PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
JUNE 4, 2009

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Library and Education Center, Room 205, 1255 Park Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, June 4, 2009.

Closed Session
2:00 p.m. Property and litigation

Inteviews
3:00 p.m. Public Art Advisory Board interviews (separate cover)

Work Session
4:00 p.m. Council questions/comments
Budget review P. 8 - 93

- Fee resolution
- Budget policies - recession plan, purchasing policy, others
- HMBA Main Street lighting proposal
- Racquet Club (PowerPoint presentation separate cover)
- Outstanding budget issues

5:50 p.m. Break

Regular Meeting
6:00 p.m.

I ROLL CALL

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

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

IV WORK SESSION NOTES AND MINUTES OF MEETING OF MAY 21, 2009
P. 94 - 106

V NEW BUSINESS *(New items with presentations and/or anticipated detailed discussions)*

1. Consideration of a Resolution confirming the sale and authorizing the issuance of up to $15,000,000 General Obligation Bonds, Series 2009 of the City; and providing for related matters P. 107 - 144

2. Consideration of a Resolution adopting a tentative revised budget for fiscal year 2009 and the budget for fiscal year 2010 for Park City Municipal Corporation and its related agencies
   (a) Public hearing P. 33 - 34
   (b) Action

3. Consideration of a Resolution amending Section 2, Water; Section 5, Miscellaneous Law Enforcement; Section 6, GRAMMA; Section 8, Recreation, and Section 9, Ice Arena of the City's fee schedule; and replacing and repealing Resolution No. 16-08 in its entirety

(a) Public hearing P. 35 - 45
(b) Action

4. Consideration of a Resolution adopting a Comprehensive Emergency Management Plan for Park City, Utah and replacing and repealing Resolution No. 15-08 in its entirety
(a) Public hearing P. 52 - 84
(b) Action

5. Consideration of a Third Addendum to the Park City Municipal Corporation and Park City Community Wireless Sublease Agreement, in a form approved by the City Attorney
P. 145 - 167

VI OLD BUSINESS

Consideration of an Ordinance annexing approximately 286.64 acres of property located at the southwest corner of the SR248 and US40 interchange in the Quinn's Junction area, known as the Park City Heights Annexation, into the corporate limits of Park City, Utah, and approving a Water Agreement, and amending the Official Zoning Map of Park city to zone the property in the Community Transition Zoning District (CT)
(a) Public hearing
(b) Motion to continue to June 11, 2009

VII ADDITIONAL DISCUSSION – AGENDA ITEMS

VIII ADJOURNMENT

A majority of City Council members may meet socially after the meeting. If so, the location will be announced by the Mayor. City business will not be conducted. Pursuant to the Americans with Disabilities Act, individuals needing special accommodations during the meeting should notify the City Recorder at 435-615-5007 at least 24 hours prior to the meeting.

Posted: 06/01/09
See: www.parkcity.org

PARK CITY COUNCIL MEETING **TENTATIVE (subject to change)**
SUMMIT COUNTY, UTAH
JUNE 11, 2009

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Library and Education Center, Room 205, 1255 Park Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, June 11, 2009.

Work Session
Council questions/comments
Budget review
Break

Regular Meeting
6:00 p.m.

I ROLL CALL

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

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

IV WORK SESSION NOTES AND MINUTES OF MEETING OF MAY 28, 2009

V CONSENT AGENDA ***(Items that have previously been discussed or are perceived as routine and may be approved by one motion. Listed items do not imply a predisposition for approval and may be removed by motion and discussed and acted upon under "Additional Discussion – Agenda Items")***

1. Consideration of an economic development grant agreement, in a form approved by the City Attorney, with High West Distillery in the amount of $___

2. Consideration of an economic development grant agreement, in a form approved by the City Attorney, with Park City Performances in the amount of $___

VI NEW BUSINESS ***(New items with presentations and/or anticipated detailed discussions)***

Consideration of a Master Festival License – Gallery Stroll amplified music
(a) Public hearing
(b) Action

VII OLD BUSINESS

Consideration of an Ordinance annexing approximately 286.64 acres of property located at the southwest corner of the SR248 and US40 interchange in the Quinn's Junction area, known as the Park City Heights Annexation, into the corporate limits of Park City, Utah, and approving a Water Agreement, and amending the Official Zoning Map of Park city to zone the property in the Community Transition Zoning District (CT)
(a) Public hearing
(b) Possible action

VIII ADDITIONAL DISCUSSION – AGENDA ITEMS

IX ADJOURNMENT

A majority of City Council members may meet socially after the meeting. If so, the location will be announced by the Mayor. City business will not be conducted. Pursuant to the Americans with Disabilities Act, individuals needing special accommodations during the meeting should notify the City Recorder at 435-615-5007 at least 24 hours prior to the meeting.

Posted: 06/01/09
See: www.parkcity.org

PARK CITY COUNCIL MEETING **TENTATIVE (subject to change)**
SUMMIT COUNTY, UTAH
JUNE 18, 2009

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Library and Education Center, Room 205, 1255 Park Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, June 18, 2009.

Closed Session

Work Session
3:45 p.m. Council questions/comments
4:00 p.m. WALC traffic calming projects
5:15 p.m. Outstanding budget issues and presentation of final budget
5:50 p.m. Break

*** * * RDA AND MBA Meetings – Final Budget Adoptions * * ***

Regular Meeting
6:00 p.m.
I ROLL CALL

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

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

IV WORK SESSION NOTES AND MINUTES OF MEETING OF JUNE 11, 2009

V APPOINTMENTS AND RESIGNATIONS

Library Board appointments

VI NEW BUSINESS *(New items with presentations and/or anticipated detailed discussions)*

1. Consideration of an Ordinance approving the hotel and residences at Empire Canyon Resort Record of Survey Plat, located at 9100 Marsac Avenue, Park City, Utah BR
(a) Public hearing
(b) Action

2. Consideration of Sergio ice cream franchise

3. Resolution adopting a final revised budget for fiscal year 2009 and the budget for fiscal year 2010 for Park City Municipal Corporation and its related agencies

(a) Public hearing
(b) Action

4. Consideration of appeals of the April 22, 2009 Planning Commission approval of a Conditional Use Permit Amendment application submitted by Deer Crest Janna LLC for the St Regis Resort at Deer Crest - Appellants are Jeri Rice and the Powder Run at Deer Valley Owner Association

VII ADJOURNMENT

A majority of City Council members may meet socially after the meeting. If so, the location will be announced by the Mayor. City business will not be conducted. Pursuant to the Americans with Disabilities Act, individuals needing special accommodations during the meeting should notify the City Recorder at 435-615-5007 at least 24 hours prior to the meeting.

Posted: 06/15/09
See: www.parkcity.org

Note: This future meeting schedule is TENTATIVE and subject to change.
PARK CITY COUNCIL TENTATIVE MEETING SCHEDULE

June 2009
11 **Liza gone**
13 *125th Birthday Party – Main Street - Saturday*
25 LMC amendments and Historic District Design Guidelines – work
Final water bond resolution – public hearing/action
Public Art Advisory Board appointments
Resolution adopting an inter-local agreement with the Snyderville Basin Special Recreation District - ice arena
Adoption of resolution - Personnel Policies & Procedures manual
Construction easement agreement – The Montage
Amendment to Stantec contract
Waiver of building-related fees in the amount of $___ for the Snow Creek Cottages Housing Project, located at 2060 Park Avenue, Park City, Utah
Waiver of building-related fees in the amount of $___ for the Fairway Hills Pump Station
575 Park Ave – Plat [PL-09-00684] KS/JM

July 2009
2 **No meeting**
3 *4th of July holiday – City offices closed Friday*
9 Municipal carbon reduction action plan and 2008 footprint - work
Ordinance amending LMC – Historic District– public hearing/possible action
Resolution adopting Historic District Design Guidelines for Park City, Utah– public hearing/possible action
16
20 *Inter-governmental breakfast – Monday - TBD*
23 **No meeting**
24 *Pioneer Day – City offices closed Friday*
30

August 2009
6
13
20
27

September 2009
3
10 **No meeting – City Tour**
17
24

Pending Items:
Business license policy – late summer
Performance measures - August
For hire vehicles licensing
Ordinance amending Municipal Code Titles 1 and 2
Resolution amending (or replacing) Resolution No. 20-07, adopting Affordable Housing Guidelines and Standards for Park City, Utah
Carrying capacity/market analysis survey
Wild land interface issues

City Council
Staff Report

Subject: City Manager Recommended Budget
Author: Bret Howser, Jed Briggs,
Nate Rockwood, Hugh Daniels
Department: Budget, Debt, & Grants
Date: June 4, 2009
Type of Item: Informational/Legislative

Summary Recommendations:
Hold a public hearing on the City Manager's Recommended Budget. Provide direction concerning new and amended policies and objectives as contained in the proposed budget, and adopt the Tentative Revised Budget for FY 2009, the Tentative Budget for FY 2010, and FY 2011 Plan for Park City and its related agencies.

Topic/Description:
FY 2009 Revised Budget, FY 2010 Proposed Budget, and FY 2011 Plan

Background:
The City's budget process began in January with the Council Visioning Session. At that time, the Budget Department presented updated revenue projections which portrayed a budget shortfall of $3.2 million in FY 2009 and another $1 million in FY 2010. Staff also presented a shortfall reduction matrix which outlined a strategy for addressing the shortfall through operating budget reductions, capital reprioritization, and revenue enhancement. Council affirmed a "Minor" shortfall level according to the City's revenue shortfall policy. Staff committed to developing 5% and 10% operating budget reduction plans in addition to conducting a full re-prioritization of the CIP. Staff also received additional direction from Council at Visioning Session concerning other topics, requests, and discussions to include in the upcoming budget.

Department heads then compiled operating budget reduction plans to present to the City Manager during February and March. These operating reduction plans as well as any budget increase requests were considered during a series of meetings between functional teams and the City Manager. Portions of the 5% reduction plans, and in some cases portions of 10% reduction plans, as well as some budget increase options were then approved, denied, or modified with the intent of realizing an overall operating budget with little to no increase from 2009 original budget levels.

