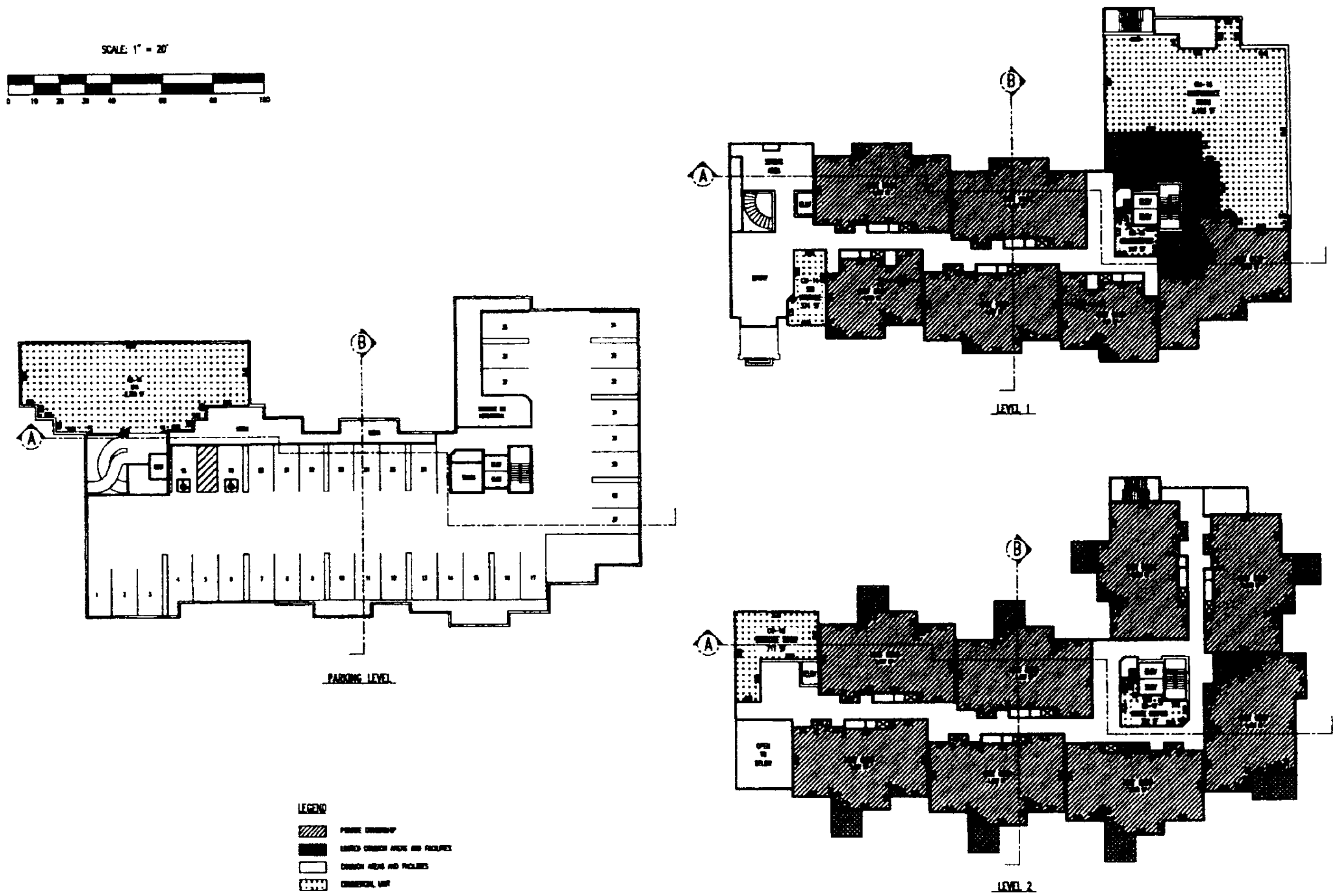
AUG 14 2006

THE SILVER BARON LODGE AT DEER VALLEY

PHASE II

AN EXPANDABLE UTAH CONDOMINIUM PROJECT

LOCATED IN THE NORTHWEST QUARTER OF
SECTION 15, & THE NORTHEAST QUARTER OF SECTION 16
TOWNSHIP 2 SOUTH, RANGE 4 EAST
SALT LAKE BASE & MERIDIAN



SHEET 2 OF 4

RECORDED #

McNEIL ENGINEERING AND LAND SURVEYING, L.C.

AUG 1 4 2006

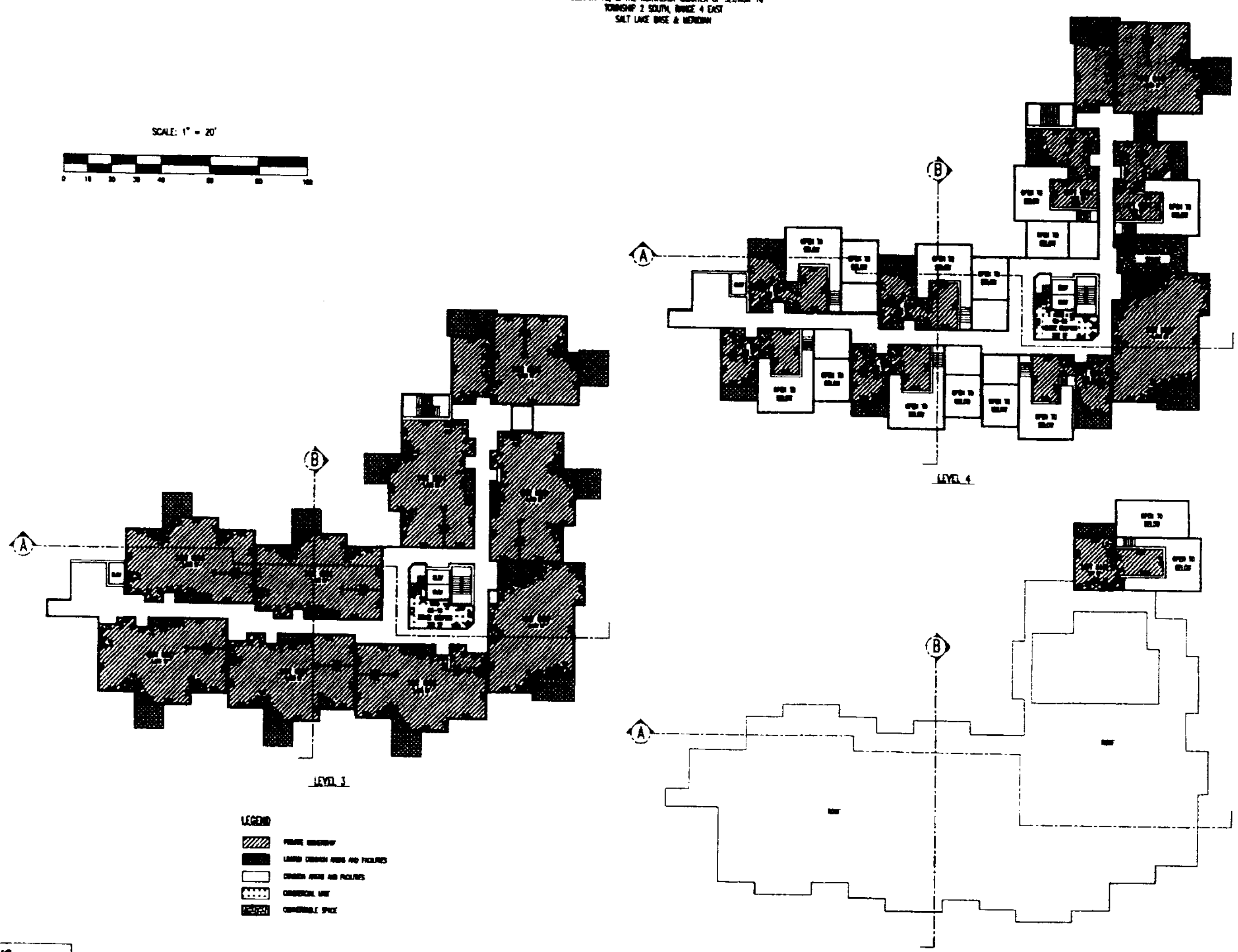
THE SILVER BARON LODGE AT DEER VALLEY

PHASE II

AN EXPANDABLE UTAH CONDOMINIUM PROJECT

LOCATED IN THE NORTHWEST QUARTER OF
SECTION 15, & THE NORTHEAST QUARTER OF SECTION 16
TOWNSHIP 2 SOUTH, RANGE 4 EAST
SALT LAKE BASE & MERIDIAN

SCALE: 1" = 20'



McNEIL ENGINEERING
AND LAND SURVEYING, L.C.

