



**PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
AUGUST 23, 2001**

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building City Council Chambers, 445 Marsac Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, August 23, 2001.

AGENDA

Closed Session

3:45 p.m. Property acquisition

Work Session

4:15 p.m. Council questions/comments

4:45 p.m. Review of regular meeting

Regular Meeting

6:00 p.m.

I ROLL CALL

II PUBLIC INPUT

III COMMUNICATIONS FROM COUNCIL AND STAFF

IV WORK SESSION NOTES AND MINUTES OF MEETING OF JULY 19, 2001

V CONSENT AGENDA PUBLIC HEARING

Modification to Miners Day MFL to include skate park grand opening celebration - Rotary Club

VI CONSENT AGENDA

1. Modification to Miners Day MFL to include skate park grand opening celebration - Rotary Club

2. Professional services agreement for skate park landscaping

3. Resolution proclaiming the month of September as Children's Justice Center Month in Park City, Utah

VII NEW BUSINESS

1. Award of construction bid for trash compactor in Swede Alley
2. Comprehensive insurance renewal
3. Insurance broker services contract
4. Olympic Winter Games of 2002:
 - (A) Venue City License and Services Agreement - Salt Lake Organizing Committee
 - (B) Findings of fact, conclusions of law, and conditions of approval for Master Festival Permit - Salt Lake Organizing Committee
 - (C) Findings of fact, conclusions of law, and conditions of approval for Master Festival License for Park City Community Celebration

VIII ADJOURNMENT

Posted: 08/20/01
See parkcity2002.org



**PARK CITY WORK SESSION NOTES
SUMMIT COUNTY, UTAH
AUGUST 23, 2001**

Present: Mayor Brad Olch; Council members Peg Bodell; Candace Erickson; Roger Harlan; and Fred Jones

Toby Ross, City Manager; Tom Daley, Deputy City Attorney; Beth Sunday, Technical Services Director; Tom Bakaly, Assistant City Manager

Jeff Larsen, Account Executive, Marsh USA Risk Insurance Services Inc. (Marsh)

Absent: Councilman Jeff Mann

1. Council questions/comments. Peg Bodell discussed information from the Utah Arts Council about the economic benefits from cultural tourism in Utah which she will share. There was discussion on Council attendance at the awards ceremony hosted by the Utah Heritage Foundation on October 12 and a fall clean-up program. She thanked staff for organizing the Summer Tour which was very informative and productive. Candace Erickson also appreciated the efforts of staff on the Summer Tour and reported on the School Board meeting, where no one attended the truth and taxation hearing required for imposing an increased mill levy. She appreciated the traffic calming median on Holiday Ranch Loop, but felt there is not enough room for bicyclist and Jerry Gibbs advised that the lanes be adjusted and re-striped which will be helpful. This is a temporary test of about 45 days to determine if it deters speeding.

Roger Harlan commented on the employee City Park picnic which was successful and pointed out that the Huntsman sign needs some attention and the Mayor agreed that the sign should be legible. He pointed out that the rail fence south of St. Mary's on SR224 needs repair, recognizing that it is a UDOT project. Fred Jones commented on the Summer Tour, specifically the relationship of Colorado cities with their counties. In Durango, for instance, the planning commissions from the county and the city meet as a voting commission to review annexations or matters of joint concern. This eliminates going back and forth between the two governing agencies and it is agreed that the most stringent code applies. Mr. Jones felt that this is a direction that should be pursued here.

2. Review of the regular meeting.

Insurance renewal/broker services. In response to a question from Fred Jones about workers compensation, Jeff Larsen of Marsh explained that the City is not required to go through the workers compensation fund of the state of Utah, but they are the most competitive in cost

of coverage. The City Manager clarified that the City has been self-insured for workers compensation for many years, and this past year, it was decided to change it back to an insured risk as opposed to being self-insured. When it was self-insured, the differential between the private market place and the City's experience was dramatic and substantial savings were realized for some time. Mr. Larsen added that it is a guaranteed cost program and caps all of the City's losses so that if there is a bad experience in the year, the premium remains the same as stated on the policy unless the payroll increases. Peg Bodell asked about the broker fee and Mr. Larsen indicated there has always been a fee and commissions are adjusted when there are policy changes. The fees, however, have not been increased when premiums have risen. There was discussion about the length of the three year contract. Fred Jones pointed out that the liability coverage has substantially increased. Mr. Larsen explained that renegotiation of insurance treatises occurs three times a year to consider changes in the marketplace. As of July, the insurance marketplace implemented a mandatory 30% increase with a 10% profit. Additionally, there have been increases in values this year with regard to payroll, number of automobiles, law enforcement officers, etc. The marketplace is currently at a 140% loss ratio for this year versus 110% last year and premiums will probably increase over the next two years due to loss of investment income. Roger Harlan asked about potential exposure due to the Olympics. Mr. Larson explained that although not explained in the staff report, there is an option to purchase \$2 million more in limits, increasing the aggregate from \$3 million to \$5 million for a cost of approximately \$7,000 and encouraged the Council to seriously consider this option. Roger Harlan expressed the importance that the City is adequately protected and Fred Jones shared this concern. Mr. Jones discussed the City's self-insurance fund of \$50,000 and the \$100,000 coverage at a cost of \$36,000 in premium. The City Manager explained that the Legal Department has considered this, but over the past five years, the City has had a couple of \$50,000 claims but no claims over \$100,000. The City's experience record indicates the City can make that up in about three years by reduced premiums. The additional coverage from \$3 million to \$5 million may be more cost effective as a large loss is likely to fall well over \$100,000. There was discussion about insuring cities with an A rating or higher and the blanket coverage.

Trash compactor in Swede Alley. Beth Sunday stated that bids were received after the meeting packet was delivered. She reported that there were three bidders, including Iceland, Brundle & Brundle and Veritas. Iceland submitted the lowest bid at \$238,754. The cost of the compactor is about \$26,085 and \$25,000 is estimated for architectural fees and with a contingency, brings the total project cost to \$310,000, rather than the estimated \$250,000. Bids came in higher than expected. Tom Bakaly explained that moving the soil represents \$45,000 in the construction cost. Beth Sunday explained that staff looked at a number of options for the foundation of the building and decided on the cheapest solution, removing the least amount of soil. The original structure would have been as much as \$20,000 higher and she agreed with Mr. Bakaly that the amount to move the soil was higher than expected. The City Manager explained that if the soil was clean, a standard foundation could be built, saving quite a bit of money. The revised foundation saves \$20,000 but it is a more expensive than a standard foundation because less dirt needs to be hauled and probably represents \$30,000 to \$40,000 less in dumping fees. Peg Bodell felt that the

Page 3
City Council Work Session
August 23, 2001

cost for soil mitigation sounds reasonable but the cost of the building seems too high. Ms. Sunday explained that this is a very basic building, but the bids came in high.

Agreement and MFLs - 2002 Winter Olympic Games. The City Manager stated that public input will be taken. He explained that many processes would be handled administratively, including contributions to the public celebration which would be allocated to Olympic expenditures.

Prepared by Janet M. Scott



**PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
AUGUST 23, 2001**

I ROLL CALL

Mayor Brad Olch called the regular meeting of the City Council to order at approximately 6 p.m. at the Marsac Municipal Building on Thursday, August 23, 2001. Members in attendance were Brad Olch, Peg Bodell, Candace Erickson, Roger Harlan, and Fred Jones. Jeff Mann was excused. Staff present were Toby Ross, City Manager; Mark Harrington, City Attorney; Alison Butz, Special Events Manager; Matt Twombly, Parks Planner; Tom Bakaly, Assistant City Manager; and Tom Daley, Deputy City Attorney.

II PUBLIC INPUT

The Mayor invited the public to comment on any matter of City business not scheduled on the agenda.

Children's Justice Center - Cheryl Danni, Director of the Children's Justice Center, referred to the resolution on the Consent Agenda declaring September as Children's Justice Center Month, which was approved last year. In July, a new Center opened for the Wasatch/Summit Counties communities. Children Justice Centers are places where children who are victims of sexual and/or physical abuse are interviewed by law enforcement/child protection workers. About \$200,000 was donated from Wasatch and Summit Counties to remodel the center into a comfortable home-like environment. She explained the process for prosecuting cases and the goal of providing more information to families and invited the Council to visit the facility. The Mayor thanked Ms. Danni for coming to the meeting and assured her that Council is pleased to adopt the resolution declaring September as Children's Justice Center Month.

Hearing no further comments, the public input was closed.

III COMMUNICATIONS FROM COUNCIL AND STAFF

Upper Park Avenue reconstruction project - Tom Bakaly distributed a letter from UPAPA requesting that discussion of the reconstruction of Park Avenue be placed on the agenda on August 30. Mr. Bakaly indicated to the group that it would be scheduled if there is demonstration of the street's willingness to delay the project, extend the time line, and to help pay for the undergrounding of utilities. There is a UPAPA meeting on Monday which he plans on attending. Fred Jones stated that he supports placing it on the agenda as soon as possible, and the remaining members of Council agreed.