All existing capital projects as well as new capital request were evaluated by the CIP Committee during March for full re-prioritization. The CIP Committee worked with the direction to cover half of the projected shortfalls with a reduction of the General Fund transfer to capital. The Committee forwarded their recommendation to the City Manager in late March. The City Manager made final decisions on operating and capital recommendations in April.

On May 4, staff delivered the City Manager's Recommended Budget (Tentative or Proposed Budget) to City Council. On May 7 the Tentative Budget, Budget Overview, Recession update of FIAR, and CIP budgets were presented to Council. Council gave direction to further talk about the Racquet Club on June 4 and to have the Recreation Advisory Board review the Dog Park project. On May 21, staff presented Council with the operating budget and discussed budget options and reductions on a team by team basis. Council directed staff to coordinate with Summit County to ensure that there would in fact be a 50% County cost share on the library reciprocal borrowing program. Council directed that funding for this project should be contingent on receiving the cost share from the County. On May 28 staff presented to Council the Special Service Contract recommendation, Water Fund issues, Fee Changes, Pay Plan and Benefit changes. Staff was directed to come back with further information regarding Business License Fees as well as reaction from the lodging community.

Public hearings are currently scheduled for June 4, June 11, and June 18. Discussion/action is slated for these dates as follows, barring changes as needed:

June 11 – Business License Fees, Park and Ride Operations, Reciprocal Borrowing (Library), and any other Outstanding Budget Issues. Staff was not planning on returning with another vacancy factor discussion unless so directed by a majority of Council.

June 18 – Presentation & Adoption of Final Budget

Analysis:
On June 4, staff will focus on the following topics for discussion:

1. Adoption of the Tentative Budget
2. City Service Fees (changes to the Fee Resolution)
3. Budget Policies
    a. Recession Plan Policy
    b. Grant Policy
    c. Public (Special) Service Contracts
    d. Contracting and Purchasing Policy
    e. Monthly Budget Monitoring Policy
4. Comprehensive Emergency Management Plan
5. Racquet Club Project
6. HMBA Capital Project
7. Outstanding Budget Issues

<u>Adoption of the Tentative Budget</u>
Attached to this staff report is a resolution adopting a Tentative Revised Budget for FY 2009 and a Tentative Budget for FY 2010 and FY 2011 for Park City and its related agencies. The resolution also gives the Budget Officer the ability to set the property tax rate at a “no tax increase rate” and file it with the County.

City Council is not scheduled to adopt the final budget until June 18. There will be time to discuss and make any recommended changes on June 11.

(See Attachment A – Resolution Adopting the Tentative Budget)

City Service Fees
As part of the Budget Process, City staff has reviewed the City's Fee Resolution and proposes the following adjustments for:

- Water Fees
- Miscellaneous Law Enforcement Fees
- GRAMA Fees
- Recreation Services and Facility Rental Fees
- Ice Arena and Fields Rental Fees
- Replacing and Repealing Resolution 16-08 in its entirety

Miscellaneous Law Enforcement Fees (further explanation):
This fee increase was briefly discussed with Council on May 28. Park City Police Department receives regular requests for contract law enforcement services. The Police Department has traditionally charged $35 per hr. However, this rate does not cover actual expenditure costs for these special requests. Upon researching actual costs, it is staff's recommendation that the rate for services be changed to $45 dollars per hour. This is an average cost between Senior Officer over time pay rate and standard Police Officer overtime rate. This rate is also the rate charged by several other communities when contracting police services. The following paragraph outlines the actual costs for providing law enforcement contract services.

The Senior Officer wage is $25.57 per hour. Straight-time with health benefits is $40 per hr.; straight time without health is $34 per hr.; overtime rate with health is $57 per hour; overtime without health is $51 per hr. This calculation includes medical benefits $6.14 per hr.; FICA 6.2%; Medicare 1.45%; retirement 22.61%; W/C-M 1.87%; life 0.30%; and disability 1.22%. The only fixed cost is health insurance; all of the other percentages are actually paid by the city for every hour worked. Thus, it's evident that public safety loses $16 per hour charging a rate of $35 per hour. Staff recommends a rate increase to $45 per hour. This will allow Park City Police Department to continue to provide quality contract services while maintaining local control over these special events. If the fee increases too drastically, many of the event organizers will likely utilize private security that may not provide adequate licensed and insured security.

On May 28 Council was presented with proposed changes to the City's Fee Resolution. After discussion, Council agreed with the changes to the fee schedule. Attachment B to this report is the amended sections of the Park City Fee Schedule and Fee Resolution. Staff recommends the adoption of the resolution in order to make the appropriate fee changes.

(See Attachment B – Fee Resolution with Excepts of Fee Changes)

Budget Policies
Recession Plan Policy:
Staff recommends that Council adopt a change to the Recession/Revenue Shortfall Policy to be included in the Budget Policy and Objectives section of the Budget. The current recession has presented an uncommon challenge to Park City and forced staff to depart from the typical budget process. Park City has become accustomed to

budgeting in a climate of increasing revenues. In the years following the Olympics, the City has enjoyed almost exponential growth in revenues due to the booming ski industry, steady growth in off-season activity, and unprecedented development growth. However, as it became clear in the late summer and fall of 2008 that revenues were sure to fall below budgeted levels due to a collapse in the financial sector and the ensuing recession, Park City staff began to gear up for a budget shortfall.

In November of 2008, the Budget Department gave a presentation to Council detailing sagging revenue projections in 2009 and the resultant budget shortfall as expected. While there was some optimism at the time that the recession may have only a moderate impact on the City, Council wisely declared the City to be in *Alert Status*. This was in accordance with the City's adopted revenue shortfall policy. While the shortfall policy provided useful guidance in helping the City weather a recession, staff found that more specificity was needed.

The major problem with the shortfall policy comes by way of understanding the definition of revenue shortfall. The policy is entitled "Revenue Shortfall Plan," however, the policy itself refers to *reserve* shortfalls. Staff recommends changing "reserve" shortfalls to "budgeted revenue projection" shortfalls. Staff believes that this change is more understandable, since "reserves" is an ambiguous term and can refer to any number of things. Other modifications include changing the revenue projection percentages, defining better the capital de-obligation process, and identifying 5% and 10% departmental budget cuts. The following policy is proposed (in red font) below:

Budget Vol. I, Policies & Objectives, Ch. 1, Pt. IV (pgs, 87-88)

PART IV - RECESSION/~~NET~~ REVENUE SHORTFALL PLAN

A. The City has established a plan, including definitions, policies, and procedures to address financial conditions that could result in a net shortfall of resources as compared to requirements. The Plan is divided into the following three components:

1. **Indicators** which serve as warnings that potential budgetary impacts are increasing in probability. The City will monitor key revenue sources such as sales tax, property tax, and building activity, as well as inflation factors and national and state trends. ~~A set of standard indicators will be developed.~~
2. **Phases** which will serve to classify and communicate the severity of the situation, as well as identify the actions to be taken at the given phase.
3. **Actions** which are the preplanned steps to be taken in order to prudently address and counteract the anticipated shortfall.

B. The recession plan and classification of the severity of the economic downturn will be used in conjunction with the City's policy regarding the importance of maintaining ~~reserves~~ revenues to address economic uncertainties. As always, the City will look to ensure that revenues are calculated adequately to provide an appropriate level of city services. As any recessionary impact reduces the City's ~~reserves~~ projected revenues, corrective action will increase proportionately. Following is a summary of the phase classifications and the corresponding actions to be taken.

1. **ALERT: An anticipated net reduction in available ~~reserves~~ projected revenues from 1% up to ~~9%~~ 5%.** The actions associated with this phase would best be described as delaying expenditures where reasonably possible, while maintaining the "Same Level" of service. Each department will be responsible for monitoring its individual budgets to ensure only essential expenditures are made.
2. **MINOR: A reduction in ~~reserves~~ projected revenues in excess of ~~9%~~ 5%, but less than ~~23%~~ 15%.** The objective at this level is still to maintain "Same Level" of service where possible. Actions associated with this level would be as follows:
   - **a.** Implementing the previously determined "Same Level" Budget.
   - **b.** Intensifying the review process for large items such as contract services, consulting services, and capital expenditures, including capital improvements. Previously approved capital project expenditures which rely on General Fund surplus for funding should be subject to review by the Budget Department.
   - **c.** Closely scrutinizing hiring for vacant positions, delaying the recruitment process, and using temporary help to fill in where possible (soft freeze).
   - **d.** Closely monitoring and reducing expenditures for travel, seminars, retreats, and bonuses.
   - **e.** Identifying expenditures that would result in a 5% cut to departmental operating budgets while still maintaining the same level of service where possible.
   - **f.** Reprioritizing capital projects with the intent to de-obligate non-critical capital projects.
   - **g.** Limit access to contingency funds.
3. **MODERATE: A reduction in ~~reserves~~ projected revenues in excess of ~~23%~~ 15%, but less than ~~50%~~ 30%.** Initiating cuts of service levels by doing the following:
   - **a.** Requiring greater justification for large expenditures.
   - **b.** Deferring non-critical capital expenditures.
   - **c.** Reducing CIP appropriations from the affected fund.
   - **d.** Hiring to fill vacant positions only with special justification and authorization.
   - ~~**e.** Closely monitoring and reducing expenditures for travel, seminars, retreats, and bonuses.~~
   - **e.** Identifying expenditures that would result in a 10% cut to departmental operating budgets while trying to minimize service level impacts where possible.
   - **f.** Eliminate access to contingency funds.
4. **MAJOR: A reduction in ~~reserves~~ projected revenues of ~~50%~~ 30% to ~~100%~~ 50%.** Implementation of major service cuts.
   - **a.** Instituting a hiring freeze.
   - **b.** Reducing the Part-time Non-Benefited and Seasonal work force.
   - **c.** Deferring merit wage increases.
   - **d.** Further reducing capital expenditures.
   - **e.** Preparing a strategy for reduction in force.
5. **CRISIS: ~~Reserves have been 100% depleted and potential for having a deficit is present.~~ A reduction in projected revenues in excess of 50%.**
   - **a.** Implementing reduction in force or other personnel cost-reduction strategies.
   - **b.** Eliminating programs.
   - **c.** ~~Eliminating~~ Deferring indefinitely capital improvements.