SHEET 3 OF 4

RECORDED #

AUG 14 2006

THE SILVER BARON LODGE AT DEER VALLEY

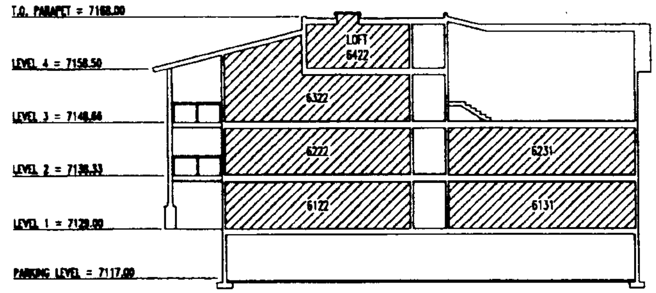
PHASE II

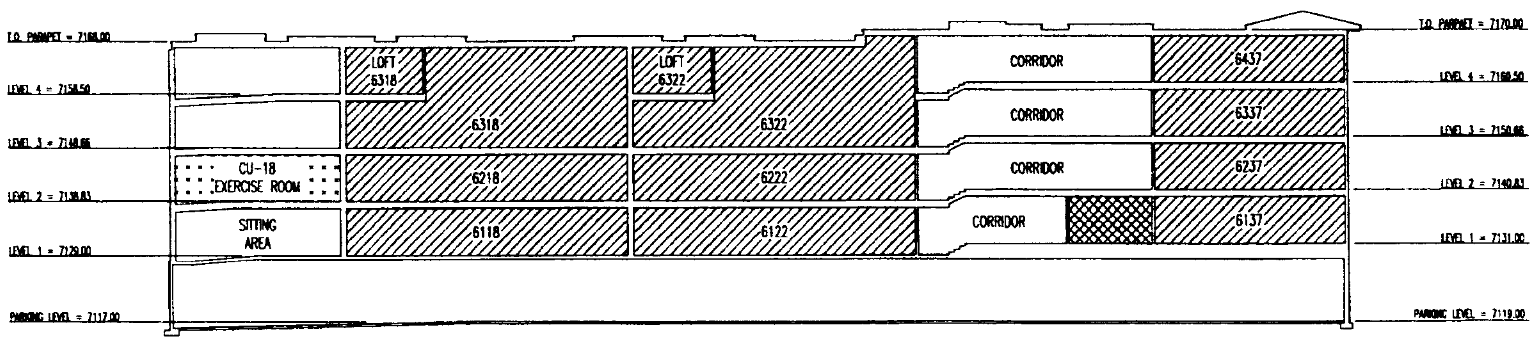
AN EXPANDABLE UTAH CONDOMINIUM PROJECT

LOCATED IN THE NORTHWEST QUARTER OF
SECTION 15, & THE NORTHEAST QUARTER OF SECTION 16
TOWNSHIP 2 SOUTH, RANGE 4 EAST
SALT LAKE BASE & MERIDIAN

SCALE: 1" = 10'

LEGEND





SHEET 4 OF 4

McNEIL ENGINEERING
AND LAND SURVEYING, L.C.

RECORDED #

AUG 14 2006

-

Building B

Silver Baron Lodge

Unit Mix and Paint to Paint

Square Footage

Rev 2006-08-14

Unit	View	Bedrooms	Keys	Paint to Paint Area	UEs
6118		2	2	1,487	0.75
6122		2	2	1,487	0.75
6127		1	1	1,000	0.50
6131		2	2	1,487	0.75
6133		1	1	998	0.50
6137		2	2	1,500	0.75
6218		2	2	1,487	0.75
6222		2	2	1,487	0.75
6224		2	2	1,500	0.75
6227		2	2	1,487	0.75
6231		2	2	1,487	0.75
6233		2	2	1,500	0.75
6237		2	1	1,498	0.75
6239		2	2	1,500	0.75
6318		3	3	2,000	1.00
6322		3	3	2,000	1.00
6324		3	3	2,000	1.00
6327		3	3	2,000	1.00
6331		3	3	2,000	1.00
6333		3	3	2,000	1.00
6337		2	1	1,499	0.75
6339		3	3	2,000	1.00
6343		2	2	1,500	0.75
6437		2	1	1,499	0.75
6443		3	2	2,000	1.00
25		**56**	**52**	**40,403**	**20.25**

AUG 14 2006

City Council Staff Report

Author: Ben Davis
Subject: Lot 4, Iron Canyon Subdivision
Date: September 14, 2006
Type of Item: Legislative- Plat Amendment

PARK CITY 1881

PLANNING DEPARTMENT

RECOMMENDATION: Staff recommends that the City Council conduct a public hearing on the Lot 4, Iron Canyon Subdivision Plat Amendment, and approve the plat amendment according to the findings of fact, conclusions of law and conditions of approval in the attached ordinance.

DESCRIPTION

Project Name:	Lot 4, Iron Canyon Subdivision plat amendment
Representative:	Robert Schumacher
Owner of Property:	Allison Fuller (trustee)
Location:	2409 Iron Mountain Drive
Zone:	Residential Development (RD)

BACKGROUND

On June 27, 2006 the applicant submitted a complete application for a plat amendment to adjust the platted building pad of Lot 4 of the Iron Canyon Subdivision. The existing home on the lot was not built within the original building pad, and the applicant seeks to adjust the building pad to meet the existing location of the home and allow for a 360 square foot addition for a garage.

When the houses were originally built in the Iron Canyon subdivision, it was determined that the building pads only identified a general location for the buildings. On the subdivision plat, the pads are not legally identified as to size. The pads are also not legally tied down as to location. The City previously interpreted pads shown on the plat to illustrate approximately where a building site would be located.

In 1995 or 1996, the Legal Department Staff determined that building outside of the rectangular box required a plat amendment. Since then, plat amendments have been required. There have been several recent applications for plat amendments approved to reconfigure building pads in the Iron Canyon Subdivision.

ANALYSIS

The property is located in the RD zone. The setbacks within the RD zone are 20' front, 15' rear, and 12' side. The height limit is 33' above existing grade. The proposed building pad meets setback requirements.

The proposed plat amendment will change the existing rectangular building pad to an irregular shaped pad that encompasses the existing home that was built outside of the existing pad and allow for a small addition onto the home for a garage bay. The existing pad is 4000 square feet; the proposed new pad is 3983 square feet.

To bring the existing home into compliance and allow for a 360 square foot addition for a garage bay onto the home, the applicant is requesting that the City Council approve the proposed amendment to the building pad. The Iron Canyon Architectural Review Committee has approved the addition to the house. The house currently has a two car garage.

Staff finds that there is good cause for the proposed plat amendment as it will bring the existing home into compliance and does not increase the size of the building pad. The proposed building pad does not violate the required building setbacks. Staff further finds that no member of the public will be materially harmed by the project as any future development on the property will be within the parameters of the existing Land Management Code and International Building Code.

On August 23, 2006 the Planning Commission forwarded a positive recommendation to the City Council for the plat amendment.

NOTICE
Notice of this hearing was sent to property owners within 300' on July 10, 2006. Staff has received no comments from the public at the time of this writing. There was no public input at the Planning Commission hearing on August 23, 2006.

ALTERNATIVES

1. The City Council may approve the Plat Amendment as conditioned or amended, or
2. The City Council may deny the Plat Amendment and direct staff to make Findings for this decision, or
3. The Planning Commission may continue the discussion on the Plat Amendment.

SIGNIFICANT IMPACTS
If this Plat Amendment is not approved, the building will not be compliant with the plat and the owner cannot build the addition.

DEPARTMENT REVIEW
The Planning, Engineering and Building Departments have reviewed this request. The City Attorney and City Engineer will review the plat for form and compliance with the LMC and State Law prior to recording.

RECOMMENDATION
Staff recommends that the City Council conduct a public hearing and approve the plat amendment according to the findings of fact, conclusions of law and conditions of approval in the attached ordinance outlined below:

EXHIBITS
Exhibit A – Proposed Ordinance
Exhibit B – Existing Plat
Exhibit C – Proposed Plat Amendment
Exhibit D – Approval from Iron Mountain Architectural Committee

Ordinance No. 06-

AN ORDINANCE APPROVING THE LOT 4 OF THE IRON CANYON SUBDIVISION PLAT AMENDMENT, LOCATED AT 2409 IRON MOUNTAIN DRIVE, PARK CITY, UTAH

WHEREAS, the owner of the property known as 2409 Iron Mountain Drive, has petitioned the City Council for approval of a Plat Amendment; and

WHEREAS, proper notice was sent and the property posted according to requirements of the Land Management Code and State Law; and

WHEREAS, on August 23, 2006 the Planning Commission held a public hearing to receive public input on the proposed Plat Amendment and forwarded a positive recommendation of approval to the City Council; and

WHEREAS, on September 14, 2006 the City Council held a public hearing on the proposed Plat Amendment; and

WHEREAS, the proposed Plat Amendment allows the property owner to relocate and adjust the lot building pad; and

WHEREAS, it is in the best interest of Park City, Utah to approve the Plat Amendment.

NOW, THEREFORE, BE IT ORDAINED by the City Council of Park City, Utah as follows:

SECTION 1. FINDINGS OF FACT. The above recitals are hereby incorporated as findings of fact. The following are also adopted by City Council as findings of fact:

1. The property is located in the Residential Development (RD) zone.
2. The RD zone is a residential zone characterized by a mix of contemporary residences.
3. The lot is located within the Iron Canyon Subdivision.
4. There is a 4000 sf building pad indicated on the plat. The building pad is not tied in to the survey with exact dimensions and bearings.
5. The existing home was built outside of the platted building pad.
6. The applicant seeks to construct a 360 sf addition for a garage bay onto the home. The house currently has a two-car garage.
7. The amendment will adjust the platted building pad of the residence.
8. The proposed building pad is 3990 square feet.
9. The proposed building pad complies with the setback requirements.
10. The Planning Commission forwarded a positive recommendation for the

Plat Amendment to the City Council on August 23, 2006.