IV WORK SESSION NOTES AND MINUTES OF MEETING OF JULY 19, 2001

Candace Erickson pointed out that the minutes should reflect that she was excused from that meeting. Hearing no further corrections, the Mayor requested a motion to approve, as corrected. Roger Harlan, "I so move". Fred Jones seconded. Motion carried.

Peg Bodell	Aye
Candace Erickson	Abstention, not in attendance
Roger Harlan	Aye
Fred Jones	Aye
Jeff Mann	Absent

V CONSENT AGENDA PUBLIC HEARING

Modification to Miners Day MFL to include skate park grand opening celebration - Rotary Club - Alison Butz explained that Council approval is required anytime there is a significant change to an event. The skate park grand opening will include clinics, vending booths and local competitions. In response to a comment made by Peg Bodell, Alison Butz noted that the beer trucks will not be parked in the skate park area. Ms. Butz added that staff will closely monitor the amplified noise from the facility. There was discussion about limiting marketing of the event locally and availability of bleachers for spectators. There was discussion about the Planning Commission approval prohibiting a spectator area to discourage competitions as well as amplified music. Ms. Butz explained that the amplified music and competition on Miners Day is permitted under a master festival license. Hearing no further comments from the Council or the audience, the public hearing was closed.

VI CONSENT AGENDA

Fred Jones reported that Council received a letter from Diane Mellen urging water conservative landscaping at the skate park. Ms. Bodell expressed concern about the facility being dirty. Tom Bakaly believed the letter from Ms. Mellen deals more with the Mawhinney/Offret parcel, which was discussed by the Planning Commission and Parks and Recreation Board. The contract on the Consent Agenda is solely for the skate park and bids were received today. Matt Twombly, Parks Planner, stated that Item 2 should be described as a *construction contract*. The lowest bid submitted was \$29,323 by B&B Landscaping and Sprinkler Company, which is below the architect's estimate. Staff is recommending the award to B&B, which is a local business.

The Mayor requested a motion to approve. Peg Bodell, "I so move". Fred Jones seconded. Motion carried.

Peg Bodell	Aye
Candace Erickson	Aye
Roger Harlan	Aye

Fred Jones	Aye
Jeff Mann	Absent

1. Modification to Miners Day MFL to include skate park grand opening celebration - Rotary Club - See staff report and public hearing.

2. Professional services agreement Award of construction contract to B&B Landscaping and Sprinkler Company in the amount of \$29,323 for skate park landscaping - See staff report and commentary under Consent Agenda.

3. Resolution proclaiming the month of September as Children's Justice Center Month in Park City, Utah - See attached resolution and public input comments.

VII NEW BUSINESS

1. Award of construction bid for trash compactor in Swede Alley - See staff report and work session notes. The Mayor requested a motion to approve the contract. Peg Bodell, "I so move". Candace Erickson seconded. Motion carried.

Peg Bodell	Aye
Candace Erickson	Aye
Roger Harlan	Aye
Fred Jones	Aye
Jeff Mann	Absent

2. Comprehensive insurance renewal - See staff report and work session notes. Peg Bodell asked if there is support for approving the additional premium payment of \$7,000 for additional liability coverage. Tom Daley advised to consider a separate event policy as the Winter Games approach. Activities may not be covered in the City's liability policy and there will be more information as Olympic agreements and licenses are executed. The Mayor requested a motion to approve, Roger Harlan, "I so move". Fred Jones seconded. Motion carried.

Peg Bodell	Aye
Candace Erickson	Aye
Roger Harlan	Aye
Fred Jones	Aye
Jeff Mann	Absent

3. Insurance broker services contract - See staff report and work session notes. The Mayor requested a motion to approve. Candace Erickson, "I so move". Fred Jones seconded. Motion carried.

Peg Bodell	Aye
Candace Erickson	Aye
Roger Harlan	Aye
Fred Jones	Aye
Jeff Mann	Absent

4. Olympic Winter Games of 2002:

(A) Continuation of public hearing - The Mayor invited the public to comment.

Michael Kaplan, Main Street business owner and City Council candidate, compared the Main Street Celebration to Atlanta's Centennial Park where someone left a bomb. He felt this issue is appropriate for public discussion and suggested assigning more public safety officers to entrances as a deterrent. He also encouraged the City Council to consider limiting the hours of operation for the Budweiser tent so that Main Street clubs are not impacted.

(B) Venue City License and Services Agreement - Salt Lake Organizing Committee - The City Manager pointed out minor changes to the staff report. The document has been signed by SLOC and staff is recommending execution by the Mayor. It is anticipated that transportation issues will be handled administratively. Hearing no questions or comments from the City Council, the Mayor requested a motion to approve. Roger Harlan, "I so move". Candace Erickson seconded. Motion carried.

Peg Bodell	Aye
Candace Erickson	Aye
Roger Harlan	Aye
Fred Jones	Aye
Jeff Mann	Absent

(C) Findings of fact, conclusions of law, and conditions of approval for Master Festival Permit - Salt Lake Organizing Committee - Hearing no questions or comments from the City Council, the Mayor requested a motion to approve. Fred Jones, "I so move". Candace Erickson seconded. Motion carried.

Peg Bodell	Aye
Candace Erickson	Aye
Roger Harlan	Aye
Fred Jones	Aye
Jeff Mann	Absent

(D) Findings of fact, conclusions of law, and conditions of approval for Master Festival License for Park City Community Celebration - Hearing no questions or comments from the City Council, the Mayor requested a motion to approve. Peg Bodell, "I so move". Candace Erickson seconded. Motion carried.

Peg Bodell	Aye
Candace Erickson	Aye
Roger Harlan	Aye
Fred Jones	Aye
Jeff Mann	Absent

VIII ADJOURNMENT

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

* * * * *

MEMORANDUM OF CLOSED SESSION

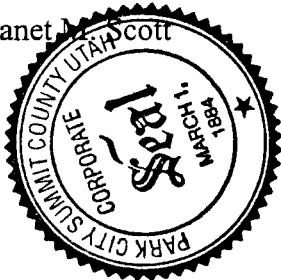
The City Council met in closed session at approximately 3:45 p.m. Members in attendance were Mayor Brad Olch, Peg Bodell, Candace Erickson, Roger Harlan, and Fred Jones. Jeff Mann was excused. Staff present were Toby Ross, City Manager; Mark Harrington, City Attorney; and Tom Bakaly, Assistant City Manager. Fred Jones, "I move to close the meeting to discuss property acquisition". Peg Bodell seconded. Motion carried.

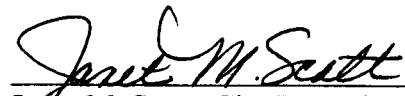
The meeting opened at approximately 4:15 p.m.

* * * * *

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

PARK CITY

1884

CITY COUNCIL REPORT

DATE: August 23, 2001
DEPARTMENT: Facilities and Special Events
AUTHOR: Alison Butz
TITLE: Miners' Day Celebrations
TYPE OF ITEM: Master Festival License Application

SUMMARY RECOMMENDATIONS: Review the Master Festival License application, conduct a public hearing and consider approving the license for the Miners' Day Celebrations on September 3, 2001.

A. TOPIC

Review of the Master Festival License Application, submitted by Park City Rotary Club, along with Park City Municipal Corporation for the Miners' Day Celebrations on September 3, 2001.

B. BACKGROUND

A Master Festival License application was submitted by the Rotary Club of Park City for the Miners' Day Celebrations for September 3, 2001. The application proposed no new changes to the parade, however it did include changes to the activities in City Park. The Park City Leisure Services Department Staff has contacted the Rotary Club and received permission to include the Skate Park Opening with associated activities to occur in City Park in conjunction with the activities planned by the Rotary Club.

City Park activities include food and beer concessions, kids games, music, mucking and drilling competition, skate park ribbon cutting, skate clinics and competitions. The Rotary Club and Leisure Services Department have been in contact to ensure the events scheduled for the skate park will not interfere with the events historically run on Miners' Day by the Rotary Club.

C. ANALYSIS

The changes to the Miners' Day Celebrations from previous years is the addition of the activities associated with the Skate Park Opening. The Leisure Services Department has requested amplification of pre-recorded music from within the Skate Park. The City and Rotary Club will work to direct the speakers away from the scheduled performances in the bandshell, as well as

moderate sound impacts to the neighbors to the south of the park. Tents, representing the local skate shops will be placed in the parking spaces to the west of the park. Parking and access through City Park will not be restricted, other than the use of parking spaces for tents and trailers and trucks for the food and beer concessions. Staff has requested the use of the Mawhinney parking lot to compensate for the loss of spaces. Traffic to the parade will be diverted to Park City Mountain Resort by the use of electronic signs to help reduce the traffic entering Old Town to park for the parade.

ALTERNATIVES

- A. Approve the Master Festival License, as conditioned by staff, allowing the Miners' Day Celebrations to include the Skate Park Opening on September 3, 2001.
- B. Modify the parameters of the event and approve the Master Festival License, allowing the Miners' Day Celebrations to include the Skate Park Opening on September 3, 2001.
- C. Deny the Master Festival License, thereby preventing the Skate Park Opening to occur on September 3, 2001, in City Park.
- D. The City Council may continue the hearing for more information and discussion.