C. If an economic uncertainty is expected to last for consecutive years, the cumulative effect of the projected reduction in reserves will be used for determining the appropriate phase and corresponding actions.

Grant Policy:
In order to improve monitoring and coordination of City grants, staff is recommending the inclusion of a grants policy in the "Budget Policy and Objectives" section of the Budget. This policy is intended to outline the recommended grant procedures to be used throughout the City. This policy is consistent with current Budget Department coordination and monitoring practices involving grants. In certain circumstances this policy may not work with specific grants. In these situations the Budget Department will work individually with city departments to determine the best program to monitor and coordinate specific grants. Adherence to this policy will improve the City's ability to conform to State and Federal grants requirements. The following policy is proposed (in red font) below:

Budget Vol. I, Policies & Objectives, Ch. 1, Pt. V (pgs, 89-90)

PART V – GRANT POLICY

In an effort to give some uniformity and centralization to the grants administration process for the City, the following guidelines should be adhered to for all grants applied for or received by Park City departments.

A. Application Process
Departments are encouraged to seek out and apply for any suitable grants. The Budget, Debt, & Grants Department is available to assist City departments in the search and application process. Whereas departments are encouraged to work side-by-side with the Budget Department in the application process, they are *required* at a minimum to communicate their intention to apply for a grant to the Budget Department. They are further required to send a copy of the finalized grant application to the Budget Department.

B. Executing a Grant
In the event of a successful grant application, the grantee department must notify the Budget Department immediately to schedule a meeting to discuss the grant administration strategy. All grants require approval by the Budget Manager before grant execution. If a check is sent by the granting entity to the grantee department, that check should be forwarded to the Budget Department and not deposited by the grantee department. It will be the Budget Department's responsibility to assure that all grant money is appropriately accounted for.

The Budget Department will create detailed physical and electronic files that include the following information provided by the grantee department

1. A copy of the grant application
2. The notice of award
3. Copies of invoices and expense documentation
4. Copies of checks received from the granting entity
5. Copies of significant communication (emails, letters, etc) regarding the grant
6. Contact information for the granting entity

7. Contact information for project/program managers

Because many grants have varying regulations, terms, and deadlines, the Budget Department will assume the responsibility to meet those terms and monitoring requirements. The Budget Department will also track remaining balances on reimbursement-style grants. Information such as current balances, important deadlines, etc. will be provided to grantee departments on a regular basis or upon request. This centralized maintenance of grant documents will simplify grant queries and audits.

C. Budgeting for a Grant

Generally, operating and capital budgets will not be increased to account for a grant before the grant is awarded. Any department that receives a grant should fill out a budget option during the regular budget process. The option should be to increase either their operating or capital budget (depending on the grant specifications) for the appropriate year by the amount of the grant. The Budget Department will share the responsibility for seeing that the grant is budgeted correctly.

D. Spending Money against a Grant

When a department is ready to spend grant funds on a particular qualifying expense, they are to send copies of invoices for that expense to the Budget Department within one week of receiving the invoice. If the grant is a reimbursement-style grant, the Budget Department will manage the necessary drawdown requests. The Budget Department will provide departments with a report of the grant balance after each expense and/or drawdown. In the case that a reimbursement check is sent to the grantee department, it should be forwarded to the Budget Department for proper monitoring and accounting.

E. Closing a Grant

Some grants have specific close-out requirements. The Budget Department is responsible for meeting those terms and may call on grantee departments for specific information needed in the close-out process.

As no policy is one-size-fits-all, some grants may not fit into the program. In that case, an alternative plan should be developed in consultation with the Budget Department directly following the award of the grant.

Public (Special) Service Contracts Policy:
Staff is recommending adding language in the Public (Special) Service Contracts Policy, further detailing the use of excess Special Service Contract funds to be used for emergency requests (*see sections B & D*). The following policy is proposed (in red font) below:

Budget Vol. I, Policies & Objectives, Ch. 5, Pt. I (pgs, 117-121)

PART I - PUBLIC SERVICE CONTRACTS (AMENDED JUNE 200~~4~~9)

As part of the budget process, the City Council appropriates funds to contract with organizations offering services consistent with the needs and goals of the City. Depending upon the type of service category, payment terms of the contracts may take the form of cash payment and/or offset fees or rent relating to City property in exchange for value-in-kind services. The use of the public service contracts will typically be for specific services rendered in an amount consistent with the current fair market value of said services.

A. Public Service Fund Distribution Criteria

In order to be eligible for a public service contract in Fund Categories 1-3, organizations must meet the following criteria:

1. **Criterion 1:** Accountability and Sustainability of Organization - The organization must have the following:
   - **a.** Quantifiable goals and objectives.
   - **b.** Non-discrimination in providing programs or services.
   - **c.** Cooperation with existing related programs and community service.
   - **d.** Compliance with the City contract.
   - **e.** Federally recognized not-for-profit status.

2. **Criterion 2:** Program Need and Specific City Benefit - The organization must have the following:
   - **a.** A clear demonstration of public benefit and provision of direct services to City residents.
   - **b.** A demonstrated need for the program or activity. Special Service Funds may not be used for one-time events, scholarship-type activities or the purchase of equipment.

3. **Criterion 3:** Fiscal Stability and Other Financial Support - The organization must have the following:
   - **a.** A clear description of how public funds will be used and accounted for
   - **b.** Other funding sources that can be used to leverage resources.
   - **c.** A sound financial plan that demonstrates managerial and fiscal competence.
   - **d.** A history of performing in a financially competent manner.

4. **Criterion 4:** Fair Market Value of the Services - The fair market value of services included in the public service contract should equal or exceed the total amount of compensation from the City unless outweighed by demonstrated intangible benefits.

B. Total Public Service Fund Appropriations

The City may appropriate up to 1 percent of the City's total budget for public service contracts for the Special Service Contract and Rent Contribution Categories described below. In the event that the City decides not to spend up the 1 percent of the City's total budget, the excess funds will be held in contingency for emergency requests. In addition, the City appropriates specific dollar amounts from other funds specifically related to Historic Preservation as described below.

C. Fund Categories and Percentage Allocations

For the purpose of distributing Public Service Funds, public service contracts are placed into the following categories:

1. **Special Service Contracts**
   - **a.** Youth Programming
   - **b.** Victim Advocacy/Legal Services
   - **c.** Arts
   - **d.** Health
   - **e.** Affordable Housing/Community Services
   - **f.** Recycling
   - **g.** History/Heritage

h. Information and Tourist Services

2. **Rent Contribution**

3. **Historic Preservation**

A percentage of the total budget (which shall not exceed 1 percent) is allocated for contracts in the Special Service Contract and Rent Contribution categories by the City Council. A specific dollar amount is allocated to Historic Preservation based on funds available from the various Redevelopment Agencies.

The category percentage allocation does not vary from year-to-year. However, as the City's budget fluctuates (up or down) due to economic conditions, the dollar amounts applied to each category may fluctuate proportionally. Unspent fund balances at the end of a year will not be carried forward to future years. It is the intent of the City Council to appropriate funds for specific ongoing community services and not fund one-time projects or programs.

D. *Special Service Contracts*

A portion of the budget will be designated for service contracts relating to services that would otherwise be provided by the City. Special services that fall into this category would include, but not be limited to the following: youth programming, victim advocacy/legal services, arts, health, affordable housing/community services, recycling, history/heritage, information and tourist services, and minority affairs. To the extent possible, individual special services will be delineated in the budget.

Service providers are eligible to apply for a special service contract every biennial budget process. The City will award special service contracts through a competitive bid process administered by the Service Contract Subcommittee and City Staff. The City reserves the right to accept, reject, or rebid any service contracts that are not deemed to meet the needs of the community or the contractual goals of the service contract.

Each special service provider will have a special service contract with a term of two years. Half of the total contract amount will be available each year. Eighty percent of each annual appropriation will be available at the beginning of the fiscal year, with the remaining 20 percent to be distributed upon demonstration through measures (quality and quantity) that the program has provided public services meeting its goals as delineated in the public service contract. The disbursement of all appropriations will be contingent upon council approval. Special service providers will be required to submit current budgets and evidence of contract compliance (as determined by the contract) by March 31 of the first contract year.

The City reserves the right to appoint a citizen's task force to assist in the competitive selection process. The task force will be selected on an ad hoc basis by the Service Contract Subcommittee.

All special service contract proposals must be consistent with the criteria listed in this policy, in particular criterion 1-4.

Youth Contracts: In addition to the above listed criteria, proposals for Youth Programming must meet the following requirements: (1) Provide a service to or enhancement of youth programs in the Park City community; and (2) Constitute a benefit to Park City area youth, community interests, and needs. Youth Programming funds must be used to benefit Park City area youth Citywide; this may be accomplished through one service contract or by dividing the funds between several contracts.

Deadlines: Beginning Fiscal Year 2004, all proposals for Special Service Contracts must be received no later than March 31. A competitive bidding process conducted according to the bidding guidelines of the City may set forth additional application requirements.

Emergency requests received after this deadline must meet all of the following criteria to be considered before the next fiscal year:

1. The request must meet all of the normal Public Service Fund Distribution Criteria and qualify under one of the existing Special Service Contract categories;

2. The applicant must show that the requested funds represent an unexpected fiscal need that could not have been anticipated before the deadline; and

3. The applicant must demonstrate that other possible funding sources have been exhausted.

E. Rent Contribution

A portion of the Special Service Contract funds will be used as a rent contribution for organizations occupying City-owned property and providing services consistent with criterion 1-4 pursuant to the needs and goals of the City. To the extent possible, individual rent contributions will be delineated in the budget. Rent contributions will usually be memorialized by a lease agreement with a term of five years or less, unless otherwise approved by City Council.