SECTION 2. CONCLUSIONS OF LAW. The City Council hereby adopts the following Conclusions of Law:

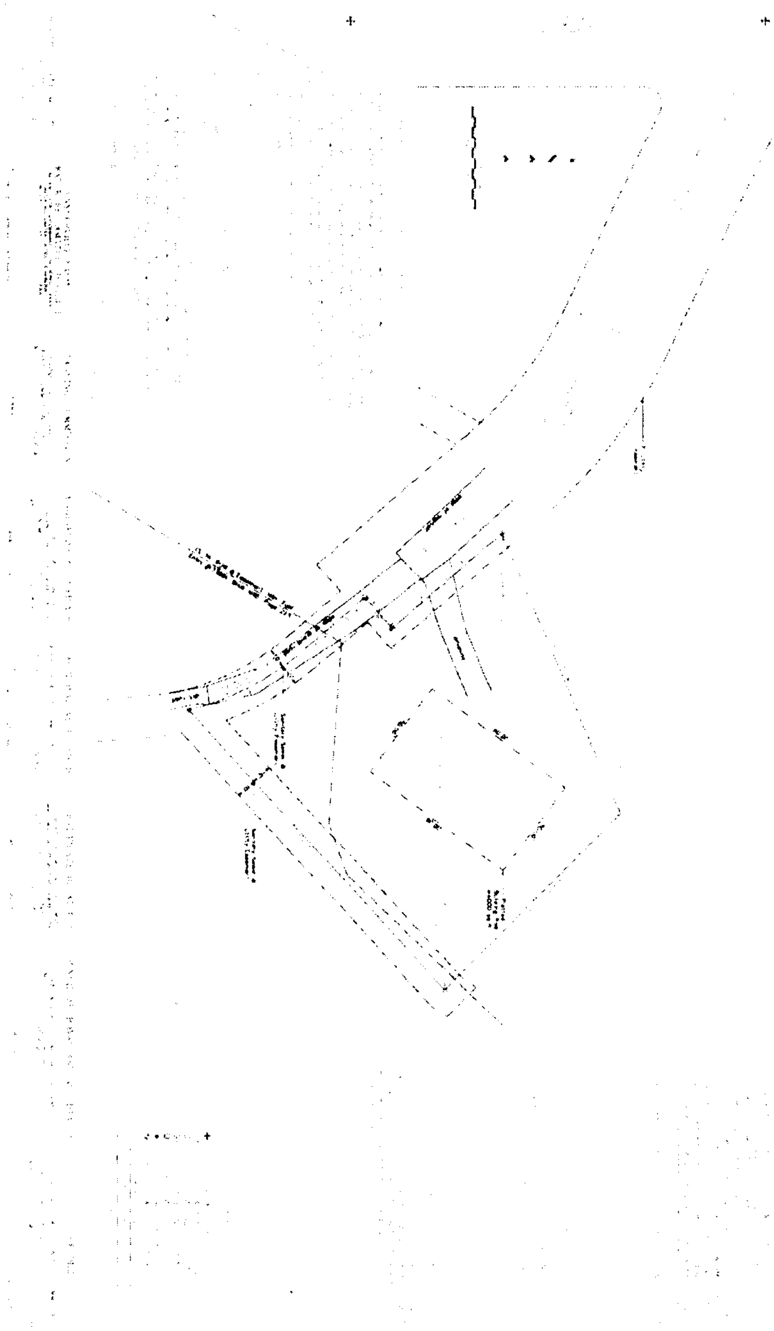
1. There is good cause for this plat amendment.
2. The plat amendment is consistent with the Park City Land Management Code and applicable State law.
3. Neither the public nor any person will be materially injured by the proposed plat amendment.
4. As conditioned the plat amendment is consistent with the Park City General Plan.

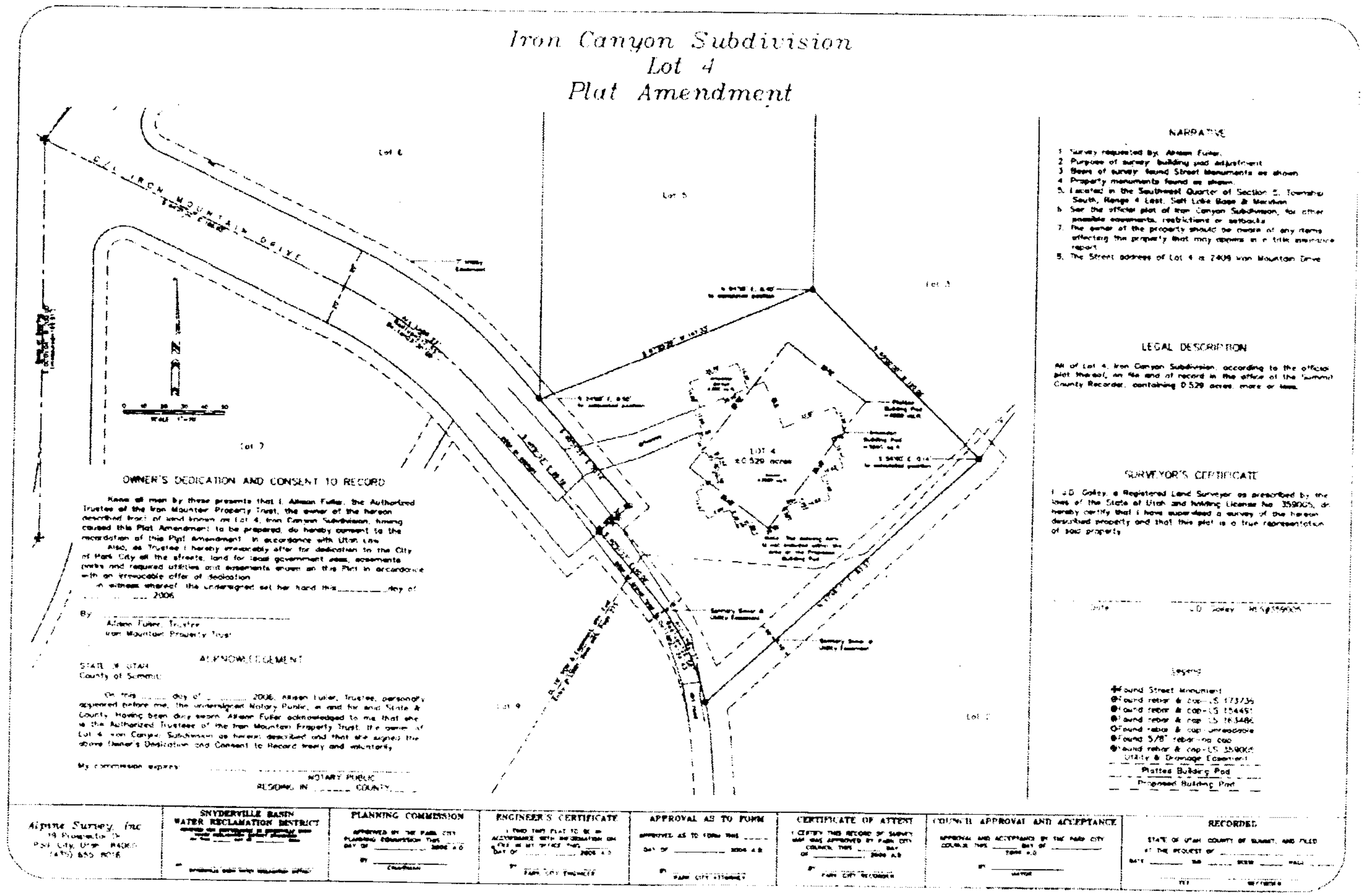
SECTION 3. CONDITIONS OF APPROVAL. The City Council hereby adopts the following Conditions of Approval:

1. City Attorney and City Engineer review and approval of the final form and content of the plat for compliance with the Land Management Code and conditions of approval is a condition precedent to recording the plat.
2. No building permits shall be issued prior to the final recordation of the plat at the County Recorder's Office.
3. The applicant will record the plat amendment at the County within one year from the date of City Council approval. If recordation has not occurred within one year's time, this approval and the plat will be void.

SECTION 4. EFFECTIVE DATE. This Ordinance shall take effect upon publication.

PASSED AND ADOPTED this 14th day of September, 2006.





Iron Canyon Subdivision
Lot 4
Plat Amendment
C/L IRON MOUNTAIN DRIVE
Lot 6
Lot 5
Lot 3
Lot 7
Lot 9
LOT 4
±0.529 acres
NARRATIVE
1. Survey requested by: Alleen Fuller.
2. Purpose of survey: building pad adjustment
3. Basis of survey: found Street Monuments as shown
4. Property monuments found as shown.
5. Located in the Southwest Quarter of Section 5, Township South, Range 4 East, Salt Lake Base & Meridian
6. See the official plat of Iron Canyon Subdivision, for other possible easements, restrictions or setbacks
7. The owner of the property should be aware of any items affecting the property that may appear in a title insurance report
8. The Street address of Lot 4 is 2409 Iron Mountain Drive
LEGAL DESCRIPTION
All of Lot 4, Iron Canyon Subdivision, according to the official plat thereof, on file and of record in the office of the Summit County Recorder, containing 0.529 acres, more or less.
SURVEYOR'S CERTIFICATE
I, J.D. Galey, a Registered Land Surveyor as prescribed by the laws of the State of Utah and holding License No. 359005, do hereby certify that I have supervised a survey of the hereon described property and that this plat is a true representation of said property
Date
J.D. Galey RLS#359005
Legend
OWNER'S DEDICATION AND CONSENT TO RECORD
Know all men by these presents that I, Alleen Fuller, the Authorized Trustee of the Iron Mountain Property Trust, the owner of the hereon described tract of land known as Lot 4, Iron Canyon Subdivision, having caused this Plat Amendment to be prepared, do hereby consent to the recordation of this Plat Amendment in accordance with Utah Law.
Also, as Trustee I hereby irrevocably offer for dedication to the City of Park City all the streets, land for local government uses, easements, parks and required utilities and easements shown on this Plat in accordance with an irrevocable offer of dedication.
In witness whereof the undersigned set her hand this ______ day of ______ 2006
By ______
Alleen Fuller, Trustee
Iron Mountain Property Trust
ACKNOWLEDGEMENT
STATE OF UTAH
County of Summit
On this ____ day of ______ 2006, Alleen Fuller, Trustee, personally appeared before me, the undersigned Notary Public, in and for said State & County. Having been duly sworn, Alleen Fuller acknowledged to me that she is the Authorized Trustee of the Iron Mountain Property Trust, the owner of Lot 4, Iron Canyon Subdivision as herein described and that she signed the above Owner's Dedication and Consent to Record freely and voluntarily.
My commission expires ______
NOTARY PUBLIC
RESIDING IN ______ COUNTY
Alpine Survey, Inc
19 Prospector Dr
Park City, Utah 84060
(435) 655-8016
SNYDERVILLE BASIN WATER RECLAMATION DISTRICT
PLANNING COMMISSION
ENGINEER'S CERTIFICATE
APPROVAL AS TO FORM
CERTIFICATE OF ATTEST
COUNCIL APPROVAL AND ACCEPTANCE
RECORDED

Iron Canyon
Architectural Review Committee
#10 Iron Canyon Court
Park City UT 84060

June 22, 2006

Robert Schumacher Construction, LLC
POBox 4078
Park City UT 84060
Fax: 435 658 0216

RE: 2409 Iron Mountain Drive

Dear Rob,

After reviewing your plans for the above remodel, the Iron Canyon ARC has approved the addition of an additional single bay garage to the home at 2409 Iron Mountain Drive.