RECOMMENDATION:

Staff recommends approval of the Master Festival License to allow Miners' Day Celebrations to include the Skate Park Opening on September 3, 2001, based on the following:

Findings of Fact:

1. The Miners' Day Celebrations will be held in City Park and include a parade that begins at 11:00am which travels down Main Street to Park venue via 9th Avenue. Activities in City Park include food and beer concessions, kids games, music, mucking and drilling competition, skate park ribbon cutting, skate clinics and competitions.
2. A parade is scheduled for 11:00am on September 3, 2001, to run down Main Street to Park Avenue via 9th and will end at Deer Valley Drive. The closure of Swede Alley, Main Street and Park Avenue will be restricted to the hours between 9:00am through 12:00pm. Traffic will be diverted to alternate streets. Public Transportation has been notified and other street traffic will be diverted by the use of signs, volunteers or Police. The conduct of the Miners' Day Celebrations will not substantially interrupt or prevent the safe and orderly movement of public transportation or other vehicular and pedestrian traffic in the area.
3. The Rotary Club will be providing volunteers to run and manage the event. Police and other public employees will be used but not to an extent where there will be a diversion of so great a number of police, fire or other essential public employees from their normal duties as to prevent reasonable police, fire, or other public services protection to the remainder of the City.
4. The crowd associated with Miners' Day locates in the morning around the parade route and then is solely contained within City Park for the remainder of the afternoon. Staff has also added a condition that the no parking zones within City Park be identified with barricades to ensure minimum clearance requirements for emergency vehicles. The concentration of persons, vehicles, or animals will not unduly interfere with the movement of police, fire, ambulance, and other emergency vehicles on the streets or with the provision of other public health or safety concerns.

5. No other Master Festival or Special Event Licenses have been issued for September 3, 2001. The Miners' Day Celebrations will not substantially interfere with any other Special Event or Master Festival for which a license has already been granted or with the provision of City services in support of other such events or governmental functions.
6. The organizer is providing sanitation, and adequate insurance for the event.
7. Due to the nature of the Miners' Day celebrations, such as children's games and a parade, the event will not create an imminent possibility of violent disorderly conduct likely to endanger public safety or cause significant property damage.
8. The applicant has been working with City Staff and applicable departments to address all event concerns. The Applicant demonstrates an ability and willingness to conduct the event pursuant to the terms and conditions of this Chapter or has failed to conduct a previously authorized event in accordance with the law or the terms of a license, or both.
9. The applicant has been working with the Park City Fire District and the Summit County Health Department to obtain all applicable licenses.

Conclusions of Law:

1. The application is consistent with the requirements of the Park City Municipal Code, Title 4, Chapter 8.

Conditions of Approval:

1. The amplification within the Skate Park shall occur only between 11:00am and 4:00pm. All music shall be directed to the south of the park and sound levels shall be monitored to reduce the impact to adjacent residences.
2. "No Parking" areas within City Park shall be barricaded to ensure the minimum clearance requirement for emergency vehicles is met.
3. All plans for tents, stages and other temporary structures shall be submitted to the Building Department for review and permitting.
4. The applicant shall comply with all Summit County Health Department requirements for sanitation and food vendors.
5. The Applicant will work with Staff in order to ensure that any safety, health, or sanitation equipment, and services or facilities reasonably necessary to ensure that the event will be conducted with due regard for safety are provided and paid for by the Applicant.
6. The Applicant shall provide to the Special Events Manager proof of liability insurance as may be required by the Special Events Manager or the City Attorney's Office, and shall further name Park City Municipal Corporation as an additional insured if necessary.

Exhibits

Exhibit A - List of Activities

Exhibit B - Site Plan

City Park Activities

Breakfast, served by Saint Mary's Catholic Church
11:00 Parade, starting at the top of Main Street
11:00 - 12:00 Skate Clinics
12:15 - 1:15 Children's Games
12:30 Ribbon Cutting on Skate Park
12:30 - 2:00 Music
1:00 - 2:30 Mucking and Drilling Competition
2:30 - 4:00 Demo and Skate Competitions

City Park



City Park Trail

Silver Creek

Deer Valley Drive

FOOD AND BEER
VENDING TRUCKS

MUCKING
AND DRILLING

LOCAL
SKATE
SHOP'S
TENTS

Sullivan Rd.

Park Ave

PARKING

23
EXHIBIT B. SITE PLAN

PARK CITY

DATE: August 23, 2001
DEPARTMENT: Office of Capital Management and Budget
AUTHOR: Matt Twombly
TITLE: Skate Park Landscaping
TYPE OF ITEM: Award of Construction Contract

SUMMARY RECOMMENDATIONS: Staff requests authorization to proceed with the construction of the Skate Park Landscaping consistent with prior Council direction. The bid openings for the Skate Park Landscaping will be at 11:00 A.M., Thursday, August 23. Staff will prepare a recommendation and analysis of the bids to be delivered at the Council Meeting.

DESCRIPTION: Planning Commission approved the conceptual plans for Alternative 4 and amended the Conditional Use Permit for the landscaping at the Skate Park. Since the approval staff and Blake/McCutchan Design Inc., have proceeded with the design and production of construction documents for the landscaping and irrigation at the Skate Park. The remaining items of work including the stone veneer, concrete plaza, concrete steps and sidewalk, and the water meter vault and tap will be contracted using separate contracts due to the specificity of the trades of work.

The Skate Park Landscaping project completion date is September 22, 2001 for the base bid and October 15, 2001 for additive alternate #1, the bike path connection. The bike path connection between 12th Street and the Poison Creek Trail has been separated from the base bid as additive alternative #1 due to different funding sources than the landscaping. The advertisement to bidders was legally noticed on August 15 and 18, 2001 and the sealed bids will be opened on August 23, 2001 at 11:00 A.M..

A. Analysis: To be prepared for the City Council Meeting of August 23, 2001.

B. Department Review:
Office of Capital Management and Budget
City Managers Office

ALTERNATIVES:

A. Approve the Request: Award the construction contract as recommended by City Staff and enter into a construction agreement drafted by the City Attorney's office.

B. Deny the Request: This alternative appears to be an option if construction bids are unreasonably high as determined by the Council. The Planning Commission has conditioned the use of the skate park on the landscaping. Modifications to the landscaping would need to be made to reduce the cost of the project.

C. Continue the Item: The bids may require more extensive analysis than time allows in the August 23, 2001 meeting. If this is the case, the bids expire 30 days after the bid opening. The consequence of continuance will impact the present construction schedule.

SIGNIFICANT IMPACTS:

Fiscal

There is currently a total of approximately \$25,000 in the Skate Park budget for basic landscaping. Council added the amount of \$50,000 for enhanced landscaping on May 10, 2001 from budgeted Lower Park Avenue Improvements. This brings the total landscaping budget to \$75,000.

CONSEQUENCES OF NOT TAKING THE RECOMMENDED ACTION: In the event that Council determines the bids to be unreasonably high then the design and bid process would need to begin anew and greatly impact the construction schedule. If Council decides not to pursue the project, the Conditional Use Permit for the park could be jeopardized.

RECOMMENDATION: Staff requests that Council review the reasonableness of the bids and consider awarding the contract, so that the tentative construction schedule can be met. Staff recommends that the Council review the staff recommendation and Analysis of the bids, and direct staff to proceed with the alternative (A - C, above) selected for the project.



Resolution No. -01

**RESOLUTION PROCLAIMING THE MONTH OF SEPTEMBER
AS CHILDREN'S JUSTICE CENTER MONTH
IN PARK CITY, UTAH**

WHEREAS, a Children's Justice Center is a homelike facility that serves children who have been physically or sexually abused and designed to help children feel safe and comfortable during the interview and investigation process; and

WHEREAS, the Centers serve child abuse victims as well as the victims' families by providing help to recover from the abuse experience. Programs facilitate a multi-disciplinary approach to investigations and prosecutions of child abuse cases based on the best interest of the children resulting in less trauma; and

WHEREAS, federal and state dollars are available for the operation of a Children's Justice Center if a community provides a facility; and

WHEREAS, every year, dozens of children in Summit and Wasatch Counties are sexually or physically abused. There are now thirteen Children's Justice Centers in the state of Utah with the newest Center operating in the Summit/Wasatch County area;

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council acknowledges the tremendous benefits of the Children's Justice Center Program and proclaims

**THE MONTH OF SEPTEMBER AS
CHILDREN'S JUSTICE CENTER MONTH
IN PARK CITY, UTAH**

and encourage citizens to not only be aware of the problems and horrors of child abuse, but the possibilities and successes of innovative programs for a better tomorrow.

PASSED AND ADOPTED this 23rd day of August, 2001.