The City is required to make rent contributions to the Park City Building Authority for buildings that it occupies. Qualified Organizations may enter into a lease with the City to occupy City space at a reduced rental rate pursuant to criterion 1-4. The difference between the reduced rental rate and the rate paid to the Park City Building Authority will be funded by the rent contribution amount. Rent Contribution lease agreements will not exceed five years in length unless otherwise directed by the City Council. Please note that this policy only applies when a reduced rental rate is being offered. This policy does not apply to lease arrangements at "market" rates.

F. Historic Preservation

Each year, the City Council may appropriate a specific dollar amount relating to historic preservation. The City Council will appropriate the funding for these expenditures during the annual budget process. The funding source for this category is the Lower Park Avenue and Main Street RDA. The disbursement of the funds shall be administered pursuant to applications and criteria established by the Planning Department, and awarded by the City Council consistent with UCA § 17A-3-1303, as amended. In instances where another organization is involved, a contract delineating the services will be required.

G. Exceptions

Rent Contribution and Historic Preservation funds will be appropriated through processes separate from the biennial Special Service Contract process and when deemed necessary by City Council or its designee.

The Service Contract Sub-Committee has the discretion as to which categories individual organizations or endeavors are placed. Any percentage changes to the General Fund categories described above must be approved by the City Council. All final decisions relating to public service funding are at the discretion of the City Council.

Nothing in this policy shall create a binding contract or obligation of the City. Individual Service Contracts may vary from contract to contract at the discretion of the City Council. Any award of a service contract is valid only for the term specified therein and shall not constitute a promise of future award. The City Council reserves the right to reject any and all proposals, and to waive any technical deficiency at its sole discretion. Members of the City Council, the Service Contract Sub-Committee, and any Advisory Board, Commission or special committee with the power to make recommendations regarding Public Service Contracts are ineligible to apply for such Public Service Contracts, including historic preservation funds. City Departments are also ineligible to apply for Public Service Contracts. The ineligibility of Advisory Board, Commission and special committee members shall only apply to the category of Public Service Contracts that such advisory Board, Commission and special committee provides recommendations to the City Council. All submittals shall be public records in accordance with government records regulations ("GRAMA") unless otherwise designated by the applicant pursuant to UCA Section 63-2-308, as amended.

Contracting and Purchasing Policy:

Staff is recommending removal of language in the Contracting and Purchasing Policy, which gives an exception from the competitive bid process for companies approved to participate in Utah State Division of Purchasing and General Services agreements and contracts on agreements and contracts that are less than $100,000. All companies approved to participate in Utah State Division of Purchasing and General Services agreements and contracts undergo a competitive bid process as part of the State approval process and therefore no monetary requirements are necessary in the City policy. The following policy is proposed (in red font) below:

PART II - CONTRACTING AND PURCHASING POLICY

D. Exceptions

Certain contracts for goods and services shall be exempt from bidding provisions. The manager shall determine whether or not a particular contract or purchase is exempt as set forth herein.

1. Emergency contracts which require prompt execution of the contract because of an imminent threat to the safety or welfare of the public, of public property, or of private property; circumstances which place the City or its officers and agents in a position of serious legal liability; or circumstances which are likely to cause the City to suffer financial harm or loss, the gravity of which clearly outweighs the benefits of competitive bidding in the usual manner. The City Council shall be notified of any emergency contract which would have normally required their approval as soon as reasonably possible.

2. Projects that are acquired, expanded, or improved under the "Municipal Building Authority Act" are not subject to competitive bidding requirements.

3. Purchases made from grant funds must comply with all provisions of the grant.

4. Purchases from companies approved to participate in Utah State Division of Purchasing and General Services agreements and contracts ~~and under $100,000~~ are not subject to competitive bidding requirements.

Budget Vol. I, Policies & Objectives, Ch. 5, Pt. II (pg, 123)

Monthly Budget Monitoring Policy:
Staff recommends that Council adopt a Monthly Budget Monitoring Policy to be included in the Budget Policy and Objectives section of the Budget. The Monthly Budget Monitoring Policy details the responsibility of monthly budget monitoring by different citywide groups: the Budget Department, managers, and teams. The Monthly Budget Monitoring Policy outlines the purpose and goals of the program, how the program is managed, and the monitoring procedures. The following policy is proposed (in red font) below:

Budget Vol. I, Policies & Objectives, Ch. 1, Pt. VI (pgs, 90-93)

PART VI – MONTHLY BUDGET MONITORING

In order to make Park City Municipal more fiscally proficient it is important to monitor the budget more closely and regularly. This will make the entire city more accountable. The goal is to work on focusing City efforts of budgeting in six areas: monitoring, reporting, analysis, discussion, training, and review. This policy outlines the monthly budget monitoring process in three different areas of responsibility: Budget Department, Departmental Managers, and Teams (Managerial Groups).

A. Monitoring

1. **Budget Department -** The department sends out emails to all managers on a weekly basis, detailing any overages or concerns the department has. In the event a department exceeds its monthly allotment a meeting will be set up with the Budget Department and the manager in charge of the department's budget to discuss the reasons for the overage and a plan for recovery.

2. **Managers -** Managers are in charge of their own budgets and are required to monitor it throughout the year using the supplied tools.

3. **Teams -** Team members will act in an advisory role to help or assist other managers with their budgets as well as strategize the sharing of resources to help cover shortages in the short-term.

B. Reporting

1. **Budget Department**

   - The department analyzes and disperses a monthly monitoring report that details expenditures over revenues by fund for council and the city manager to view.
   - The department analyzes and disperses a report which shows detailed personnel expenses (budgeted vs. actual) on a position by position basis.
   - The department created an up-to-date **monthly budget** for each department available on the citywide shared drive. This report requires minimal training by the budget department in order to fully understand it. Basically, it implements the concept of a monthly budget in the current annual budget setup by dividing the year into twelve periods. These periods are allotted a certain amount of budget based on past expenditures for those months—this will account for seasonality of

certain departments' budgets. This electronic report assists managers in monitoring and analyzing their own budgets throughout the year.

- The department analyzes and disperses any kind of report requested by departmental managers such as Detail Reports, Custom Reports, etc.
- The Budget department will be responsible for monthly variance reports to the Mayor, Council, and City Manager.

2. **Managers -** Managers review their emails and budget reports offered by the Budget Department. If problems or questions arise it is imperative that managers discuss these issues with the Budget Department and their team in a timely fashion, thereby helping to ease the budget option process at the end of the fiscal year. Where possible, departmental analysts charged with budget responsibilities should have a thorough knowledge of the content of these reports and be able to understand and use them appropriately. The Budget Department will rely on departmental managers and analysts to identify and communicate any report errors or inadequacies.

3. **Teams -** Team members should also look for any problems on budget reports and discuss them with the Budget Department if necessary or with other team members.

C. Analysis

1. **Budget Department -** As far as analysis, the department acts as more of a resource than anything else—helping out managers with specific questions and/or concerns. The Budget Department is always analyzing and breaking down the overall citywide budget, but general analysis of individual departments is the responsibility of the managers. Of course, the Budget Department will lend its resources and expertise for purposes of budget analysis upon the request of the departmental manager.

2. **Managers -** Managers are expected to know the status of their budget at all times as well as understand the primary drivers which may cause shortages. Managers should analyze the data provided by the Budget Department throughout the fiscal year with the help of monthly monitoring, personnel, department-specific, and detail reports to assist them in managing their budgets. Managers set their own budget during the budget season by determining current expenditures (and revenues) and forecasting them for the remaining fiscal year as well as the following one. This process also helps managers to determine budget options at the beginning of the calendar year.

3. **Teams -** Team members assist other managers on budget concerns and share ideas on how to make budgeting more efficient.

D. Discussion

1. **Budget Department -** The Budget Department meets with managers on a monthly basis when there are major issues or problems with their budgets upon request. It is expected that the department meets with teams on a quarterly basis to go over budgeting issues within the teams.

2. **Managers -** Managers will meet with the Budget Department whenever issues arise within their own budgets. Managers will also go over a general overview of their budget with their teams in preparation for the budget season's priority list of options.

3. **Teams -** Team members may assist other managers with any budget concerns. At quarterly team meetings teams should discuss budget concerns, including possible budget options, the necessity of shared resources, etc.

E. Training

1. **Budget Department** - The Budget Department will train all managers and selected analysts in the details of the new monthly monitoring program as well as clarify any other general questions regarding the budget and the budget process. The goal here is to make the managers aware of all the tools they need and how to use them. (One hour budget tools training to be offered semi-annually.)

2. **Managers -** It will be up to the managers to become well-versed on the monthly budgeting program as well as their own budgets.

3. **Teams -** Team members will become well-versed on the monthly budgeting program and discuss with other managers any questions or problems. To the extent that further training is required, teams should request specific training to be given by the Budget Dept at quarterly meetings.

F. Review

1. **Budget Department** - There is a performance measure for the Budget Department establishing the goal of coming in within budget for the entire city. A question regarding the Budget Department's usefulness as a budget monitoring resource will be included on the Internal Service Survey, which will directly affect the Budget Officer's performance review.

2. **Managers -** A new performance measure is included for each department establishing the goal of coming in within budget.

3. **Teams -** Team members will take part in 360 reviews of managers that includes a section for fiscal responsibility in their job description. This allows team members to consider a manager's fiscal performance in the context of extenuating circumstances.

(See Attachment C – More Monthly Budget Monitoring Information)

Comprehensive Emergency Management Plan

The City Council adopted a new Comprehensive Emergency Management Plan (CEMP) in August of 2007 and re-adopted an updated CEMP in June of 2008. The Emergency Management Group (EMG) and the City Manager made amendments to the CEMP during the 2009 fiscal year. Resolution 15-08 requires all amendments to the CEMP to be ratified by the City Council within one year. Further, the City's CEMP must be readopted annually to meet the National Incident Management System (NIMS) and FEMA compliance requirements.