Sincerely,

David Wiener (Verbal)

David Wiener, ARC President

Dee McCarthy

Dee McCarthy, ARC Member

un 22 06 11:28a Dee McCarthy 435 649 7246 p.1

City Council Staff Report

PARK CITY 1881

PLANNING DEPARTMENT

Author: Ben Davis
Subject: 7915 & 7895 Royal Street Amendment to Record of Survey
Date: September 14, 2006
Type of Item: Legislative- 5th Amended Record of Survey "The Knoll" at Silver Lake Phase 1 Condominiums

RECOMMENDATION: Staff recommends that the City Council conduct a public hearing and approve the Knoll at Silver Lake 5th Amended Record of Survey according to the findings of fact, conclusions of law, and conditions of approval as found in the attached ordinance.

DESCRIPTION

Applicant:	Stephen Ross
Project Address:	7915 & 7895 Royal Street; Units 2 & 4
Zoning:	Residential Development (RD-MPD)
Adjacent Land Uses:	Residential, "The Knoll" Condominiums, Deer Valley Club Estates
Reason for Review:	Amendments to Records of Survey require City Council Approval.

BACKGROUND

On June 26, 2006, the City received a completed application to amend the Record of Survey for Unit 4 and Unit 2 of The Knoll at Silver Lake Condominiums. "The Knoll" Condominiums is a 4-unit project. The Knoll Condominiums have been amended 4 times previously.

The applicant has received written permission from 100% of the owners within The Knoll Condominiums, exceeding the 2/3 majority required under state law.

The 4 previous amendments to the Record of Survey Plat have all been approved and recorded.

ANALYSIS

The 5th Amendment to the Record of Survey Plat is to increase the floor area of Units 2 and 4. The amendment to Unit 2 will remove an area that was previously platted, while adding floor area in another location. The approximate increase in size of Unit 2 will be 35 square feet.

The amendment to Unit 4 adds approximately 138 square feet of floor area located above the garage. The building footprint will be unaffected by this plat amendment.

The floor area added to each unit will be designated private. Currently, the areas to be added to each unit are platted as common.

RD-MPD requirements for Condos require that at least 60% of the lot must remain as open space. With this amendment, the open space percentage will decrease from 61.33% to 60.085%.

Parking requirements remain at 12 parking spaces.

Staff finds that there is good cause for this Amendment to Record of Survey. The City and public will not be materially harmed by this proposed amendment.

On August 23, 2006, the Planning Commission forwarded a positive recommendation to City Council for approval of the 5th Amended Record of Survey for The Knoll at Silver Lake Phase 1 Condominiums.

	Permitted/ Existing	Proposed
Height	33'	33'
Front setback	20'	20'
Rear setback	15'	15'
Side setbacks	12'	12'
Lot size	27,184 square feet	27,184 square feet
Footprint	10,511 square feet	10,643 square feet
Open Space Required	60% req. 61.33% exist.	60.085%
Parking	12	12

DEPARTMENT REVIEW
The Planning, Engineering and Building Departments have reviewed this request. The City Attorney and City Engineer will review the plat for form and compliance with the LMC and State Law prior to recording.

NOTICE
Notice of this hearing was sent to property owners within 300'. Legal notice was also put in the Park Record.

PUBLIC INPUT
Staff has received no comments from the public at the time of this writing. No public input was given at the Planning Commission hearing on August 23, 2006.

ALTERNATIVES

4. The City Council may approve the Amendment to Record of Survey as conditioned or amended, or
5. The City Council may deny the Amended to Record of Survey and direct staff to make Findings for this decision, or
6. The City Council may continue the discussion on the Amendment to Record of Survey.

SIGNIFICANT IMPACTS
There are no significant fiscal or environmental impacts from this application.

CONSEQUENCES OF NOT TAKING THE SUGGESTED RECOMMENDATION
The building would remain as is and no additional floor area would be built at this time.

RECOMMENDATION
Staff recommends that the City Council conduct a public hearing and approve the 5th Amended Record of Survey for The Knoll at Silver Lake Phase 1 Condominiums according to the findings of fact, conclusions of law and conditions of approval in the attached ordinance outlined below:

EXHIBITS
Exhibit A – Proposed Ordinance
Exhibit B – Proposed Plat Amendment
Exhibit C – Survey of Property

AN ORDINANCE APPROVING THE 5th AMENDED CONDOMINIUM RECORD OF SURVEY FOR THE KNOLL AT SILVER LAKE PHASE I, LOCATED AT 7915 AND 7895 ROYAL STREET, PARK CITY, UTAH.

WHEREAS, the owners of the property located at 7915 and 7895 Royal Street have petitioned the City Council for approval of the 5th Amended The Knoll at Silver Lake Phase I Condominium Record of Survey; and

WHEREAS, the property was properly noticed and posted according to the requirements of the Land Management Code; and

WHEREAS, proper legal notice was sent to all affected property owners; and

WHEREAS, the Planning Commission held a public hearing on August 23, 2006, to receive input on the 5th Amended The Knoll at Silver Lake Phase I Condominium Record of Survey;

WHEREAS, the Planning Commission, forwarded a positive recommendation on August 23' 2006 to the City Council; and

WHEREAS, it is in the best interest of Park City, Utah to approve the 5th Amended Condominium Record of Survey at The Knoll at Silver Lake Phase I; and

WHEREAS, on September 14, 2006, the City Council held a public hearing on the 5th Amended Condominium Record of Survey at The Knoll at Silver Lake Phase I; and

NOW, THEREFORE BE IT ORDAINED by the City Council of Park City, Utah as follows:

SECTION 1. APPROVAL. The above recitals are hereby incorporated as findings of fact. The 5th Amended The Knoll at Silver Lake Phase I Condominium Record of Survey as shown in Exhibit A is approved subject to the following Findings of Facts, Conclusions of Law, and Conditions of Approval:

Findings of Fact:
1. The property is located at 7915 and 7895 Royal Street.
2. The zoning is Residential Development (RD-MPD).
3. The Condominium lot is 27,965 square feet in size.
4. Height for this lot is 33 feet.
5. Setback requirements of 20' front, 12' side, and 15' rear.
6. The Knoll at Silver Lake Phase I Condominium is a 4-unit condominium.
7. No significant vegetation is affected as a result of this plat amendment.
8. The area added to Unit 2 is 35 square feet.
9. The area added to Unit 4 is 114 square feet.
10. Open space in this condominium with the proposed changes is 60.085%.

Conclusions of Law:

1. There is good cause for this plat amendment.
2. The plat amendment is consistent with the Park City Land Management Code and applicable State law regarding condominiums.
3. Neither the public nor any person will be materially injured by the proposed plat amendment.
4. Approval of the plat amendment subject to the conditions stated below, does not adversely affect the health, safety and welfare of the citizens of Park City.

Conditions of Approval:

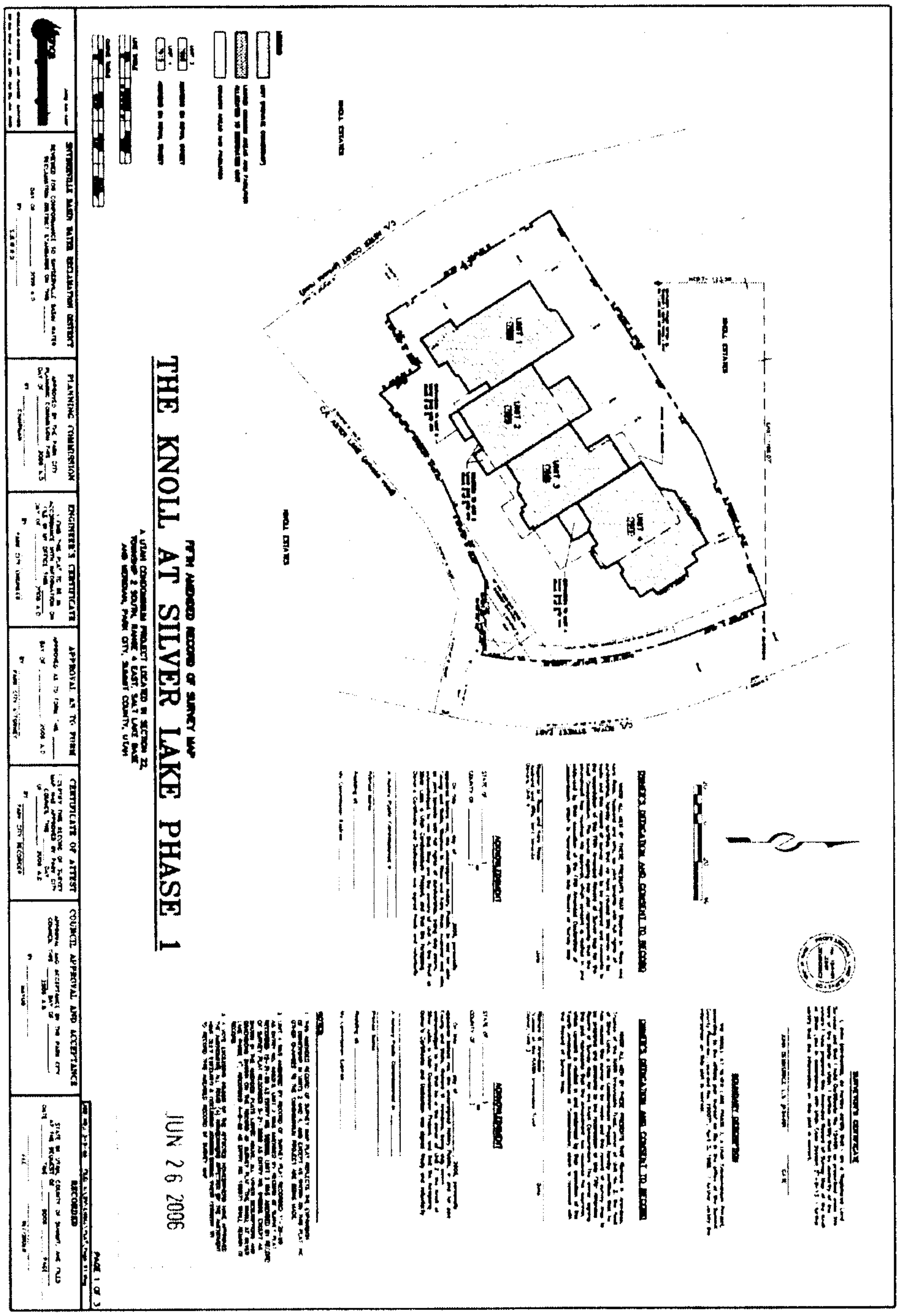
1. The City Attorney and City Engineer will review and approve the final form and content of the plat amendment for compliance with State law, the Land Management Code, and the conditions of approval, prior to recordation of the plat.
2. The applicant will record the plat amendment at the County within one year from the date of City Council approval. If recordation has not occurred within one year's time, this approval for the plat will be void.