PARK CITY MUNICIPAL CORPORATION

Mayor Bradley A. Olch

Attest:

Janet M. Scott, City Recorder

PARK CITY

DATE: August 9, 2001
DEPARTMENT: Office of Capital Management and Budget
AUTHOR: Tom Bakaly and Beth Sunday *TBS*
TITLE: Old Town Trash Compactor Building Construction
TYPE OF ITEM: Award of Construction Contract

SUMMARY RECOMMENDATIONS: Staff requests authorization to proceed with the construction of the Old Town Trash Compactor Building Construction Project consistent with prior Council direction. Staff recommends that Council award the construction contract to the lowest bidder.

DESCRIPTION: Staff and Cooper Roberts Architects have proceeded with the design for a trash compactor building to be located at 557 Swede Alley. The building will be 900 sq ft and can house two trash compactors. The sealed bids will be opened on August 22, 2001. Council will receive a bid summary prior to the meeting on Thursday.

The construction can begin the first week of September and the estimated completion date is December 7, 2001. The advertisement to bidders was legally noticed on August 1, 4 and 15 in The Park Record and Aug 2 and 5 in The Salt Lake Tribune.

A. Analysis: The Planning Commission reviewed the project in July and granted a CUP at that time. There is \$250,000 available in the Downtown Revitalization Improvement Project.

B. Department Review:
Office of Capital Management and Budget
City Managers Office

ALTERNATIVES:

A. Approve the Request: Award the construction contract to the lowest bidder and enter into a construction agreement drafted by the City Attorney's office.

B. Deny the Request: If the Council decides not to award the bid, the site will remain in its present condition.

C. Continue the Item: The consequence of continuance could impact the present construction schedule.

SIGNIFICANT IMPACTS:

Fiscal: There is \$250,000 available in the Downtown Revitalization Capital Improvement Project. Design and engineering fees are approximately \$25,000. The cost of the trash compactor is estimated at \$25,000.

CONSEQUENCES OF NOT TAKING THE RECOMMENDED ACTION: In the event that Council determines the bids to be unreasonably high then the design and bid process would need to begin anew and greatly impact the construction schedule. If Council decides not to pursue the project, the site would remain in its present condition. The project can be looked at again after the Olympics.

RECOMMENDATION: Staff requests that Council review the reasonableness of the bids and consider awarding the contract, so that the tentative construction schedule can be met. Staff recommends that the Council award the construction contract to the lowest bidder.



DATE: August 23, 2001
DEPARTMENT: Legal
AUTHOR: Tom Daley, Deputy City Attorney
Cindy LoPiccolo, Legal Assistant
TITLE: **Insurance Renewal**
TYPE OF ITEM: Administrative

SUMMARY RECOMMENDATIONS:

- 1) Authorize the payment of \$272,106.00 for comprehensive public entity liability insurance coverage and workers compensation for a period September 1, 2001 through January 1, 2003, and commercial property and crime coverage for period September 1, 2001 through August 31, 2002.
-

DESCRIPTION:

A. **Topic:** **Insurance Renewal**

B. **Background:**

Park City contracted with Marsh USA Risk and Insurance Services in 1998 to act as the City's insurance brokers through August 31, 2001. Each year, Marsh obtains premium quotes for insurance to cover Park City's public entity liability, commercial property, crime/public employee dishonesty coverage, and workers compensation. This year, Park City staff is seeking coverage for a 16 month period instead of a 12 month period in order to accommodate future changes in insurance brokers and to make it easier to provide underwriters with fiscal year-end data. The total premium payment staff is recommending this year would provide 16 month coverage for liability and crime and 12 month for property and workers compensation. Staff will return in 12 months for approval of coverage for commercial property and workers compensation for a 4 month period in order to bring those terms in line with liability and crime terms that will expire January 1, 2003.

This coverage provides the City with comprehensive protection and will not be subject to a year-end audit.

C. Analysis:

The total payment of \$ 272,106.00 will provide Park City with comprehensive public entity liability insurance coverage and crime for a period September 1, 2001 through January 1, 2003; and commercial property and workers compensation coverage for period September 1, 2001 through August 31, 2002. The following is a breakdown of insurance coverage areas and quotes:

•	Public Entity Liability, includes the following:	\$154,698.00
	General Liability	
	Employee Benefits Liability	
	Automobile Liability	
	Automobile Physical Damage (Buses only)	
	Law Enforcement Liability	
	Public Officials Liability	
•	Commercial Property coverage	\$ 28,351.00
•	Crime/Public Employee Dishonesty coverage	\$ 3,560.00
•	Workers Compensation and Employers Liability coverage (WCF)	<u>\$ 85,497.00</u>
	TOTAL INSURANCE PREMIUMS	\$272,106.00

Over the last few months, Marsh USA has solicited quotes from several carriers. The incumbent carrier for commercial property submitted an excellent quote. Unfortunately, the incumbent liability carrier no longer provides public entity liability insurance. Marsh obtained two viable quotes from Royal SunAlliance Group and Genesis insurance carriers.

According to Marsh, the City's risk management program, reporting history and low loss run over the last five years were beneficial and a positive factor in the underwriters' review. Park City staff plans to continue driver safety training classes and prepare leisure services safety handouts in addition to implementing other risk management programs.

D. Significant Impacts:

Liability insurance has substantially increased from last year. The increase in insurance premiums for the upcoming year is attributable to term extensions that will cover 16 months (through January 1, 2003) instead of 12 months, increased insurance market rates, and increase in the City's exposure primarily due to an increase in water payrolls and the Olympics. According to Human Resources and Finance Department, water payroll increased due to a combination of increase in staff, increase in pay, and payment of over-time during the City's flushing program. The recommended liability policy also provides broader coverage from last year's policy. As this is an Olympic period, Staff feels the additional insurance may be in order.

Summaries for Liability, Property, Crime and Workers Compensation are attached. The

summaries compare the premium costs of the expiring coverage to the premium quotes for the upcoming year. The Liability summary provides information pertaining to four renewal quotes for 12 months and 16 months. Staff recommends Royal Sun Alliance, Option 2, long-term (16 month) policy for liability coverage.

E. Department Review:

The Legal Department handled the insurance renewal and consulted with other departments regarding changes in the City's real property, vehicles, equipment, operations, payroll and personnel.

Legal Department staff has reviewed the proposed coverage and quotes and finds them acceptable and sufficient to meet Park City's requirements. Staff concludes the quotes accurately reflect the current market, Park City's current exposure, and loss history.

Accordingly, staff requests the City Council to authorize the payment of \$272,106.00 as recommended below.

Alternatives:

- A. Approve the request. This is the recommended action.
- B. Deny the request. This is not recommended. The proposed coverage is comprehensive for Park City's purposes, and a comparison of other rates and policies shows this as the favorable proposal.
- C. Continue the item. The Council may continue the item, and Park City could extend coverage under its current policies. However, due to minimum required premium payments, this would not be a very economical option.

Consequences of Not Taking the Recommended Action:

We would be left to choose insurance coverage that is not as attractive as the current proposal.

RECOMMENDATION:

Authorize the total payment of \$272,106.00 for comprehensive public entity liability insurance and crime coverage for a period September 1, 2001 through January 1, 2003; and commercial property and workers compensation coverage for period September 1, 2001 through August 31, 2002.

PARK CITY MUNICIPAL

Marketing Efforts

Policy Year 9/1/2001 - 9/1/2002

Commercial Property

Carrier	Response
Affiliated FM Group	Property Quote Received (Incumbent carrier).
Allianz Insurance Group	Property Declined - Cannot get close to current pricing.
Chubb Insurance Group	Property Declined - Cannot get close to current pricing. (Estimated \$37,000 without EQ & Flood)
Genesis Insurance	Property Declined - Cannot get close to current pricing.
Lumbermans Mutual Company	Property Declined - Cannot get close to current pricing.
Royal SunAlliance Group	Property Declined - Cannot get close to current pricing.
St. Paul Group	Property Declined - Cannot get close to current pricing.
Travelers Property Casualty Group	Property Declined - Cannot get close to current pricing.
Wausau	Property Declined - Cannot get close to current pricing.

Commercial Liability

Carrier	Response
Coregis	Declined Liability Package-Not enough time for them to get an inspection and their own application completed.
CV Star	Declined - Not prior inspection could not be worked into their schedule.
Euclid	Declined Liability Package - Not writing New Public Entity Business.
Genesis Insurance	Quoted Liability Package - Auto Physical Damage Pending
Royal SunAlliance Group	Quoted Liability Package
St. Paul Group	Declined Liability Package - not writing new business in areas with potential Olympic exposures.

Note: Incumbent Liability Package Carrier (Kemper) did not offer renewal as they are exiting Public Entity Market.