Without formal adoption of a CEMP, the City is not eligible for certain federal grants and certain federal disaster reimbursements. Further, the staff believes that this will become a requirement for other federal assistance and grant programs in coming years. State assistance to municipalities is also available with approved emergency management plans, training and CEMP adoption. Park City recently received $5,000 in FEMA/State Emergency Management Performance Grants (EMPG) because we have an Emergency Program Manager and have met the state and federal NIMS requirements. We have applied for three EMPG Project Grants totaling $63,292 and are awaiting notification of the results of the grant competition.

In addition to the basic plan, seventeen (17) of Appendices lay out the details of Mitigation, Preparedness, Response and Recovery.

The basic CEMP is before you for review and adoption meeting the State/Federal NIMS requirements.

The following amendments have been made since the June 5, 2008 adoption.

Nature of the Change	Date Approved by EMG	Page Affected
Remove the Budget and Grants Manager from the EMG	9/28/2008	14
Add the Information Technology Director to the EMG	9/28/2008	14
Clarify the order of succession for the Operations Commander versus an Acting City Manager	10/28/2008	16
Add Appendix P to the CEMP - EPM Notification	7/18/2008	3
Update location of Summit County EOC - SAR Kamas	4/9/2009	21
Change the name of NRP to the NRF	2/2/2009	22
Add reference to the SOPs to the ESF overview	2/2/2009	22
Update ESF #3 primary departments	2/2/2009	22
Update ESF #5 primary departments	2/2/2009	22
Update ESF #7 primary departments	2/2/2009	22
Update ESF #11 primary departments	2/2/2009	23
Update ESF #12 primary departments	2/2/2009	23
Update ESF #16 primary departments	2/2/2009	23
Add SOP preparation bullet to department responsibility	2/2/2009	24
Add Special Needs coordination to EPM responsibility	2/2/2009	25
Remove Risk Management from ESF#14 Legal	2/2/2009	26
Update Emergency Program Manager responsibilities	2/2/2009	24
Update City Attorney responsibilities	2/2/2009	26
Update Chief Administrative responsibilities	2/2/2009	24
Update Information Technology responsibilities	2/2/2009	28
Update Police responsibilities	2/2/2009	26
Update Human Resources responsibilities	2/2/2009	28
Update Recreation responsibilities	2/2/2009	28
Added selected sub sections	2/2/2009	Appendix A
Updated Title 63K and Added Title 52, Chapter 4	2/2/2009	Appendix B
Updated Appendix D completely	6/3/2009	Appendix D
Added HSEEP requirements to Appendix E	6/3/2009	Appendix E
Updated Specialized Training requirements	6/3/2009	Appendix E
Updated Appendix J - FEMA Training Courses	6/3/2009	Appendix J
Updated Appendix N - Definitions, et al	6/3/2009	Appendix N
Updated Appendix K - Emergency Operations Center (EOC)	6/3/2009	Appendix K
Updated Appendix O. - Forms, Logs and Templates	6/3/2009	Appendix O
Add Appendix Q to the CEMP SOPs in Support of ESF	6/3/2009	Appendix Q

The various appendices are not included with the CEMP to save on paper (many are lengthy), but are available to the Council for review. Some appendices are protected documents under UCA - 63-2-304 and UCA 62-2-106 due to personnel and security issues. The Council will be periodically updated on amendments to the plan made by the Emergency Management Group (EMG) as outlined in the CEMP.

(See Attachment D – Resolution Adopting the CEMP & Park City CEMP)

Racquet Club Renovation

Staff approached Council on May 7th with a discussion concerning a possible phased approach to completing the proposed racquet club renovation. In February, Council directed staff to prepare a phased approach which would utilize no more than the $7.2 million of cash on-hand for a first phase of the project, which would be undertaken sometime during the next year. The staff report on the 7th detailed two phases, and a representative from VCBO Architecture gave a visual presentation illustrating these phases, the benefits and pitfalls of varying approaches, and the most current cost estimates.

Staff made a recommendation to Council that the City complete both Phase I and II of the project concurrently. This recommendation rests heavily on the pre-suppositions that 1) Park City provides tennis and recreation service to the community and will continue to provide these services indefinitely, 2) the existing racquet club facility located in Park Meadows will continue to serve as a primary facility for tennis and recreation services, and 3) this facility is in need of renovation for purposes more closely related to health, safety, and welfare concerns rather than level of service expansion, as it is nearing the end of it's useful life. Based on prior Council discussion and direction, staff believes these pre-suppositions to be true.

If these premises are in fact true, then it can be assumed that eventually both phases of the project must be completed and the question becomes: What is the best way to carry out this project? It is on this point that staff strongly suggests that the most cost-effective approach would be a single-phase approach. VCBO estimates an $800,000 savings from the economies of scale alone. Staff estimates additional savings from today's more competitive construction market between $500,000 and $1 million. The projected interest expense on a $3.3 million bond would be between $850,000 and $1.45 million. If the bond were structured with a 5 year recall provision, the interest might be as low as $500,000. The City would also earn some interest on the bond proceeds before the completion of the project, but this is not expected to be significant. All told, staff expects that the City could save approximately $1 million, *after* interest expense, by bonding for a portion of a single-phased project up-front.

In addition to cost savings, VCBO reports that a single phase approach would net additional efficiencies in the use of building space. The figure below presents an analysis of the improvements which could be achieved in each phase of the project and the additional improvements which would result from a single-phase approach.

Components

Phase I:

Weight Room
Group Fitness
Locker Rooms
Bouldering
Control Point Access
Better Interconnectivity

Phase II:

Tennis Building
Emergency Supplies Space

Single Phase (Combine I & II):

Weight Room
Group Fitness
Locker Rooms
Bouldering
Control Point Access
Tennis Building
Emergency Supplies Space
Jogging Track
Maximized Interconnectivity
Maximize Master Plan for Future Phases

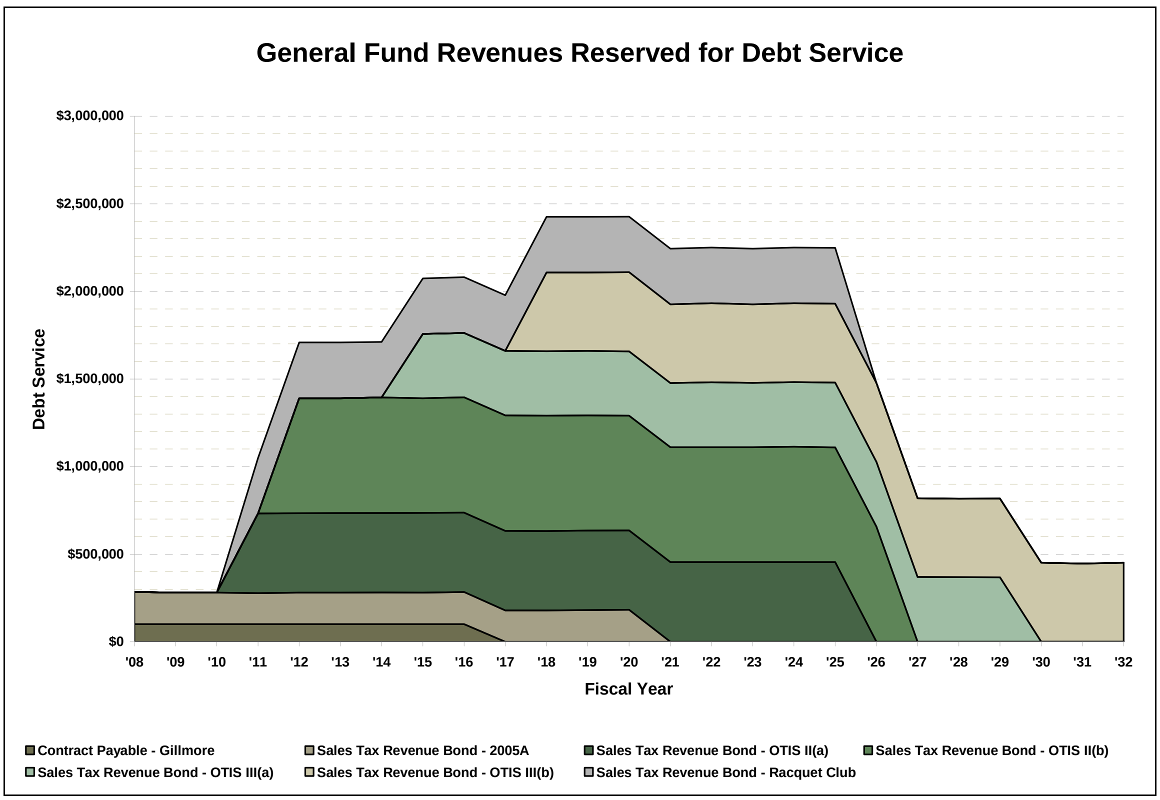
On May 7, 2009, an apparent majority of Council seemed to favor moving forward with a single phase project. Staff would like Council to reaffirm their direction. ***If Council is of a mind to do both of these phases eventually, then staff recommends that they be done as a single phase utilizing cash on hand as well as bond proceeds.*** This should maximize cost-effectiveness for the reasons stated above.

There was some concern expressed that the proposal to bond for the completion of a single-phase project would impact the City's ability to issue sales tax bonds for OTIS street reconstruction projects. It should be noted that the City's Sales Tax Revenue Bond Indenture limits the City to no less than 2x coverage. With the City's current sales tax revenues, this means that the City has a sales tax bonding capacity of about $45 million. The City's current coverage ratio is 4.2x officially. However, as the City has dedicated impact fees and RDA increment to pay for much of the outstanding sales tax debt, a more accurate current coverage ratio is 7.8x. The proposed bond for the racquet club would change that ratio to 3.7x officially (or 6x if impact fees and property tax increment are considered). At the peak of OTIS bonding, the coverage ratio would be 3.36x, which is still well within the 2x required coverage. And, as sales tax revenues are likely to grow in the long run, the City should gain bonding capacity beyond even these figures.