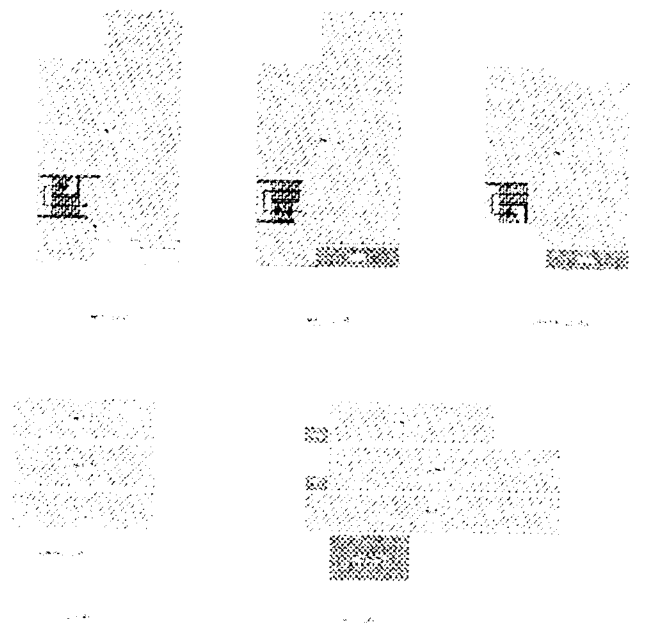
SECTION 2. EFFECTIVE DATE. This Ordinance shall take effect upon publication.

PASSED AND ADOPTED this 14th day of September, 2006.

Exhibits

Exhibit A – Record of Survey Plat
Exhibit B- Cross Section
Exhibit C- Floor Plan

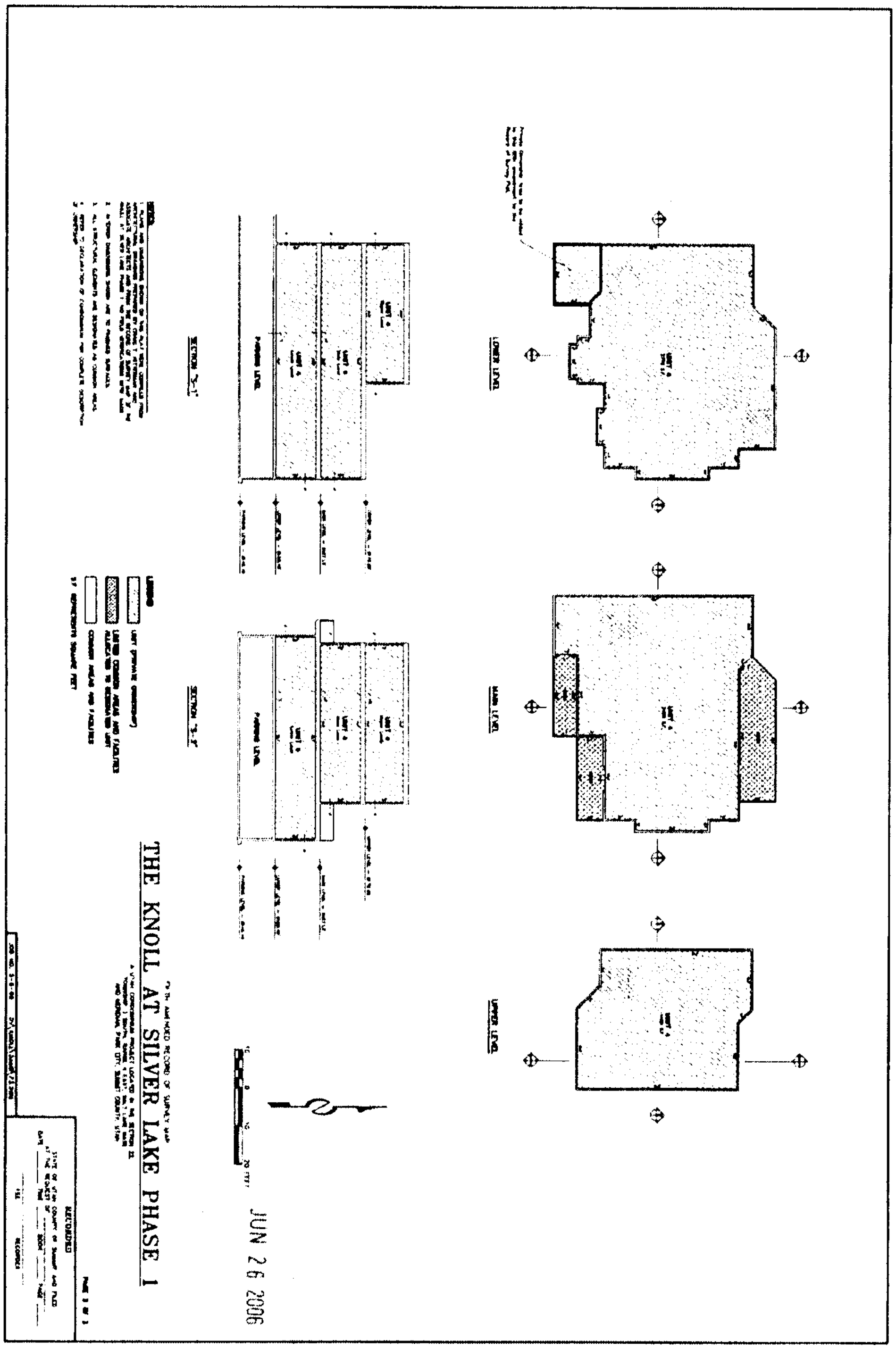

FIFTH AMENDED RECORD OF SURVEY MAP
THE KNOLL AT SILVER LAKE PHASE 1
JUN 26 2006
PLANNING COMMISSION
ENGINEER'S CERTIFICATE
CERTIFICATE OF ATTEST
COUNCIL APPROVAL AND ACCEPTANCE
RECORDED
PAGE 1 OF 3



FIFTH AMENDED RECORD OF SURVEY MAP

THE KNOLL AT SILVER LAKE PHASE 1

JUN 26 2006


THE KNOLL AT SILVER LAKE PHASE 1
JUN 26 2006

City Council
Staff Report

Author: Ray Milliner
Subject: 819 EMPIRE AVENUE EXTENSION
Date: September 14, 2006
Type of Item: Legislative

PLANNING DEPARTMENT

Summary Recommendation: Staff recommends that the City Council Approve the request for a second one year extension to the September 30, 2004 plat amendment approval for the property located at 819 Empire according to the Findings of Fact, Conclusions of Law and Conditions of Approval in the attached ordinance.

TOPIC

Owners:	Magnus Floden
Location:	819 Empire Avenue
Zoning:	HR-1
Adjacent Land Uses:	Historic Residential
Project Planner:	Ray Milliner
Date of Application:	June 30, 2004

BACKGROUND

On September 30, 2004 the applicant received approval from the City Council to combine Lots 1-3 in Block 30 of the Snyder's Addition to the Park City Survey into one 3,884 square foot lot. On September 8, 2005, the City Council granted the applicant a one year extension to the approval. The newly created lot is located north of the proposed Creole Gulch/Treasure Hill development, and is south of platted Ninth Street. The property is currently vacant, and is located within the HR-1 zone. The applicant was unable to record the plat prior to the expiration of the subdivision approval and is therefore requesting that the City Council grant another one year extension to the September 30, 2004 approval, and September 8, 2005 extension.

ANALYSIS

The applicant is seeking a one year extension to an plat amendment that was granted by the City Council in 2004. Section 15-1-10 (G) of the LMC requires that the applicant demonstrate that no change in circumstance has occurred since the previous approval that would result in an unmitigated impact to the community as a result of the extension. The applicant is requesting that the City Council extend the 2004 approval as is. Additionally, no applicable changes to the LMC have occurred in the time since the application was initially approved.

RECOMMENDATION

Staff recommends that the City Council Approve the request for a one year extension to the September 30, 2004 plat amendment approval for the property located at 819 Empire according to the Findings of Fact, Conclusions of Law and Conditions of Approval in the attached ordinance.

EXHIBITS

Exhibit A – Proposed Ordinance
Exhibit B – Proposed Plat Amendment
Exhibit C – September 2004 Approved Ordinance

Ordinance No. 06-

AN ORDINANCE APPROVING A ONE YEAR EXTENSION OF A PLAT AMENDMENT TO COMBINE LOTS 1-3 IN BLOCK 30 OF THE SNYDER'S ADDITION TO THE PARK CITY SURVEY INTO ONE LOT OF RECORD AT 819 EMPIRE AVENUE.