PARK CITY MUNICIPAL
Liability Summary
Policy Year 9/1/2001 - 9/1/2002

Coverage Description	Carrier Rating	Expiring Program		Renewal Quote		Genesis A+ XV	Option #2
		Specialty National Ins. Co. A+ VIII	Royal / Sun Alliance A XV	Royal / Sun Alliance A XV	Genesis A+ XV		
Excess Public Entity Liability			Option #1	Option #2	Option #1	Option #2	
General Liability - OCCURRENCE FORM Bodily Injury & Property Damage Products Completed Operations Personal & Advertising Injury Fire Damage Medical Expense Self Insured Retention		\$2,000,000 per Occurrence \$3,000,000 General Aggregate \$2,000,000 Each Occurrence \$50,000 Any One Fire \$5,000 Any One Person \$50,000 each occurrence or offense	\$3,000,000 Combined Single Limit per Occurrence \$3,000,000 General Aggregate \$3,000,000 Aggregate Included Included Included Included \$100,000 each occurrence or offense	\$3,000,000 Combined Single Limit per Occurrence \$3,000,000 General Aggregate \$3,000,000 Aggregate Included Included Included Included \$100,000 each occurrence or offense	Coverage A Limit \$2,000,000 per Occurrence & no Annual Aggregate Included Included Included Included Included Included \$100,000 each occurrence or offense	Coverage A Limit \$3,000,000 per Occurrence & no Annual Aggregate Included Included Included Included Included Included \$100,000 each occurrence or offense	
Employee Benefits Liability - CLAIMS MADE FORM Limit Each Employee Annual Aggregate Limit Deductible		\$2,000,000 \$3,000,000 \$1,000 each claim	OCCURRENCE FORM Included above Included above \$50,000 each claim	OCCURRENCE FORM Included above Included above \$100,000 each claim	Coverage A Limit See Coverage A - No Annual Aggregate Included Included \$100,000 each claim	Coverage A Limit See Coverage A - No Annual Aggregate Included Included \$100,000 each claim	
Automobile Liability - OCCURRENCE FORM Bodily Injury & Property Damage Including Hired & Non-Owned Auto Personal Injury Protection Uninsured/Underinsured Motorist Auto Liability Self Insured Retention Automobile Physical Damage (ACV) - Busses only Auto Comprehensive - Specified Vehicles Auto Collision - Specified Vehicles		\$2,000,000 Combined Single Limit Statutory per person \$2,000,000 Per Accident \$50,000 each loss or accident \$10,000 Self Insured Retention \$10,000 Self Insured Retention	\$3,000,000 Combined Single Limit Statutory per person \$1,000,000 Per Accident \$50,000 each loss or accident \$5,000 Self Insured Retention \$5,000 Self Insured Retention (A \$10,000 SIR is only \$800 Savings in Premium)	\$3,000,000 Combined Single Limit Statutory per person \$1,000,000 Per Accident \$100,000 each loss or accident \$5,000 Self Insured Retention \$5,000 Self Insured Retention	Coverage A Limit See Coverage A - No Annual Aggregate Included Included \$100,000 each claim Being Finalized \$10,000 Self Insured Retention \$10,000 Self Insured Retention	Coverage A Limit See Coverage A - No Annual Aggregate Included Statutory per person Included \$100,000 each claim Being Finalized \$10,000 Self Insured Retention \$10,000 Self Insured Retention	
Law Enforcement Liability - OCCURRENCE FORM Each Wrongful Act Annual Aggregate Self Insured Retention		\$3,000,000 \$3,000,000 \$50,000 per claim	Included in above Included in above \$50,000 per claim	Included in above Included in above \$100,000 per claim	Coverage A Limit See Coverage A - No Annual Aggregate Included Included \$100,000 each claim	Coverage A Limit See Coverage A - No Annual Aggregate Included Included \$100,000 each claim	

Policy Year 9/1/2001 - 9/1/2002

(Current year claims made premium is \$4,779.)

Note: Genesis pricing does not include Automobile Physical Damage on Busses. Carrier is still quoting that exposure

PARK CITY MUNICIPAL

Property Summary

Policy Year 9/1/2001 - 9/1/2002

Coverage Description	2000/2001		2001/2002	
	Carrier Rating	Affiliated FM A++ XII Expiring Program	Affiliated FM A+ XV Renewal Quote	
Policy limit any one loss		\$ 36,744,418	\$ 38,500,000	
All risks on Real Property, Personal Property, Extra Expense, Gross Earnings Including Ordinary Payroll for 360 days, and including Extensions of Coverage for locations per schedule on policy.		Included		Included
Contractors Equipment / Scheduled Property:				
Golf Carts	\$	202,500	\$ 228,400	
Radio Equipment	\$	50,000	\$ 67,576	
Cellular Phones	\$	2,000	\$ 2,000	
Mobile Equipment	\$	1,070,235	\$ 944,626	
Sublimits apply per occurrence				
Earth Movement	\$	10,000,000	\$ 10,000,000	
Flood - Excluding locations schedule on policy	\$	10,000,000	\$ 10,000,000	
Off Premises Power Failure	\$	1,000,000	\$ 1,000,000	
Boiler & Machinery Breakdown	\$	10,000,000	\$ 10,000,000	
Ammonia Contamination	\$	100,000	\$ 250,000	
Hazardous Substances	\$	100,000	\$ 250,000	
Spoilage	\$	100,000	\$ 250,000	
Real Property	\$	31,507,728	Included in Blanket	
Personal Property	\$	2,911,955	Included in Blanket	
Extra Expense	\$	250,000	Included in Blanket	
Gross Earnings Including Ordinary Payroll for 365 Days- Racquet Club only	\$	1,000,000	\$ 1,000,000	

PARK CITY MUNICIPAL

Property Summary

Policy Year 9/1/2001 - 9/1/2002

Coverage Description	2000/2001		2001/2002	
	Carrier Rating	Affiliated FM A++ XII Expiring Program	Affiliated FM A+ XV Renewal Quote	
Extensions of Coverage Sublimits				
Fire Fighting Materials & Expenses		\$ 100,000	\$ 100,000	100,000
Professional Fees		\$ 100,000	\$ 100,000	100,000
Expediting Expenses		\$ 100,000	\$ 100,000	100,000
Trees, Shrubs, Plants and Lawns limit \$1,000 per item		\$ 100,000	\$ 100,000	100,000
Pavements & Roadways		\$ 250,000	\$ 250,000	250,000
Land & Water Clean Up Expense		\$ 50,000	\$ 50,000	50,000
Installation Floater		\$ 50,000	\$ 50,000	50,000
Newly Acquired Property		\$ 500,000	\$ 500,000	500,000
Unnamed Locations Coverage		\$ 500,000	\$ 500,000	500,000
Fine Arts		\$ 300,000	\$ 300,000	300,000
Accounts Receivable		\$ 250,000	\$ 250,000	250,000
Valuable Papers & Records		\$ 250,000	\$ 250,000	250,000
Electronic Data Processing Data and Media		\$ 100,000	\$ 100,000	100,000
Coverage A: Demolition & Increased Cost of Construction		\$ 1,000,000	\$ 1,000,000	1,000,000
Coverage B: Demolition & Increased Cost of Construction		\$ 1,000,000	\$ 1,000,000	1,000,000
Errors & Omissions		\$ 500,000	\$ 500,000	500,000
Transit Coverage		\$ 100,000	\$ 100,000	100,000
Deductibles				
Golf Carts		\$ 1,000	\$ 1,000	1,000
Mobile Equipment		\$ 1,000	\$ 1,000	1,000
Cellular Phones		\$ 1,000	\$ 1,000	1,000
Radio Equipment		\$ 1,000	\$ 1,000	1,000
Fine Arts		\$ 1,000	\$ 1,000	1,000
Flood (per occurrence)		\$ 25,000	\$ 25,000	25,000
Earth Movement		\$ 100,000	\$ 100,000	100,000
(2% of value of property at the location where loss occurs)		Minimum	Minimum	Minimum
Boiler & Machinery & Off Premises Power Property Damage		\$ 1,000	\$ 1,000	1,000
Boiler & Machinery & Off Premises Power Waiting Period		24 Hours	24 Hours	24 Hours
All Other Losses		\$ 5,000	\$ 5,000	5,000