While the preceding gives a technical view of how investors and bond lawyers determine bonding capacity, a more practical way to consider the City's ability to make debt payments in the future would be to look at the City's long-term financial analysis, the FIAR. An updated FIAR excerpt is included on pages 11-12 of Volume I of the Budget Document. This analysis includes debt service on both the racquet club and OTIS and shows surpluses in typical years in the future despite the addition of debt service associated with a potential racquet club bond. The intent of this analysis is to show available funds in future years in order to help Council make prudent decisions on dedicating those funds. Those funds could be spent on operating level of service increases, one-time capital investments, or debt service. In this instance, staff believes that a portion of expected future surpluses could be spent on debt service associated with the racquet club while still allowing sufficient funds for OTIS bonds as well as future unidentified increases in level of service or capital investments.

It is anticipated that a racquet club bond would not be issued until next spring, in conjunction with the first OTIS sales tax bond. This will give Council and staff time to re-evaluate the financing of the project in the context of 2010 ski season sales. Also, since the racquet club bonds would be issued as part of the same bond issuance with OTIS bonds, it is unlikely that a situation would arise in which the City was issuing racquet club bonds at the expense of OTIS bonds.

Using a very conservative estimate of 5% interest, staff has budgeted for a $318,000 debt service payment for the proposed racquet club bond. The figure below shows the anticipated debt service amounts to be covered by sales tax. The maximum debt service amount of $2.4 million would occur between 2018-2021, with the racquet club accounting for about 13% of the annual debt service payment from sales taxes.



Council also expressed an interest in seeing cost and revenue per user hour figures associated with the various components of the racquet club. It is difficult and somewhat subjective to apportion racquet club membership fees to the different components of the racquet club or to assign general racquet club expenditures appropriately to the components. Typically, costs and revenues are split into two broader categories: Tennis and Recreation. The tables below show cost recovery and subsidy detail for these categories in multiple years. It is presented here for information and context and to enhance the discussion on the racquet club project.

Recreation & Tennis Budgets Combined

FY	Expenses	Difference Previous Yr	Revenues	Difference Previous Yr	Subsidy	% Cost Recovery	Expense/ Revenue Ratio
2003	$1,494,879		$971,541		$523,338	64.99%	$1.54
2004	$1,575,260	$80,381	$982,464	$10,923	$592,796	62.37%	$1.60
2005	$1,530,200	-$45,060	$1,068,348	$85,884	$461,852	69.82%	$1.43
2006	$1,662,915	$132,715	$1,262,553	$194,205	$400,362	75.92%	$1.32
2007	$1,724,521	$61,606	$1,272,271	$9,718	$452,250	73.78%	$1.36
2008	$1,835,158	$110,637	$1,291,717	$19,446	$543,441	70.39%	$1.42
Average	**$1,637,156**		**$1,141,482**		**$495,673**	**69.54%**	**$1.44**

Recreation Budget

FY	Expenses	Difference Previous Yr	Revenues	Difference Previous Yr	Subsidy	% Cost Recovery	Expense/ Revenue Ratio
2003	$1,039,563		$506,737		$532,826	48.75%	$2.05
2004	$1,170,811	$131,248	$504,822	-$1,915	$665,989	43.12%	$2.32
2005	$1,079,000	-$91,811	$530,715	$25,893	$548,285	49.19%	$2.03
2006	$1,167,159	$88,159	$638,084	$107,369	$529,075	54.67%	$1.83
2007	$1,248,502	$81,343	$693,293	$55,209	$555,209	55.53%	$1.80
2008	$1,318,409	$69,907	$674,462	-$18,831	$643,947	51.16%	$1.95
Average	**$1,170,574**		**$591,352**		**$579,222**	**50.40%**	**$2.00**

Tennis Budget

FY	Expenses	Difference Previous Yr	Revenues	Difference Previous Yr	Subsidy	% Cost Recovery	Expense/ Revenue Ratio
2003	$415,226		$464,804		-$49,578	111.94%	$0.89
2004	$404,449	-$10,777	$477,642	$12,838	-$73,193	118.10%	$0.85
2005	$451,199	$46,750	$537,633	$59,991	-$86,434	119.16%	$0.84
2006	$495,756	$44,557	$624,469	$86,836	-$128,713	125.96%	$0.79
2007	$476,019	-$19,737	$578,979	-$45,490	-$102,960	121.63%	$0.82
2008	$516,750	$40,731	$617,255	$38,276	-$100,505	119.45%	$0.84
Average	**$459,900**		**$550,130**		**-$90,231**	**119.37%**	**$0.84**

In terms of phasing the Racquet Club, staff and VCBO have looked at replacing the tennis building in the first phase of the project using the “cash on hand” as the budget for the replacement. The following reasons are why replacing the tennis building in Phase I is not recommended by staff or VCBO.

1. If this approach is taken the rest of the facility except for the gymnasium would also need to be removed. The reason for this is that if you were to try to keep the rest of the facility (offices, weight room, restaurant, locker rooms and front desk) it would be cost prohibitive to replace a building in the middle of the facility. The tennis building is connected to the rest of the facility.

2. If there was a way to leave everything except the tennis building, the remaining building would need to be brought up to ADA requirements. This would mean potentially spending significant funds to bring a building into ADA compliance that would need to be replaced in the near future. For example it is likely that the building would need to install at least one elevator.

3. If the approach of removing all of the structures except the gymnasium is taken the replacement building would be significantly smaller and have fewer amenities. It is anticipated that the indoor facility would consist of four tennis courts, gymnasium, aerobics studio, offices and locker rooms.

Some concern has been raised regarding the added square footage associated with fitness programs and the perceived expansion of level of service which accompanies this. Currently the facility has approximately 3,200 square feet of fitness area. The operational consultant recommends that this be expanded to 4,000-6,000 square feet. Staff intends to have the project designed within these parameters. It is noteworthy, however, that the added square footage will not necessarily come with additional fitness equipment. There is not currently a budget for additional equipment such as weight machines and treadmills. Primarily, the added square footage will allow for proper spacing of existing equipment rather than the addition of new equipment. Therefore, while the renovation would result in more comfortable recreation, it is not expected to result in an expansion of user capacity or level of service.

Additionally, the Recreation Department intends to continue the focus on community and family recreation, rather than shift towards adult-centered recreation and fitness services.

(See Attachment E – Racquet Club Design Presentation and Attachment F – Excerpt from May 7 Staff Report on Racquet Club)

HMBA Capital Request

On March 6, 2009, the Historic Main Street Business Alliance (HMBA) submitted a request for funding assistance for lighting Main Street and implementing a street-wide sound system. Staff directed the request to the RELS process (request for elevated level of service) which ultimately arrives at Council via the CIP budget process. The original request included about a $30,000 contribution from the City to get the project off the ground as well as a $240,000 loan to complete the project. This request was preliminarily determined to be consistent with Council goals. However, the CIP Committee did not recommend the project for funding due in large part to the discretionary nature of the project. Additionally, the Committee felt that it was not appropriate for the City to loan funds to an outside entity at that level.

On April 2, 2009, Council reviewed the HMBA's proposals. Council rejected the loud speakers, but asked the HMBA to measure level of support of their membership for the street-wide lighting project prior to any consideration of City funding. Council further agreed that the project was to be completely owned, funded, and operated by the HMBA with no City assistance. Minutes are attached.

On April 8, 2009, the HMBA held their annual membership meeting. A show of hands of the approximately 40 members in attendance overwhelmingly supported the project. Furthermore they supported using the BID as a funding mechanism, even if the City was not contributing any capital or operating money. While an anticipated BID tax was not specified or conveyed to the membership at that time, current estimates would necessitate a tax on businesses in the district approaching $1,000 per business, which cost might be spread out over a few years.

On May 1, 2009, the City's internal RELS review team consisting of Kent Cashel, Matt Cassel, Sayre Brennan, Dave Gustafson, and Jonathan Weidenhamer completed their comprehensive internal review (step 4 of the RELS process) and finalized their recommendations. Both the RELS Committee and the CIP Committee recommend the City consider further study of the project's merits and feasibility, and secondly that alternate funding sources, such as Business Improvement District (BID) fees, be considered for funding such a project.

The following alternative matrix was prepared by the RELS committee and is presented here for Council consideration. The matrix shows a range of potential involvement for both the City and the HMBA in the proposed lighting project.

	Alternative	**HMBA Assessment**	**PCMC Cost**
#1	No PCMC Involvement (No ops/power/or capital expenditure)	HMBA would cover all expenses.	No Cost
#2	City Funded Feasibility Study	No initial expenses	Approx. 5k
#3	Implement on lower Main St. Privately	Cost to identified individual businesses	No Cost
#4	Comprehensive Request for a Long Range Plan (Delay)	No Cost	Approx. 5-10k
#5	City Funded (all or portion)	ID Alternative	ID Alternative

Staff currently recommends that the City require a comprehensive long-range capital improvement, operational and programming prioritization plan from the HMBA before any capital investment decisions are finalized (Option #4). As part of this integrated plan, staff proposes that the City consider funding a technical feasibility study for the lighting project itself (Option #2). Amongst other considerations, the study would address capital cost estimates, strategies and costs for maintenance and operations, ownership and role questions, timing, funding alternatives, power consumption and environmental impact, historic building issues, and building codes and regulations – none of which have been sufficiently addressed to this point.

Staff believes that a lighting project properly done and in the context of a broader capital plan for Historic Main Street could have a potential positive impact toward the Council goal of being a world-class, multi-seasonal resort community as well as specific

Economic Development Strategic Plan goals of creating attractions in the downtown. However, the proposed lighting project is not yet sufficiently developed to warrant a significant budget appropriation from the City as originally requested by the HMBA. Therefore, staff believes that a modest contribution of $5,000 - $15,000 from the City for a comprehensive long-range capital plan and lighting feasibility study is appropriate. It is in the best interest of the City at this point to work alongside the HMBA in developing a plan that would best enhance the character and marketability of Park City's Historic Main Street. This alternative would likely push the lighting project until at least summer 2010; unless Council is amenable to considering an increase in the BID assessment outside of the budget process, which staff does not recommend.