WHEREAS, the owners of the property known as 819 Empire Avenue have petitioned the City Council for approval of an extension to a plat amendment; and

WHEREAS, the property was properly noticed and posted according to the requirements of the Land Management Code; and

WHEREAS, on September 30, 2004, the City Council approved proposed plat amendment; and

WHEREAS, on September 8, 2006, the City Council approved a one year extension to the plat amendment; and

WHEREAS, it is in the best interest of Park City, Utah to approve the one year extension to the plat amendment.

NOW, THEREFORE BE IT ORDAINED by the City Council of Park City, Utah as follows:

SECTION 1. FINDINGS OF FACT. The above recitals are hereby incorporated as findings of fact. The following are also adopted by City Council as findings of fact:

Findings of Fact

1. The property located at 819 Empire Avenue is located in the HR-1 zone.
2. There are no existing buildings on the property.
3. Plat amendments expire one year from the date of Planning Commission approval.
4. The applicant received approval for a subdivision plat amendment on September 30, 2004
5. The applicant received a one year extension to the September 30, 2004 approval on September 8, 2005.
6. The applicant is requesting a one year time extension of the plat to combine 3 old town lots into one lot of record, for the purpose of constructing a single family home.
7. No changes to the existing approval are proposed at this time.
8. Because no changes are proposed, no change in circumstance has occurred since the previous approval that would result in an unmitigated impact to the community as a result of the extension.
9. The approval will expire on September 30, 2006.

10. No building permits will be issued for the property until the plat amendment is recorded at the county.

SECTION 2. CONCLUSIONS OF LAW. The City Council hereby adopts the following Conclusions of Law:

Conclusions of Law

1. There is good cause for this extension.
2. The extension is consistent with the Park City Land Management Code and applicable State law regarding plat amendments.
3. Neither the public nor any person will be materially injured by the proposed plat extension.

SECTION 3. CONDITIONS OF APPROVAL. The City Council hereby adopts the following Conditions of Approval:

Conditions of Approval

1. The City Attorney and City Engineer will review and approve the final form and content of the plat amendment for compliance with State law, the Park City Land Management Code, and the conditions of approval prior to recordation of the plat.
2. All conditions of approval for the plat amendment will continue to apply as found in the City Council approval on September 30, 2004.
3. The applicant will record the plat amendment at the County within one year from the date of City Council approval. If recordation has not occurred within one year's time, this approval and the plat will be void.

SECTION 4. EFFECTIVE DATE. This Ordinance shall take effect upon publication.

PASSED AND ADOPTED this 14th day of September 2006.

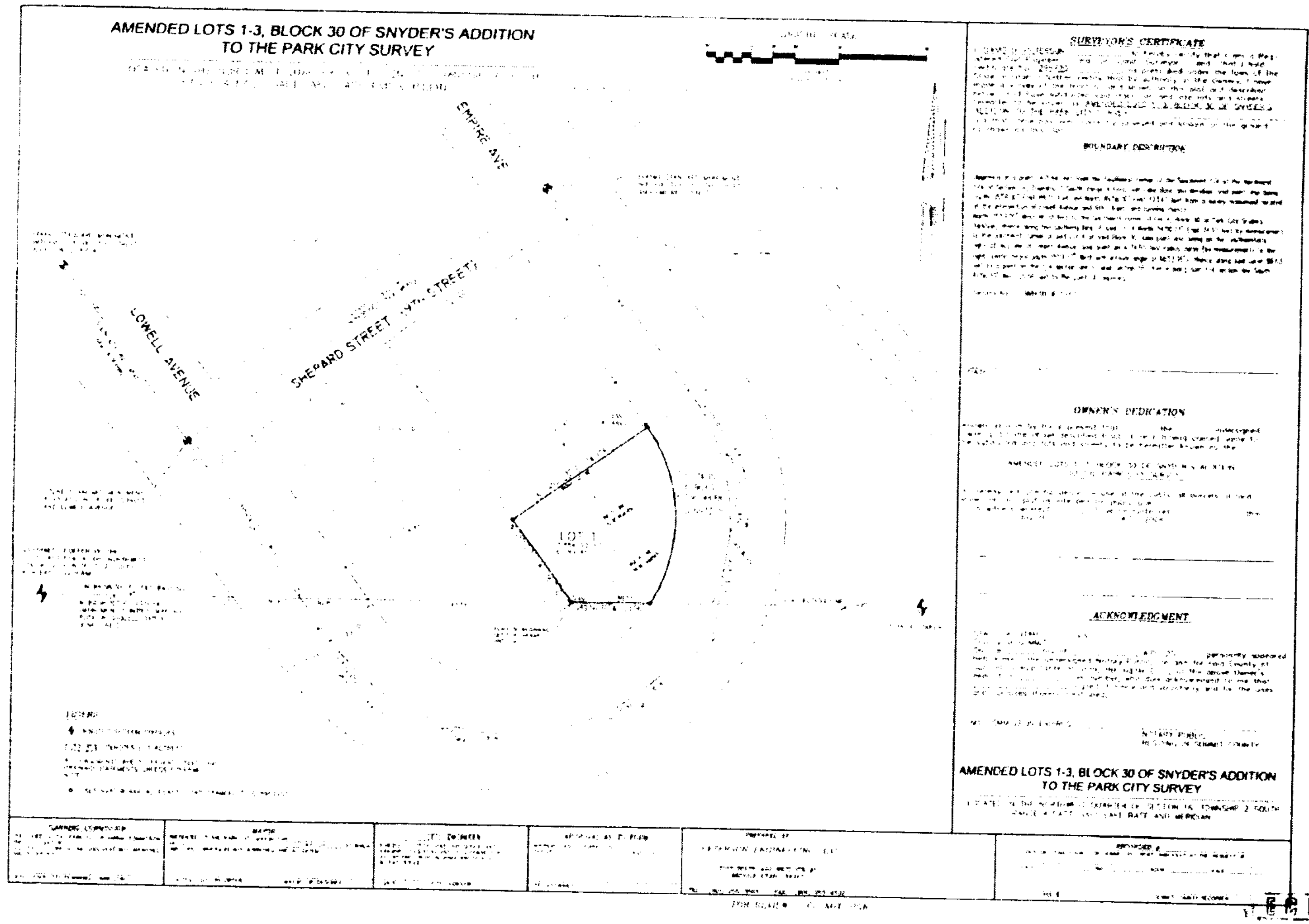


Exhibit A - Proposed Plat Amendment

Ordinance No. 04-

AN ORDINANCE TO COMBINE LOTS 1-3 IN BLOCK 30 OF THE SNYDER'S ADDITION TO THE PARK CITY SURVEY INTO ONE LOT OF RECORD, LOCATED AT 819 EMPIRE AVENUE PARK CITY, UTAH

WHEREAS, the owner of the property known as 819 Empire Avenue, has petitioned the City Council for approval of a plat amendment; and

WHEREAS, proper notice was sent and the property posted according to requirements of the Land Management Code and State Law; and

WHEREAS, on August 25, 2004 the Planning Commission held a public hearing to receive public input on the proposed plat amendment and forwarded a positive recommendation of approval to the City Council; and

WHEREAS, the proposed plat amendment allows the property owner to remove the lot lines between three lots of record creating one lot of record; and

WHEREAS, it is in the best interest of Park City Utah to approve the plat amendment.

NOW, THEREFORE, BE IT ORDAINED by the City Council of Park City, Utah as follows:

SECTION 1. FINDINGS OF FACT. The above recitals are hereby incorporated as findings of fact. The following are also adopted by City Council as findings of fact:

1. The property is located at 819 Empire Avenue and is in the Historic Residential (HR-1) District.
2. The applicant proposes to combine Lots 1, 2 and 3 of the Snyder's Addition to the Park City Survey into one lot of record.
3. The newly created lot would be 3,884 square feet in size.
4. The maximum building footprint for the newly created lot would be 1,737 square feet.
5. Empire Avenue encroaches onto Lots 1-3.
6. The applicant is proposing to construct one single-family dwelling.
7. The minimum lot area is 1,875 square feet for a single-family dwelling and 3,750 square feet for a duplex.
8. The plat amendment will not increase density on the lot.
9. No remnant lot is created.
10. Any development that encroaches onto 30% slope shall require a steep slope conditional use permit.

SECTION 2. CONCLUSIONS OF LAW. The City Council hereby adopts the following Conclusions of Law:

1. There is good cause for this plat amendment.
2. The amended plat is consistent with the Park City Land Management Code and applicable State law regarding subdivision plats.
3. Neither the public nor any person will be materially injured by the proposed amended plat.

SECTION 3. CONDITIONS OF APPROVAL. The City Council hereby adopts the following Conditions of Approval:

1. The City Attorney and City Engineer review and approve the final form and content of the Plat Amendment for compliance with the Land Management Code and conditions of approval prior to recordation.
2. The City Attorney and City Engineer shall review and approve the dedication of the portion of the property under Empire Avenue to the City prior to the issue of a building permit.
3. The applicant shall record the plat amendment at the County within one year from the date of City Council approval. If recordation has not occurred within one year's time, this approval and the plat will be void.
4. All standard Project Conditions shall apply and Land Management Codes shall apply.
5. A Construction Management Plan (CMP) shall be submitted to and approved by the Community Development Department prior to the issuance of any building permits. The plan shall address staging, material storage, construction time lines, special signs, parking, fencing, and any other construction related details to the satisfaction of the Community Development Department.
6. Prior to building plans submittal, the applicant shall obtain approval for a Historic Design Review/Conditional Use Permit for steep slope application, if required.
7. The applicant shall place a Plat note specifying the front and rear yard setback have a 10-foot setback and the side yards have 5 feet.
8. Dedication of right-of-way for Empire Avenue in accordance with the adopted master streets plan is required.

SECTION 4. EFFECTIVE DATE. This Ordinance shall take effect upon publication.