PARK CITY MUNICIPAL

Property Summary

Policy Year 9/1/2001 - 9/1/2002

Coverage Description	Carrier Rating	2000/2001 Affiliated FM A++ XII Expiring Program	2001/2002 Affiliated FM A+ XV Renewal Quote
Endorsements			
Specific Flood <u>Exclusion</u> Applies to the following Locations:			
445 Marsac Avenue, Park City, UT -Municipal Building		NO	NO
10 Iron Horse Drive, Park City, UT - Public Works Office & Garage		YES	NO
1354 Park Avenue, Park City, UT - Community Center		YES	YES
518 / 524-528 Main Street, Park City, UT - Museum & Office		YES	YES
1154 Woodside Avenue, Park City, UT - Senior Citizen Center		YES	YES
1884 Three Kings Golf Course, Park City, UT - Golf Maint. Building		YES	YES
1400 Sullivan, Park City, UT - Recreation Building		YES	YES
1340 Park Avenue, Park City, UT - Public Restrooms		YES	YES
1340 Sullivan, Park City, UT -Band Stage		YES	YES
10 Iron Horse Drive, Park City, UT -Bus Parking Storage		YES	NO
1479 Woodbine Way, Park City, UT - Recycling Center		YES	YES
1500 Kearns Boulevard, Park City, UT - Bus Stop		NO	NO
136 Heber Avenue, Park City, UT - Parking Facility		YES	YES
415 Main Street, Park City, UT - Public Restrooms		NO	NO
350 Swede Alley, Park City, UT - Parking Facility		YES	YES
1200 Little Kate Road, Park City, UT - Racquet Club		NO	NO
1200 Little Kate Road, Park City, UT - Bus Stop		NO	NO
1884 Three Kings Drive, Park City, UT - Spiro Plant		NO	NO
1255 Park Avenue, Park City, UT - Library & Education Center		YES	YES
3000 N. Hwy 224, Park City, UT - McPolin Farm		NO	NO
Kearns Blvd & Monitor Drive - Cemetery Facility		NO	NO
2100 Sidewinder Drive, Park City, UT -Bus Shelter		YES	YES
1700 Three Kings Drive, Park City, UT -Bus Shelter		NO	NO
1600 Empire Avenue, Park City, UT -Bus Shelter		NO	NO
1971 Cooke Drive, Park City, UT -Employee Housing		NO	NO
1998 Cooke Drive, Park City, UT -Employee Housing		NO	NO
1983 Cooke Drive, Park City, UT -Employee Housing		NO	NO
Rotary Park, Pay Day Drive, Park City, UT -Public Restrooms		YES	NO
421 Main Street, Park City, UT - Miners Plaza - Public Restrooms		YES	YES
1464 Park Avenue Unit 104, Park City, UT -Condominium		YES	YES
1240 Park Avenue, Park City, UT - Skate Park		N/A	YES
703 Park Avenue, Park City, UT -House		YES	YES
703 Park Avenue, Park City, UT -Commercial Property		YES	YES
664 Woodside Drive, Park City, UT - House		NO	YES
558 Swede Alley, Park City, UT - Transit Center		N/A	YES

PARK CITY MUNICIPAL

Property Summary

Policy Year 9/1/2001 - 9/1/2002

Coverage Description	2000/2001		2001/2002	
	Carrier Rating	Affiliated FM A++ XII Expiring Program	Affiliated FM A+ XV Renewal Quote	
Endorsements - Continued				
Y2K Exclusion		YES	YES	YES
Notice of cancellation - 60 days for other than non-payment		YES	YES	YES
Valuation				
Replacement Cost on everything but Contractors Equipment & Scheduled items which are valued on an Actual Cash Value Basis.		YES		YES
Annual Premium		\$ 28,435	\$ 33,538	
Annual Inspection Fee		\$ 750	\$ 500	
Total Annual Property Premium & Fee		\$ 29,185	\$ 34,038	
Average rate per \$100 maximum property values insured		\$ 0.079	\$ 0.088	
Percentage of Rate change per \$100 property values				11%

One Time Membership Renewal Credit *

Bottom line renewal cost

Percent of Premium change from expired policy once credit is applied

\$ (5,687)
\$ 28,351
(0.03)

* To be returned to client within 60 days of renewal - i.e. -mid to late November in this case.

Note: Underwriter is including Flood for only specifically scheduled locations with no additional premium charge. Not willing to provide flood coverage at other locations. Marsh can obtain flood quotes through the National Flood Insurance Council should Park City wish to acquire that coverage.

PARK CITY MUNICIPAL CORPORATION

Crime Summary

Policy Year 9/1/2001 - 9/1/2002

Coverage Description	Carrier Rating	Expiring Program Kemper A+ VIII	Renewal Kemper A+ VIII
Public Officials Employee Dishonesty - Form O (Limit applies per Claim)		\$525,000	\$525,000
Theft, Disappearance & Destruction Inside the Premises		25,000	25,000
Outside the Premises		25,000	25,000
Annual Premium		2,532	2,670
Percentage of premium change			5%

PARK CITY MUNICIPAL CORPORATION

Workers' Compensation

Policy Year 9/1/2001 - 9/1/2002

Coverage Description	Carrier Rating	Expiring Program WCF of Utah A- VIII	Renewal Quote WCF of Utah A- VIII	Percent of change from Expiring Plan
Limits:				
Coverage A		Statutory	Statutory	
Coverage B - Employers Liability		\$1,000,000	\$1,000,000	
Bodily Injury by Accident - Each Person		\$1,000,000	\$1,000,000	
Bodily Injury by Disease - Policy Limit		\$1,000,000	\$1,000,000	
Broadform All States Endorsement		Not Included	Not Included	
Annual Payroll Estimate:				
Clerical		\$9,811,746	\$10,076,644	14%
Municipal Employees		\$1,012,327	\$1,499,459	48%
Street & Roads Mfr		\$7,245,308	\$8,100,630	12%
		\$554,111	\$476,455	-14%
Class codes & Rates				
Clerical - 8810		\$0.17	\$0.17	0%
Municipal Employees - 8417		\$2.05	\$2.05	0%
Street & Roads Manufacturer - 5509		\$1.49	\$1.49	0%
Policy Credits / Debits				
Employers Liability Increase Limits Charge		2.800%	2.800%	0%
Experience Modification Factor		69%	69%	0%
Safety Record Plan Adjustment		75%	85%	13%
Scheduled Credit / Debit		90%	90%	0%
Premium Size Discount		10%	10.33%	1%
Premium		\$68,165	\$85,487	25%

Note: Experience mod is tentative
pending actual calculation from
NCCI

25% down payment with monthly
installments

25% down payment with monthly
installments

Payment Plan

Note: Volunteer Workers - See attached Utah Code concerning Volunteers of a governmental agency.
Only Medical benefits are provided unless the volunteers are firefighters in which case disability benefits are provided.



DATE: August 23, 2001
DEPARTMENT: Legal
AUTHOR: Thomas A. Daley, Deputy City Attorney
Cindy LoPiccolo, Legal Assistant
TITLE: Insurance Broker Service Contract
TYPE OF ITEM: Administrative

SUMMARY RECOMMENDATIONS:

- 1) Authorize staff to enter into a three-year Insurance Brokerage Service Contract in an amount not to exceed \$49,500.00 with Marsh USA Risk & Insurance Services for a term beginning September 1, 2001 and ending August 31, 2004.
-

DESCRIPTION:

- A. **Topic:** Insurance Brokerage Services.
- B. **Background:** Park City Municipal currently has a three-year insurance broker contract with Marsh USA Risk & Insurance Services which expires August 31, 2001. Staff is recommending entering into a new broker services contract for the period September 1, 2001 through August 31, 2004. The broker selected will procure continued insurance coverage for Public Entity Liability, Commercial Property and Crime/Public Employee Dishonesty. Park City's workers compensation insurance will continue to be provided by Workers Compensation Fund of Utah.
- C. **Analysis:** Requests for Proposal were mailed to ten insurance broker firms licensed to do business in the State of Utah and also published in the Park Record on June 2 and 6, 2001. Three firms responded to the RFP: Arthur J. Gallagher & Co., Fred A. Moreton & Company, and Marsh USA Risk & Insurance Services. A proposal and service comparison analysis is attached for review.
- D. **Department Review:** The Legal Department has reviewed the information contained in each of the three proposals and also contacted representative clients for references. The proposals are comparable and references were outstandingly positive

concerning all three firms. It appears all three firms have exceptional brokerage experience and risk management expertise and would be able to provide the services Park City requires.

Gallagher & Co.'s broker fee would be substantially higher than Marsh or Fred A. Moreton & Co. Additionally, Gallagher will not have an office in the Salt Lake area until mid-2002. Gallagher is also reluctant to offer a broker services fee cap.

Moreton is a larger brokerage firm in the Salt Lake area and is currently providing broker services to SLOC. Moreton and Marsh offer very similar services at comparable costs.

Park City has enjoyed a good working relationship with Marsh USA Risk and Insurance Services. Marsh has provided Park City with excellent service and assistance, and staff recommends entering into a new contract with Marsh.

ALTERNATIVES:

- A. Approve the request. This is the recommended action. Park City staff has been very satisfied with the level of service provided by Marsh USA Risk and Insurance Services.
- B. Deny the request and award the contract to Fred A. Morton & Company.
- C. Continue the item. The Council may continue the item if there is a desire to further evaluate the selection of Marsh USA Risk and Insurance Services as our broker.
- D. Do nothing. Not an effective option as Park City needs to renew its insurance coverage which expires on September 1, 2001.

CONSEQUENCES OF NOT TAKING THE RECOMMENDED ACTION: Park City would have to hire a broker and obtain insurance coverage within a tight time frame, as current policies expire on September 1, 2001.

RECOMMENDATION: Authorize the payment of \$49,500.00 to Marsh USA Risk & Insurance Services for a three year brokerage services contract.

PROPOSAL AND SERVICES ANALYSIS

1. ARTHUR J. GALLAGHER & CO.

Arthur J. Gallagher & Co. will be opening an office in Salt Lake City, December, 2001.