On May 19, 2009 at their monthly Board Meeting, the HMBA agreed to conduct a more formal poll of their members to measure level of support to using an increased BID assessment to pay for the project. They further agreed to include an estimate of individual assessment based on the current estimated project cost ($270k) in that poll. The findings of that poll were not available at the time of printing of this report. The HMBA indicated they would like Council to consider additional alternatives to Staff's recommendation, including:

Option 6: Allow the project to be implemented on a number of individual buildings on a trial basis in the interim, which will allow them to garnish support for the program, and also prevent them from forfeiting an anticipated Restaurant Tax grant.

Option 7: Have Council agree to increase the BID for the current estimated project amount, and finalize the actual assessment when the technical study comes in; and secondly have the City agree to pay for the annual O&M, estimated at $17,000. Currently the City pays approximately $2,000 annually for Christmas lights on Main.

Staff is not supportive of the "trial" run without the true technical feasibility study, because a number of concerns remain about the proposal including:

- Fire hazards of year-round attachment
- Power sources and infrastructure, including wiring, a central housing or 'brains' of the sound system, speakers, weather and the use of City lamp posts.
- If something breaks who fixes it?

It is worth noting that use of the BID as a funding source would represent a change of current Council direction, because it would be a City-levied assessment, we would inherently assume a greater level of "ownership". The reason for the technical study would be so that Council and HMBA members would have an accurate understanding of the actual increase in the assessment as well as subsequent operations and maintenance costs prior to Council considering this as a potential funding option.

The Treasure Mountain Inn has offered space on their roof to allow solar panels to provide power for the lights as a demonstration project. Staff would need to understand what role Council would have in this part of the project. The solar panel demonstration project for the Holidelights is currently no in our work plan.

(See Attachment G – HMBA minutes)

Department Review:
Budget, Debt, & Grants Department, the Legal Department, and the City Manager reviewed this report.

Alternatives:

A. City Council should do the following:
1. **Adopt the Tentative Budget for FY 2009 (amended) and FY 2010 and FY 2011 by resolution;**
2. **Adopt the Fee Resolution;**
3. **Adopt the Park City Comprehensive Emergency Management Plan (CEMP) by resolution;**
4. **Give Direction to Staff regarding the Racquet Club project;**
5. **Give Direction to Staff regarding the HMBA Capital project;**
6. **Give Direction to Staff regarding Desired Changes to the Budget to be made before Final Adoption.**

B. Continue the Item: The final budget needs to be adopted on June 18. Any recommended changes to the final budget should be addressed on June 4 when the Tentative Budget is adopted. Subsequent discussions can occur on June 11, but final changes need to be adopted on June 18.

Significant Impacts:
The City's budget must be available for public inspection for a period no less than 10 days between the adoption of the tentative budget and the adoption of the final budget. A public hearing on the tentatively adopted budget must also be held during that time. The final budget (with no tax increase) must, by statute, be adopted on or before June 18. Therefore, the tentative budget must be adopted before June 8 to be in compliance with the Utah Municipal Code.

Failure to adopt the CEMP, jeopardizes the City's ability to receive State and Federal grant and disaster reimbursement funds.

Recommendation:
Staff recommends that Council adopt the tentative budget on June 4, along with the Fee Resolution and CEMP. Any unresolved issues should be discussed on June 11 so that the final budget can be prepared for adoption on June 18.

Attachments:
A – Resolution Adopting the Tentative Budget
B – Fee Resolution with Excerpts of Fee Changes
C – Monthly Budget Monitoring Information

D – Resolution Adopting the CEMP & Park City CEMP
E – Racquet Club Design Presentation
F – Excerpt from May 7 Staff Report on Racquet Club
G – HMBA Minutes
H – Shortfall Reduction Matrix

Attachment A

Resolution No.

A RESOLUTION ADOPTING A TENTATIVE REVISED BUDGET FOR FISCAL YEAR 2009 AND A TENTATIVE BUDGET FOR FISCAL YEAR 2010 FOR PARK CITY MUNICIPAL CORPORATION AND ITS RELATED AGENCIES AND AUTHORIZING THE COMPUTATION OF THE PROPERTY TAX RATE AT A NO TAX INCREASE RATE

WHEREAS, the Utah State law requires that city budgets be adopted by resolution: and;

WHEREAS, a public hearing was held on May 7, May 21, and May 28, 2009, and one more is scheduled for June 4, 2009 at the City Council's regularly scheduled meetings, complying with State law;

NOW, THEREFORE, BE IT RESOLVED by the City Council of Park City, Utah that:

SECTION 1. TENTATIVE REVISED BUDGET ADOPTED. The budget as outlined in the City Manager's Recommended budget presented on May 7, 2009 and with changes as summarized in the Attachments to this resolution is hereby adopted as the tentative revised Fiscal Year 2009 budget for Park City Municipal Corporation and its related agencies.

SECTION 2. TENTATIVE BUDGET ADOPTED. The budget as outlined in the City Manager's Recommended budget presented on May 7, 2009 and with changes as summarized in the Attachments to this resolution is hereby adopted as the tentative budget for Fiscal Year 2010 for Park City Municipal Corporation and its related agencies.

SECTION 3. CERTIFIED PROPERTY TAX RATE. The City's Budget Officer is authorized, after the County has provided the Certified Property Tax data, to compute the City's Certified Property Tax Rate for 2009 at a "No Tax Increase Rate" and file said rate with the County.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect June 4, 2009 for the Fiscal Year 2009 revised budget, and July 1, 2009 for the Fiscal Year 2010 budget.

PASSED AND ADOPTED this 4th day of June, 2009

PARK CITY MUNICIPAL CORPORATION

____

Mayor Dana Williams

Attest:

Janet M. Scott, City Recorder

Approved as to form:

Mark D. Harrington, City Attorney

Attachment B

Resolution No. XX-XX

A RESOLUTION AMENDING SECTION 2, WATER FEES; SECTION 5, MISCELLANEOUS LAW ENFORCEMENT FEES; SECTION 6, GRAMA FEES; SECTION 8, RECREATION SERVICES AND FACILITY RENTAL FEES; SECTION 9, SECTION ICE ARENA AND FIELDS RENTAL FEE SCHEDULE; AND REPLACING AND REPEALING RESOLUTION 16-08 IN ITS ENTIRETY

WHEREAS it is necessary to update the fee resolution to reflect the changing costs of performing services; and

WHEREAS, a public hearing was held on May 28, 2009, to receive public comments on the user fee increases,

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

SECTION 1. FEE SCHEDULE AMENDMENTS. The Park City Fee Schedule is hereby re-adopted with changes as outlined in Exhibit A

SECTION 2. EFFECTIVE DATE. This resolution shall take effect upon adoption.

PASSED AND ADOPTED this 4th day of June, 2009.

PARK CITY MUNICIPAL CORPORATION

____

Mayor Dana Williams

Attest:

____

Janet M. Scott, City Recorder

Approve as to form:

____

Mark D. Harrington, City Attorney

SECTION 2. WATER FEES

2.1 Water Impact Fees. Water Impact Fees are located in the Park City Municipal Code, Title 11, Section 13.

2.2 Monthly Water Metered Services Fee Schedule:

2.2.1 Base Rates (For all water billed on or after July 1, 200~~8~~9).

Individually Metered Residential (single-family, condo, townhouse)

Meter size	Monthly Base/ Demand Charge		Meter Price
5/8 x 3/4"	~~$20.86~~	23.36	$332
1"	~~28.16~~	31.54	403
1-1/2”	~~33.39~~	37.40	632

Other than Individually metered Residential (Multi-Family, Commercial, Irrigation)

Meter Size	Monthly Base/ Demand Charge		Meter Price	
3/4"	$ ~~27.12~~	30.37	$ ~~332~~	472
1"	$ ~~45.88~~	51.39	$ ~~403~~	543
1 2"	$ ~~98.02~~	109.78	$ ~~632~~	772
2"	$ ~~204.40~~	228.93	~~$1,226~~	1,366
3"	$ ~~531.89~~	595.72	~~$1,476~~	1,616
4"	$ ~~965.72~~	1,081.61	~~$2,676~~	2,816
6"	~~$1,820.90~~	2,039.41	~~$4,241~~	4,381
8"	~~$3,134.97~~	3,511.17	~~$6,440~~	6,580
Construction Meter	~~$121.22~~	135.77		
Indigent Rate*	$2			

*Indigent Rate includes 10,000 gallons. Water consumption greater than 10,000 gallons is charged per the normal block structure presented in paragraph ~~2.4.3~~ 2.2.3.

2.2.2 Water Consumption Rates All water delivered through each meter, excepting commercial meters, between November 1 and May 31 of each year shall be charged at the rate of $~~3.65~~ 4.09 per thousand gallons. All water delivered through commercial meters shall be charged per Paragraph 2.2.3 year-round.