PASSED AND ADOPTED this 30th day of September 2004.

City Council Staff Report

PARK CITY 1884

Author: Tom Bakaly, City Manager
Mark Harrington, City Attorney

Subject: BLM Gambel Oak Lease Parcel; MOU Re: Disposition Of Mining Claims

Executive

Date: September 14, 2006

Type of Item: Administrative

Summary Recommendations: Approve and execute a Memorandum of Understanding between the City and United Park City Mines Company ("UPCMC") and the Leo-Rhea I Partnership ("LRP") regarding the release of mining claims on the Gambel Oak Park in exchange for a total of $2 million dollars.

Description:

Topic:
A Memorandum of Understanding between the City and the owners of mining claims on the Gambel Oak Park to obtain the release of the mining claims. See Attachment #1.

Background:
In 1985, the City entered a 25-year Recreation and Public Purpose Lease with the BLM for approximately 90 acres of open space. The lease was subject to the valid, existing rights of two mining claims, Moose No. 7 and FIR No. 1-7 and fraction No. 8-10, held by UPCMC and LRP respectively. Additional MOUs were executed with the individual owners of the mining claims to specify the relationship of the Lease to the mining claims. Over the past ten years, in addition to exploring a variety of other options, Park City has been attempting to acquire the property as permanent park and open space. Federal legislation is now pending that would direct the BLM to convey the property to the City as open space. See Attachment #2- **HR 3462**.

However, the City is responsible for obtaining the release of the mining claims.

Analysis:
After years of negotiations, with the aid of U.S. Representative Rob Bishop (R-Utah) and his staff, the City and owners of the mining claims have agreed to use recent open space purchases by the city as comparable sales for the release of the claims. Applied to the acreage of the claims, this amounts to $1,900,000 for LRP and $100,000 for UPCMC, for a total of $2 million. Only a portion of the Moose claim (UPCMC) overlaps the Gambel Oak parcel. The MOU is subject to the final passage of HR 3462.

The Bill also transfers an additional BLM property on the other side of the Aerie called White Parcel, which is about 22 acres, to the City. There are no mining claims encumbering White Parcel.

Department Review:
Administration, Finance and Legal have reviewed this staff report.

Alternatives:

A. Approve the Request:
Approve and execute a Memorandum of Understanding between the City and United Park City Mines Company ("UPCMC") and the Leo-Rhea I Partnership ("LRP") regarding the release of mining claims on the Gambel Oak Park in exchange for $2 million dollars. This is the recommended action.

B. Modify the Request:
Substantive changes would require the approval of the other parties.

C. Deny the Request:
Council could deny the request. The City would continue to remain in compliance with the BLM Lease and seek to add improvements pursuant to the Park City Master Parks Plan, as approved by the BLM. The City's ability to protect the property long term is unclear. Development applications may be expected from the owners and/or BLM.

D. Continue the Item:
Council could continue the item and direct Staff to return with additional information. Further delay would likely require the City to re-negotiate the release price and terms as the market continues to change significantly.

Significant Impacts:
The City would use remaining open space bond proceeds to cover the $2 million. There is currently approximately $3 million available.

Recommendation:
Approve a Memorandum of Understanding between the City and United Park City Mines Company ("UPCMC") and the Leo-Rhea I Partnership ("LRP") regarding the release of mining claims on the Gambel Oak Park in exchange for $2 million dollars.

Attachments:
1. MOU (executed by LRP)
2. HR 3462

MEMORANDUM OF UNDERSTANDING

THIS Memorandum of Understanding ("**MOU**") is entered into by and between Park City Municipal Corporation, a political subdivision of the State of Utah ("**Park City**"), United Park City Mines Company, a Delaware corporation ("**UPCMC**") and The Leo-Rhea 1, a Utah general partnership, (collectively, "**Parties**") dated, SEPT 6, 2006 ("**Effective Date**").

Recitals

A. The Bureau of Land Management, an agency of the United States Federal Government ("**BLM**"), holds legal title to that certain property as described in **Exhibit A**, attached hereto, consisting of one lot located entirely within Park City, Utah ("**Gambel Oak Parcel**").

B. The Leo-Rhea 1 Partnership, including its assignees and successors (collectively "**Leo Rhea**"), pursuant to the Mining Law of 1872 own the rights to FIR Claims 1 – 7 and Fractions 8 – 10 ("**FIR Claims**"), located entirely within Park City, Utah, as described in **Exhibit B**, attached hereto, and on the basis of such claims maintain a property interest in the Gambel Oak Parcel. FIR Claims 1 – 10 are located substantially within the Gambel Oak Parcel.

C. UPCMC, including its assignees and successors, pursuant to the Mining Law of 1872 as amended, owns the unpatented mining claim Moose No. 7 (UMC 3355), a portion (the "UPCMC Mining Claim Portion" as described in **Exhibit C** attached hereto) of which mining claim is located within the boundaries of the Gambel Oak Parcel, located entirely within Park City, Utah, and on the basis of the UPCMC Mining Claim Portion, UPCMC holds beneficial title to the UPCMC Mining Claim Portion of the Gambel Oak Parcel.

D. The City Council of Park City, a political subdivision of the State of Utah, is the legislative body charged with the authority to administer land use decisions for land located within Park City, including the Gambel Oak Parcel.

E. Park City has asserted its interest in acquiring and maintaining open space in the general vicinity of the Gambel Oak Parcel. A majority of the Gambel Oak Parcel has been zoned Recreational Open Space, which substantially restricts development. Five acres of the Gambel Oak Parcel remains zoned as Estate Residential.

F. Subject to the passage of certain federal legislation, the BLM will convey in fee simple the Gambel Oak Parcel to Park City. Immediately following the conveyance of the Gambel Oak Parcel from the BLM to Park City, and subject to payment for one-million nine hundred thousand dollars ($1,900,000.00) from Park City to Leo Rhea, Leo Rhea will relinquish any and all interest to the FIR Claims to Park City. Immediately following the conveyance of the Gambel Oak Parcel from the BLM to Park City, and subject to the payment of one hundred thousand dollars ($100,000.00) by Park City to UPCMC, UPCMC will relinquish any and all interest to the UPCMC Mining Claim Portion to Park City.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this MOU, and for their mutual reliance, the Parties hereto agree as follows:

1. Subject to passage of certain federal legislation, entitled "Amendment in the Nature of a Substitute to H.R. 3462" that authorizes the BLM to transfer the Gambel Oak Parcel to Park City, the BLM will transfer fee simple interest to the Gambel Oak Parcel to Park City.

2. a. Concurrent to the transfer of the Gambel Oak Parcel from the BLM to the City, pursuant to Paragraph 1, above, and in no event more than five (5) business days after such transfer, Leo Rhea shall relinquish any and all interest to the FIR Claims to Park City and Park City will, concurrent to Leo Rhea's relinquishment of its FIR Claims, pay Leo Rhea one-million nine hundred thousand dollars ($1,900,000.00) as consideration for relinquishment of the FIR Claims.

b. Concurrent to the transfer of the Gambel Oak Parcel from the BLM to the City, pursuant to Paragraph 1, above, and in no event more than five (5) business days after such transfer, UPCMC shall relinquish any and all interest to the UPCMC Mining Claim Portion to Park City and Park City will, concurrent to UPCMC's relinquishment of the UPCMC Mining Claim Portion, pay UPCMC one hundred thousand dollars ($100,000.00) as consideration for relinquishment of the UPCMC Mining Claim Portion.

3. **Inconsistent Acts**. To the extent that Park City, its City Council or any other City agency constitutes and sits as any other board or agency, it shall not take any action that is inconsistent with the terms of this MOU, thereby voiding all conveyances and approvals hereto.

4. **Governing Law**. This MOU shall be governed by and construed and enforced in accordance with the laws of the State of Utah.

5. **No Third Party Beneficiaries**. None of the provisions of this MOU are intended by the Parties, nor shall they be deemed, to confer any benefit on any person or entity not a Party to this MOU.

6. **Assignment & Transfer**. Either Party may at its sole discretion assign or transfer its rights and obligations under this MOU, provided written notice of any assignment or transfer is given to the other party within five (5) business days after the assignment or transfer is executed.

7. **Expenses and Attorneys' Fees**. Each Party shall pay its own costs and expenses in connection with the acts contemplated by this MOU, including, without limitation, the disbursements and fees of their respective attorneys, accountants, advisors, agents and other representatives, incidental to the negotiation and performance of this MOU. If any arbitration or legal action is brought by any party to enforce any provision of this MOU, the prevailing party shall be entitled to recover its court costs, arbitration expenses and reasonable attorneys' fees.

8. **Severability**. If any provision of this MOU is adjudged to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions will not in any way be affected or impaired, and the parties will use their best efforts to substitute a valid,

legal, and enforceable provision which, insofar as practical, implements the purposes of this MOU.

9. **Miscellaneous**. This MOU may be executed in counterparts by facsimile, each of which shall be deemed an original, but all of which together shall constitute one and the same MOU, binding on the parties hereto. This MOU constitutes the entire agreement between the City, UPCMC and Leo Rhea with respect to the matters contemplated by this MOU and no prior negotiation, understanding, arrangement or course of dealing or performance will be of any effect.

10. **Arbitration**. Any disagreement, dispute or claim arising out of or relating to this MOU which cannot be settled by the parties hereto shall be settled by arbitration in accordance with the following provisions:

(a) Forum. Forum for arbitration shall be Salt Lake City, Utah.

(b) Law. Governing law shall be the law of the State of Utah.

(c) Selection. The number of arbitrators shall be three (3), unless the parties hereto are able to agree on a single arbitrator. In the absence of such agreement within ten (10) days after the initiation of an arbitration proceeding, Leo Rhea shall select one (1) arbitrator, the City shall select one (1) arbitrator, and UPCMC shall select one (1) arbitrator, all of whom shall be neutral. The decision in writing of at least two (2) of the three (3) arbitrators shall be final and binding upon the parties.