Compensation/Broker Fee Quote

10 to 15% commission

Workers Compensation (10%) not applicable with WCF

Services

- innovative program design
- aggressive marketing approach
- reinsurance intermediary expertise
- policy and claims manuals
- customer service plan
- claims summary/analysis
- loss control review
- EQECAT earthquake and windstorm analysis (as needed basis)
- Marshal Swift reports to assist in valuing new and existing properties (as needed basis)
- customized appraisal services
- strategic loss control and claims management services and solutions
 - Account Management Philosophy (A)
 - Risk Management Service Strategy (B)
 - Strategic Account Marketing (C)
 - Stewardship Report (D)
 - Risk Control Services (E)
 - Claims Services (F)
 - State of the Art Catastrophe Modeling (G)
- account management approach

Clients/References

City of San Jose

County of San Mateo

Williams-Sonoma

East Bay Municipal Utility District (Oakland)

Gallagher has performed appraisal work for the City of Vail, Colorado.

2. FRED A. MORTON & COMPANY

Compensation/Broker Fee Quote

Property & Liability 10 - 15% commission

Excess Liability 10% commission

Workers' Compensation (5 - 7%) not applicable with WCF

\$16,800/year fee cap

Services

- maintain a separate public entity division

- familiar with insurance coverage terms and conditions for Municipalities
- risk analyst on staff to provide statistical analysis of:
 - reserves
 - retention
 - GASB compliance
 - experience mod calculations; and
 - premium tax calculations
- broad range of products from 1st dollar protection to self insured administration
- largest Utah staff of any other broker; has on staff more CPCUs, ARMs and CICs than any other intermountain broker
- broker for 2002 Olympics
- technical Assistance for loss control, statistical analysis (GASB etc.), risk management review
- quarterly strategy meetings and loss review
- specific insurance needs, wording
- consultation as needed
- notification of any material rate changes in the insurance industry and changes in the market place
- seminars, classes, training sessions
- mid-year assessment of the insurance market and estimate of renewal costs
- involved in the London insurance market and current on the world insurance trends, issues and markets

Clients/References

State of Utah
 SLOC 2002
 Summit County
 Tooele City
 Utah County

Memberships

ASSE (American Society of Safety Engineers)
 NFPA (National Fire Protection Assoc.)
 API (American Petroleum Institute)
 Utah Safety Council
 National Safety Council
 American Industrial Hygiene Association
 PRIMA
 RIMS (Risk and Insurance Management Society)
 CPCU (Chartered Property & Casualty Underwriters)
 PIA (Professional Insurance Agents Association)

3. MARSH USA RISK & INSURANCE SERVICES (Incumbent, 7 years)

Compensation/Broker Fee Quote

Year 1 \$16,000 Flat
 Year 2 \$16,500 Flat
 Year 3 \$17,000 Flat

Year 3 \$17,000 Flat

Services

- continuance of broker/consultant for Park City
- maintain adequate staff, facilities, retain records, maintain current and accurate knowledge of insurance laws, and meet with Park City personnel as necessary
- client access to "InMind" technology/database. "InMind" is a proprietary communication platform operating in real time. Databases include: White Pages (Marsh Directory), Risk Talk (updates on markets, products, and services, Marsh Publications, United States Rules and Regulations, IRMI Glossary, FC&S Manuals, and Lotus Notes email communications throughout Marsh
- Olympics - provide assistance on how to best structure coverage for the City and its volunteers to avoid associated financial risk
- 21 industry specialty practice groups. Public Entity/Government group provides support to the local office in the form of data and statistics, benchmarking, best practices, regulations, etc.
- risk management assistance through training classes structured around loss control, insurance, other risk management topics
- guidance on contract review including upcoming Olympic events

Additional Marsh Services Available (fee may apply):

- Government Strategy
- Staffing/Hiring
- Financial Resources
- Improving Bond Ratings for Capital Initiatives
- Environmental (water, pollution, land use, etc.)
- School District Exposures
- FEMA Claim Preparation
- Disaster Planning and Recovery (Cost of Interruption Analysis)
- Benchmarking
- State of the Market
- Employment Law and Sexual Harassment
- Reducing Construction Costs
- Fixed Asset Guarantees
- Revenue / Sales (Tax) Guaranties

Clients/References

Salt Lake County

Sandy City

Weber County Human Services

Central Valley Water Reclamation Facility



DATE: August 16, 2001
DEPARTMENT: Olympics Services
AUTHOR: Frank Bell, Toby Ross
TITLE: Olympic Master Festival Licenses and City Services Agreement
TYPE OF ITEM: Legislative

SUMMARY RECOMMENDATIONS:

Conduct a public hearing and approve: 1) a City Services Agreement between the Salt Olympic Organizing Committee (SLOC) and Park City; 2) a Master Festival License for SLOC's activities; and 3) the Olympic Master Festival License for the City's Olympic activities including the Main Street Celebration.

DESCRIPTION

A. Topic:

Consideration of Master Festival Licenses (MFL) for Olympic activities including the Main Street Celebration and a City Services Agreement between the Salt Olympic Organizing Committee (SLOC) and Park City.

B. Background:

On August 9, the Council held and continued a public hearing on the MFL for Olympic activities including the Main Street Celebration and a City Services Agreement between SLOC) and Park City. The staff report for that meeting includes extensive background and analysis of these issues. This staff report includes draft findings for the actions recommended and a description of changes made since August 9.

C. Analysis:

Agreement Changes. Several minor changes have been made to the Draft Agreement. Fraser Bullock has signed the revised agreement on behalf of SLOC. The revised agreement includes the following changes:

1. The Draft Agreement presented to the Council for the August 9th meeting contained several blanks, mostly for numbers and dates. Those blanks have been filled with information mutually acceptable to negotiators from SLOC and Park City.

2. With respect to transportation funding, UDOT has agreed to administer federal transit funding. A three-party Transit Agreement between Park City, SLOC and UDOT will be required to define roles and responsibilities. City staff will be meeting with SLOC early in the week to review that agreement. We anticipate reaching the necessary understandings so that the Council can comfortably approve the Agreement without additional changes. The Council should authorize staff to execute a three-party Transit Agreement that substantially conforms with the intent of the Agreement.
3. Councilman Harlan requested and SLOC agreed to 14 days to notify SLOC of our interest in surplus equipment. That change has been made.
4. A new exhibit (B-3) listing rates for services and equipment has been added.
5. The parking lot at Utah Olympic Park has been added to the Canyons lot as a facility the public can use when it is not being used for competition (Section 6.4).

A copy of the revised Agreement is available from the City Recorder.

Findings. The Council is requested to adopt a set of findings in conjunction with the approval of the MFLs and Agreements.

D. Department Review:

The City Attorney prepared findings and conditions for the Council. Administrative and Olympic staff reviewed the changes.

ALTERNATIVES

- A. **Approve the MFLs and Agreement:** The Council may approve MFLs and Agreement as proposed.
- B. **Not Approve the MFLs and Agreement:** The Council may decide against approving the MFL and Agreement. Since this approach was authorized by the Council more than two years ago and the Council has updated periodically since, the action to deny the Agreement would be a major policy departure.
- C. **Modify the Terms and Conditions:** The Council could decide to revisit terms and conditions of both the MFL and Agreement. In general, the Council has more discretion over the terms of the MFL than the Agreement since SLOC would have to concur with any changes to the Agreement. Some changes would be more significant than others and staff can advise how to make modifications most effectively.
- D. **Do Nothing:** The MFL and Agreement package a number of required policy directions. The Council will have to make some decisions for Park City to effectively host the expected Olympic activities. The sooner decisions are made the better they can be

communicated to the public.

SIGNIFICANT IMPACTS:

The MFL provides a framework for Olympic Activities and defines an efficient process for implementing the plans. The Agreement establishes our relationship with SLOC and provides reimbursement to the City for incremental event related expenses. Through this Agreement, SLOC will:

1. Pay inspection costs to the City for all temporary facilities.
2. Reimburse the City approximately \$630,000 for Games-related services.
3. Reimburse Park City for about \$340,000 in enhanced transportation costs and provide about \$90,000 worth of materials and services.
4. Provide the City with more than \$1 million in transportation equipment and staff.
5. Contribute to Park City \$500,000 for the Main Street Celebration.

Most of this money will given to Park City in January 2002. Some will be held in escrow as contingency and security.

Park City assumes responsibilities with the agreement including the obligation to deliver transportation, logistical, enforcement and inspection services; to cooperate with SLOC in hosting a community celebration; and to assist SLOC in protecting its marks and sponsors.

CONSEQUENCES OF NOT TAKING THE RECOMMENDED ACTION:

Large delays in formalizing the relationships with SLOC and establishing administrative procedures could jeopardize successful implementation of plans.

RECOMMENDATION:

Staff recommends that the Council conduct a continued public hearing on August 23; and approve:

- ▶ findings of fact, conclusions of law, and conditions;
- ▶ the City Services Agreement between the SLOC, and Park City including authorization to execute a Transit Agreement
- ▶ the Master Festival License for SLOC's activities; and
- ▶ the Olympic Master Festival License for the City's Olympic activities including the Main Street Celebration.