(d) Administration. Arbitration shall be administered by the American Arbitration Association.

(e) Rules. Rules of arbitration shall be the Commercial Arbitration Rules of the American Arbitration Association, as modified by any other instructions that the parties hereto may agree upon at the time, except that each party hereto shall have the right to conduct discovery in any manner and to the extent authorized by the Federal Rules of Civil Procedure as interpreted by the federal courts. The arbitrators shall not modify the terms of this MOU.

(f) Award. The award rendered by arbitration shall be final and binding upon the parties hereto, and judgment upon the award may be entered in any court of competent jurisdiction in the United States.

(g) Survival. This Section shall survive the expiration or earlier termination of this MOU.

IN WITNESS WHEREOF, this MOU has been entered into as of the day and year first above written.

PARK CITY MUNICIPAL CORPORATION
a Political Subdivision of the State of Utah

By: ______________________
Name: ______________________
Title: ______________________

THE LEO-RHEA 1,
a Utah general partnership

By: Patrick M Hurley
Name: PATRICK M HURLEY
Title: PARTNER

UNITED PARK CITY MINES COMPANY,
a Delaware corporation

By: ______________________
Name: ______________________
Title: ______________________

ACKNOWLEDGED BY:

BUREAU OF LAND MANAGEMENT

By: ______________________
Name: ______________________
Title: ______________________

ND: 4838-7294-0545, Ver 1

Exhibit A
Gambel Oak Park - BLM Parcel 16

BOUNDARY DESCRIPTION

BEGINNING AT A POINT ON THE EASTERLY LINE OF THE VIRGINIA NO. 1 MINING CLAIM (MS 5711) AND ON THE NORTH LINE OF SUNNYSIDE SUBDIVISION, AS MONUMENTED, SAID POINT BEING N 89°59'07" E 786.72 FEET FROM THE EAST QUARTER CORNER OF SECTION 16, TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE & MERIDIAN; AND RUNNING THENCE ALONG THE EASTERLY LINE OF THE VIRGINIA NO. 1 MINING CLAIM N 8°30'00" E 112.10 FEET; THENCE ALONG THE SOUTHERLY LINE OF THE APRIL MINING CLAIM (MS 5711) N 67°33'50" E 1205.43 FEET; THENCE ALONG THE EASTERLY LINE OF THE APRIL MINING CLAIM N 0°04'34" W 645.35 FEET; THENCE ALONG THE EASTERLY LINE OF THE APRIL FRACTION MINING CLAIM (MS 5711) N 14°57'35" E 4.93 FEET; THENCE ALONG THE SOUTHERLY LINE OF THE ALVINA MINING CLAIM (LOT 688) S 83°07'47" E 6.24 FEET; THENCE ALONG THE EASTERLY LINE OF THE ALVINA MINING CLAIM N 12°08'09" E 1516.09 FEET; THENCE ALONG THE SOUTHERLY LINE OF THE EMMA MINING CLAIM (MS 3262) S 77°24'43" E 209.21 FEET; THENCE ALONG THE SOUTHERLY LINE OF THE EDISON NO. 7 MINING CLAIM (MS 6992) S 51°00'00" E 404.66 FEET; THENCE ALONG THE SOUTHERLY LINE OF THE EDISON NO. 8 MINING CLAIM (MS 6992) S 60°47'39" E 601.17 FEET; THENCE ALONG THE WESTERLY LINE OF THE EDISON NO. 9 MINING CLAIM (MS 6992) S 34°26'41" W 34.78 FEET; THENCE ALONG THE SOUTHERLY LINE OF THE EDISON NO. 9 MINING CLAIM S 60°49'46" E 600.64 FEET; THENCE ALONG THE EASTERLY LINE OF THE EDISON NO. 9 MINING CLAIM N 34°01'08" E 230.86 FEET; THENCE ALONG THE SOUTHERLY LINE OF THE MOOSE NO. 6 MINING CLAIM (MS 6727) S 57°06'19" E 465.96 FEET; THENCE ALONG THE WESTERLY LINE OF THE MOOSE NO. 5 MINING CLAIM (MS 6727) S 0°18'01" W 580.77 FEET; THENCE ALONG THE NORTH LINE OF THE MOOSE NO. 2 MINING CLAIM (MS 6727) S 88°29'38" W 600.42 FEET; THENCE ALONG THE NORTH LINE OF THE MOOSE NO. 3 MINING CLAIM (MS 6727) N 88°32'05" W 600.01 FEET; THENCE ALONG THE WEST LINE OF THE MOOSE NO. 3 MINING CLAIM S 0°19'20" W 943.50 FEET; THENCE ALONG THE NORTH LINE OF THE MOOSE NO. 4 MINING CLAIM (MS 6727) S 89°58'30" W 1498.10 FEET; THENCE ALONG THE WEST LINE OF THE MOOSE NO. 4 MINING CLAIM S 0°15'52" W 557.79 FEET; THENCE ALONG THE SOUTHERLY LINE OF THE MOOSE NO. 4 MINING CLAIM S 89°59'07" E 61.30 FEET; THENCE ALONG THE WESTERLY BOUNDARY OF THE PINNACLE AT DEER VALLEY, AS MONUMENTED S 0°02'44" E 150.87 FEET; THENCE ALONG THE PINNACLE BOUNDARY N 50°41'30" W 48.02 FEET; THENCE ALONG THE PINNACLE BOUNDARY S 31°13'27" W 48.52 FEET; THENCE S 31°02'06" W 51.53 FEET; THENCE S 31°07'44" W 130.53 FEET; THENCE ALONG THE WESTERLY LINE OF THE STONEBRIDGE DEVELOPMENT, AS MONUMENTED S 31°05'57" W 202.34 FEET; THENCE N 0°04'28" E 200.45 FEET; THENCE N 0°03'05" W 165.52 FEET; THENCE N 0°00'50" W 136.30 FEET; THENCE N 0°09'58" E 54.58 FEET; THENCE N 0°00'41" W 232.59 FEET; THENCE S 30°09'17" W 167.14 FEET; THENCE N 0°00'27" E 203.83 FEET;

THENCE ALONG THE NORTHERLY LINE OF THE SUNNYSIDE SUBDIVISION, AS MONUMENTED S 89°58'08" W 532.47 FEET TO THE POINT OF BEGINNING. AREA DESCRIBED CONTAINS 91.0 ACRES.

Exhibit B

FIR Nos. 1-7 (UMC 34463-9 inclusive) and
FIR Fraction Nos. 8-10 (UMC 258878-80 inclusive)

Exhibit C
(draft)

That portion of Moose No. 7 (UMC 3355) within Gambel Oak Park

Attachment #2

Union Calendar No. 227
109th CONGRESS
2d Session
H. R. 3462
[Report No. 109-418]

To provide for the conveyance of the Bureau of Land Management parcels known as the White Acre and Gambel Oak properties and related real property to Park City, Utah, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

July 27, 2005

Mr. BISHOP of Utah introduced the following bill; which was referred to the Committee on Resources

April 25, 2006

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on July 27, 2005]

A BILL

To provide for the conveyance of the Bureau of Land Management parcels known as the White Acre and Gambel Oak properties and related real property to Park City, Utah, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. CONVEYANCE OF LAND BY THE BUREAU OF LAND MANAGEMENT TO PARK CITY, UTAH.

(a) Land Transfer- Subject to the conditions set forth in subsections (b) and (c), and notwithstanding the planning requirements of sections 202 and 203 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712, 1713), the Secretary of the Interior shall convey within 180 days of enactment of this Act, to Park City, Utah, all right, title, and interest of the United States in and to two parcels of real property located in Park City, Utah, that are currently under the management jurisdiction of the Bureau of Land Management and designated as parcel 8 (commonly known as the White Acre parcel) and parcel 16 (commonly known as the Gambel Oak parcel). The conveyance shall be subject to all valid existing rights.
(b) Deed Restriction- The conveyance of the lands under subsection (a) shall be made by a deed or deeds containing a restriction requiring that the lands be maintained as open space and used solely for public recreation purposes or other purposes consistent with their maintenance as open space. This restriction shall not be interpreted to prohibit the construction or maintenance of recreational facilities, utilities, or other structures that are consistent with the maintenance of the lands as open space or its use for public recreation purposes.
(c) Consideration- In consideration for the transfer of the land under subsection (a), Park City shall pay to the Secretary of the Interior an amount consistent with conveyances to governmental entities for recreational purposes under the Act of June 14, 1926 (commonly known as the Recreation and Public Purposes Act; 43 USC 869 et seq.).

SEC. 2. SALE OF LANDS AT AUCTION.

(a) Sale of Land- Notwithstanding the planning provisions of sections 202 and 203 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712, 1713), the Secretary of the Interior shall, in accordance with that Act and other applicable law, and subject to valid existing rights, offer for sale within 180 days of enactment of this Act, any right, title or interest in and to two parcels of real property located in Park City, Utah, that are currently under the management jurisdiction of the Bureau of Land Management and are designated as parcels 17 and 18 in the Park City, Utah, area.
(b) Method of Sale- The sale of land under subsection (a) shall be consistent with subsections (d) and (f) of section 203 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1713) through a competitive bidding process and for not less than fair market value.

SEC. 3. DISPOSITION OF LAND SALES PROCEEDS.

(a) In General- All proceeds derived from the sale of the lands described in this Act shall be deposited in a special account in the *treasury of the United States and shall be available without further appropriation to the Secretary of the Interior until expended for--*

(1) the reimbursement of costs incurred by the Bureau of Land Management in implementing the provisions of this Act, including surveys, appraisals, and compliance with applicable Federal laws; and

(2) environmental restoration projects on Bureau of Land Management administered public lands within the Salt Lake City Field Office of the Bureau of Land Management.

(b) Investment of Special Account- Any amounts deposited in the special account shall earn interest in an amount determined by the Secretary of the Treasury on the basis of the current average market yield on outstanding marketable obligations of the United States of comparable maturities, and may be expended according to the provisions of this section.