**Copies available at City
Recorder's Office
615-5007**

Venue City License and Services Agreement

between

Park City Municipal Corporation

and

**The Salt Lake Organizing Committee
for the Olympic Winter Games of 2002**

_____, 2001

Master Festival Permit
Salt Lake Organizing Committee
Findings of Fact, Conclusions of Law, and Conditions of Approval

Findings of Fact:

1. The Olympic Winter Games of 2002 ("Olympics") will be held from February 8-24, 2002. The event will be conducted by the Salt Lake Organizing Committee ("SLOC"). The SLOC event schedules and venue site plans for Park City Mountain Resort and Deer Valley Resort, as may be amended, are incorporated herein.
2. The Olympics is by its very nature and magnitude a unique and extremely complex event, requiring the unprecedented coordination of federal, state, and local resources and personnel. The event also requires an enormous number of temporary structures, signs and improvements.
3. The City Council and staff have spent years planning for the City's role in hosting the Olympics, including site visits to several prior Olympic Venue cities and Olympic Games. Based in part on the information gathered during these visits, the City Council adopted the City's *Olympic Master Plan*. The *Olympic Master Plan* and all its supporting materials are incorporated herein.
4. Due to the world-wide exposure of the Olympics and its impacts on both the short and long term economy of the City, the City has a governmental interest in ensuring the success of the Olympics and the affiliated community celebration, in addition to the traditional health, safety and welfare concerns of a special event.
5. To address these unique factors, the City and SLOC negotiated the Venue City License and Services Agreement ("Agreement"). The Agreement is intended to address: a) the Standards for Approval of a Master Festival License of Title 4, Chapter 8 of the Municipal Code of Park City; and b) implement the City's *Olympic Master Plan*. The recitals of the Agreement are incorporated herein as findings of fact.
6. In accordance with the Agreement, the Olympics will not substantially interrupt or prevent the safe and orderly movement of public transportation or other vehicular and pedestrian traffic in the City and area of Olympic Venues.
7. The applicant is working with the Utah Olympic Public Safety Command ("UOPSC") to

provide security for the Olympics. Accordingly, pursuant to the terms of the Agreement the Olympics will not require the diversion of so great a number of police, fire, or other essential public employees from their normal duties as to prevent reasonable police, fire, or other public services protection to the remainder of the City.

8. The Agreement addresses several street closures as Use Areas and provides for extensive transit and traffic control alternatives utilizing UOPSC, SLOC and City resources. Therefore, the concentration of persons, vehicles, or animals will not unduly interfere with the movement of police, fire, ambulance, and other emergency vehicles on the streets or with the provision of other public health or safety services.
9. This MFL is issued in conjunction with a Master Festival License issued for the Park City Community Celebration in compliance with the Park City Municipal Code, Title 4, Chapter 8. This MFL will not substantially interfere with the other Master Festival nor with the provision of City services in support of other such events or governmental functions.
10. SLOC is providing sanitation, and adequate insurance and risk management for the event.
11. With the security provisions proposed in the Agreement, the event will not create an imminent possibility of violent disorderly conduct likely to endanger public safety or cause significant property damage.
12. SLOC has been working with the Park City Fire District and the Summit County Health Department to obtain all applicable approvals.

Conclusions of Law:

1. The application is consistent with the requirements of the Park City Municipal Code, Title 4, Chapter 8.

Conditions of Approval:

1. The Venue City License and Services Agreement between Park City Municipal Corporation and the Salt Lake Organizing Committee for the Olympic Winter Games of 2002 shall be executed in a form approved by the City Attorney and substantially the same as the draft presented to the City Council on August 23, 2001.
2. All plans for tents, signs, structures, stages and other temporary improvements shall be reviewed and permitted in accordance with the Tier 1-3 Olympic Review Policy adopted by the City Manager in conjunction with the Olympic Community Celebration MFL.
3. The applicant shall obtain all applicable Summit County Health Department and Park City Fire District approvals.

4. All temporary telecommunications equipment must be approved by the staff in general accordance with Chapter 8 of the Land Management Code. Variations may be approved by staff due to the unique requirements of the Olympics, limited space at the venues, and the magnitude of behind the fence temporary improvements on visual impacts of the venues. All such variations shall adhere to the intent of the LMC regulations to extent reasonably possible.
5. Public protest areas shall be provided as determined necessary by the City Attorney and UOPSC in accordance with established state and federal constitutional requirements.

Exhibits

Exhibit A - Agreement

Exhibit B - Site Plans

Master Festival Permit

Park City Community Celebration

Findings of Fact, Conclusions of Law, and Conditions of Approval

Findings of Fact:

1. The Olympic Winter Games of 2002 ("Olympics") will be held from February 8-24, 2002. In conjunction with the Olympics, the City desires to partner with SLOC to conduct an Olympic Community Celebration. The event will be conducted by the Olympic and Special Events Department ("Staff") of the City. The draft event schedules and Main Street Live Site plans, as may be amended, are incorporated herein.
2. Like the Olympics, the Celebration is by its very nature and magnitude a unique and extremely complex event, requiring the unprecedented coordination of federal, state, and local resources and personnel. The event also requires temporary structures, signs and improvements.
3. The City Council and staff have spent years planning for the City's role in hosting the Olympics, including site visits to several prior Olympic Venue cities and Olympic Games. Based in part on the information gathered during these visits, the City Council adopted the City's *Olympic Master Plan*. The *Olympic Master Plan* and all its supporting materials are incorporated herein.
4. Due to the world-wide exposure of the Olympics and its impacts on both the short and long term economy of the City, the City has a governmental interest in ensuring the success of the Olympics and the affiliated community Celebration, in addition to the traditional health, safety and welfare concerns of a special event.
5. The City Council determines that it is vital that the City ensures that adequate food and beverage services are available to visitors since a number of restaurants will be closed to the general public for private events. However, it is imperative that as a mountain, resort community that Park City avoid over-commercialization .
6. The City has certain contract obligations by virtue of its Agreement with SLOC regarding Olympic sponsors, ambush marketing and commercial contracts affecting the Olympics.
7. The City also has substantial government interests in protecting its Historic Main Street and Historic Districts generally, promoting community involvement in the Olympics, providing youth activities, and providing public art and cultural activities.

8. Park City is the Alpine Heart of 2002, and as such, the City Council finds it as our mission to provide a celebration with which the local community can welcome all Olympic athletes, their families, coaches, sponsors and friends, and the world that watches them pursue their Olympic dreams, to Park City to have fun.
9. The City solicited the input of citizens regarding Celebration activities via a volunteer Celebrations Committee and several community workshops.
10. The City has coordinated the Celebration with the Transportation Plan for the Olympics so that the Celebration will not substantially interrupt or prevent the safe and orderly movement of public transportation or other vehicular and pedestrian traffic in the City and area of Olympic Venues.
11. The applicant is working with the Utah Olympic Public Safety Command ("UOPSC") and Park City Police Department to provide security for the Celebration. Accordingly, the Celebration will not require the diversion of so great a number of police, fire, or other essential public employees from their normal duties as to prevent reasonable police, fire, or other public services protection to the remainder of the City.
12. The street closures of Main Street, Heber and Swede Alley were approved by prior Resolution. The Celebration provides for extensive transit and traffic control alternatives utilizing UOPSC, SLOC and City resources. Therefore, the concentration of persons, vehicles, or animals will not unduly interfere with the movement of police, fire, ambulance, and other emergency vehicles on the streets or with the provision of other public health or safety services.
13. This MFL is issued in conjunction with a Master Festival License issued for the Olympics in compliance with the Park City Municipal Code, Title 4, Chapter 8. This MFL will not substantially interfere with the other Master Festival nor with the provision of City services in support of other such events or governmental functions.
14. Park City is providing sanitation, and adequate insurance and risk management for the event.
15. With the security provisions proposed, the event will not create an imminent possibility of violent disorderly conduct likely to endanger public safety or cause significant property damage.
16. Staff has been working with the Park City Fire District and the Summit County Health Department to obtain all applicable approvals.

Conclusions of Law:

1. The application is consistent with the requirements of the Park City Municipal Code,

Title 4, Chapter 8.

Conditions of Approval:

1. All plans for tents, signs, structures, stages and other temporary improvements shall be reviewed and permitted in accordance with a Tier 1-3 Olympic Review Policy adopted by the City Manager. The Policy shall be in a form approved by the City Attorney and shall review improvements for compliance with the Olympic Master Plan and MFL Plan. The Policy shall include MFL guidelines and Community Development Review to ensure general compliance with the intent of the Historic District Design Guidelines and applicable building codes.
2. Staff may enter into contracts for food and beverage and any other concessions in a form approved by the City Attorney so long as said contracts are under the budget policy minimum amount and the concessions are reasonably related to a public need of said services. All applicable DABC licenses shall be obtained.
3. Staff shall obtain all applicable Summit County Health Department and Park City Fire District approvals.
4. All temporary telecommunications equipment must be approved by the staff in general accordance with Chapter 8 of the Land Management Code. Variations may be approved by staff due to the unique requirements of the Olympics, limited space at the venues, and the magnitude of behind the fence temporary improvements on visual impacts of the venues. All such variations shall adhere to the intent of the LMC regulations to extent reasonably possible.
5. Public protest areas shall be provided as determined necessary by the City Attorney and UOPSC in accordance with established state and federal constitutional requirements.

Exhibits

Exhibit A - Agreement

Exhibit B - Site Plans