2.2.3 Water Conservation Rates (For all water billed on or after July 1st, 200~~8~~9).

All water delivered through each meter serving single family residential, multi-family residential, commercial and landscape irrigation customers per month between June 1 and September 30 of each year shall be billed at the following rates:

Type	Block 1 **$~~2.60~~ 2.91 per 1,000 gals**	Block 2 **$~~4.17~~ 4.67 per 1,000 gals**	Block 3 **$~~6.77~~ 7.58 per 1,000 gals**	Block 4 **$~~10.43~~ 11.68 per 1,000 gals**
Single Family	0-5,000	5,001 - 30,000	30,001 - 80,000	Over 80,000
Multi-Family				
3/4"	0-10,000	10,001-36,000	36,001-80,000	Over 80,000
1"	0-17,000	17,001-57,000	57,001-120,000	Over 120,000
1.5"	0-30,000	30,001-100,000	100,001-200,000	Over 200,000
2"	0-48,000	48,001-160,000	160,001-320,000	Over 320,000
3"	0-96,000	96,001-320,000	320,001-640,000	Over 640,000
4"	0-150,000	150,001-500,000	500,001-1,000,000	Over 1,000,000
6"	0-180,000	180,001-600,000	600,001-1,200,000	Over 1,200,000
Irrigation				
3/4"		0-56,000	Over 56,000	
1"		0-90,000	Over 90,000	
1.5"		0-185,000	Over 185,000	
2"		0-300,000	Over 300,000	
3"		0-600,000	Over 600,000	
4"		0-935,000	Over 935,000	
6"		0-1,865,000	Over 1,865,000	
Commercial Year round		**$~~3.65~~ 4.09 per 1,000 gals**	**$~~5.65~~ 6.33 per 1,000 gals**	
3/4"		0-150,000	Over 150,000	
1"		0-300,000	Over 300,000	
1.5"		0-500,000	Over 500,000	
2"		0-750,000	Over 750,000	
3"		0-1,200,000	Over 1,200,000	
4"		0-1,700,000	Over 1,700,000	
6"		0-1,700,000	Over 1,700,000	
All users except construction between November & May	$~~3.65~~ 4.09 per thousand gals.			
Construction Water	$~~121.22~~ 135.77 Monthly Base Chg.	$~~4.80~~ 5.38 per thousand gals.		

2.3 Water Violation Penalties

$150.00	first violation
200.00	second violation
400.00	third violation
500.00	fourth violation
750.00	for the fifth violation and for each subsequent violation within that calendar year

2.4 Water Service Reinstatement Fee
$100 fee for meter shut off because of non-payment of account

2.5 Water Meter Testing Fee $100 per test

2.6 Water Labor Rate $50 per Hour

2.7 Water Parts & Supplies Rate Cost + 15% stocking fee

2.8 Fire Hydrant Meter Deposit Fee $1,050
Fire hydrant wrench deposit fee $50

<u>SECTION 5. MISCELLANEOUS LAW ENFORCEMENT FEES.</u>

5.1 Alarm Monitoring Fees

$100.00 Cash deposit to be posted at time of installing each alarm system within the Park City limits.

$ - 0 - First response within 6 months, no fee deducted from $100.00 bond.

$25.00 Second response to premise within 6 months, and for each subsequent response to said premise. [$25 deducted from bond].

5.2 Direct Access Alarms

$100.00 Per alarm connected through a direct access device, and not per alarm company, for the initial installation of the alarm.

$50.00 Per year, per alarm for subsequent years or parts thereof.

5.3 Dispatching Fee

$100.00 Per month for each private agency being dispatched from the City Communication Center.

5.4 Vehicle Impound Fee

$20.00 Per vehicle, per impound (also see Section 7.7).

5.5 Contract Law Enforcement Services

$~~35.00~~ 45.00 Per hour, per officer.

SECTION 6. GRAMA (Government Records Access and Management Act) FEES.

6.1 Copies. Copies made at a city facility: $.10 per page. Double-sided copies shall be charged as two pages.

6.2 Copies from Outside copy facilities ~~in Excess of 50 Pages.~~ ~~Outside copy facilities: For requests for copies in excess of 50 pages, t~~The city reserves the right to send the documents out to be copied and the requestor shall pay the actual cost to copy the documents, including any fee charged for pick-up and delivery of the documents, or may be directed to pick up and pay for the copied documents directly from the copy store.

6.3 Copies retrieved from Utah State Archives or other storage facility. In addition to the copy fee, the requester must pay actual cost for staff time and mileage (computed using the current official federal standard mileage rate).

6.~~3~~4 Compiling Documents in a form other than that normally maintained by the City, pursuant to U.C.A. 63G-2-203 (2008). In the event the City compiles a record in a form other than that normally maintained by the City, the actual costs under this section may include the following:

(a)(i) the cost of staff time for compiling, formatting, manipulating, packaging, summarizing, or tailoring the record either into an organization or media to meet the person's request;

(ii) the cost of staff time for search, retrieval, and other direct administrative costs for complying with a request; and

(iii) in the case of fees for a record that is the result of computer output other than word processing, the actual incremental cost of providing the electronic services and products together with a reasonable portion of the costs associated with formatting or interfacing the information for particular users, and the administrative costs as set forth in Subsections (i) and (ii).

(b) An hourly charge under this section may not exceed the salary of the lowest paid employee who, in the discretion of the custodian of records, has the necessary skill and training to perform the request.

(c) Notwithstanding Subsections (a) and (b), no charge may be made for the first quarter hour of staff time. ~~$50.00 per request or $20.00 per employee hour required to compile the record, whichever is greater~~.

6.5 Fee Waiver for Public Benefit. The City may fulfill a record request without charge if it determines that: releasing the record primarily benefits the public rather than a person; the individual requesting the record is the subject of the record, or an individual specified in U.C.A. Subsection 63G-2-202(1) or (2); or the requester's legal rights are directly implicated by the information in the record, and the requester is impecunious.

SECTION 8. RECREATION SERVICES AND FACILITY RENTAL FEES

8.4. Racquet Club Fees:

8.4.1 Annual City Resident Recreation Card

$ ~~6.50~~ 7.00 First card per family
~~6.50~~ 7.00 Each card thereafter
~~6.50~~ 7.00 Per card renewal fee

8.4.2 Annual County Resident Recreation Card

$ ~~6.50~~ 7.00 First card per family
$ ~~6.50~~ 7.00 Each card thereafter
$ ~~6.50~~ 7.00 per card renewal fee

8.4.3 Racquet Club Fees

Punch Card Admission. For ease of administration and convenience to users, a punch card system has been established for Racquet Club programs and activities. Tennis court time and drop-in use may be purchased in advance and used when needed. The purchase of a punch card may result in a savings off the regular rate.

~~Tennis Court Charges~~	~~Hourly Court Fees~~	
	~~Indoor~~	~~Outdoor~~
~~Resident discount rate~~	~~$ 20.00~~	~~$6.00~~
~~Regular rate~~	~~27.00~~	~~9.00~~
~~Youth Resident*~~	~~8.00~~	~~2.00~~

~~*Only during designated days & times~~

Court Charges	Hourly Court Fees	
	Indoor	Outdoor
Resident discount rate	$ ~~20.00~~ 22.00	~~$6.00~~ 7.00
Regular rate	~~27.00~~ 28.00	~~9.00~~ 10.00

Drop-in Fees: Drop-in activities fall into two categories - those with instructors, and those without.

Instructed classes	
Resident discount rate	~~$7.00~~ 8.00
Regular rate	~~9.00~~ 10.00

Other lessons		
Private Lesson 1 Hr	~~$55.00~~	$61.00
Private Lesson 1/2 Hr	~~$29.25~~	$32.00
Semi Private Lesson 1 Hr	~~$58.50~~	$64.00
Group of 3	~~$60.00~~	$66.00
Group of 4	~~$64.00~~	$70.00
Hitting Lesson	~~$45.00~~	$50.00
Clinic Drop-in Fee	~~$18.00~~	$20.00
Ball Machine	~~$8.00~~	$9.00

Facility use

Resident discount rate	~~$5.50~~	6.00
Regular rate	~~7.00~~	8.00
Resident 15 and under	~~2.00~~	2.50
Regular 15 and under	~~3.00~~	4.50

Monthly and multiple month passes: Passes may include use of any or all facility classes and amenities, except tennis.

Resident and county passes	Single		Couple	
1 month	~~$49~~	54	~~$88~~	97
3 month pass	~~132~~	145	~~235~~	259
6 month pass	~~235~~	259	~~425~~	468
12 month pass	~~410~~	455	~~730~~	810

Other passes and punch cards		
Children Under 3	~~$0.00~~	$0.00
Resident 10 Punch Card	~~$55.00~~	$60.00
Visitor 10 Punch Card	~~$70.00~~	$80.00
I Month Visitor Pass	~~$70.00~~	$80.00
Family Swim Pass	~~$225.00~~	$247.50
Child Care Per Hr	~~$3.00~~	$3.50
Personal Training Punch Card	~~$399.96~~	$480.00
Lesson Punch Card	~~$250.00~~	$275.00
Court Time Punch Card	~~$202.50~~	$223.00
Single Annual Tennis Pass	~~$895.00~~	$985.00
Couple Annual Tennis Pass	~~$1,600.00~~	$1,760.00
Family Annual Tennis Pass	~~$1,785.00~~	$1,964.00
Single Winter Tennis Pass	~~$630.00~~	$693.00
Couple Winter Tennis Pass	~~$1,135.00~~	$1,249.00
Family Winter Tennis Pass	~~$1,260.00~~	$1,386.00
Single Summer Tennis Pass	~~$315.00~~	$347.00
Couple Summer Tennis Pass	~~$565.00~~	$621.50
Family Summer Tennis Pass	~~$660.00~~	$726.00

SECTION 9. ICE ARENA AND FIELDS RENTAL FEE SCHEDULE.

9.1. Establishing User Fees. Fees shall be set at a level which ensures program quality and meets the objectives of the City Council. Area rates apply to residents of Park City, Summit County and Wasatch County. Outside rates apply to requests outside Summit and Wasatch Counties.

Admission Fees	Local Area Rates	Outside Area Rates	
Youth = 6-17 year olds, adult = 18 and over~~-54, senior = 55+~~			
Public Skate – 5 & under	Free	Free	
Public Skate – youth~~/senior~~	$5.50	~~$9.25~~	9.50
Public Skate – adult	6.00	~~9.75~~	10.00
Cheap Skate ~~(2 for 1 admissions)~~ (includes skate rental)	7.00	~~9.50~~	9.00

Group Rates (20+) includes admissions & skates	5.50	9.50
Skate rental	3.00	~~4.00~~ 3.00
Drop-in hockey – youth	~~9.00~~ 7.00	~~11.00~~ 10.00
Drop-in hockey – adult	9.50	12.50
Stick & Puck – youth	7.00	~~10.50~~ 10.00
- adult	~~10.00~~ 9.50	~~12.00~~ 12.50
Skills & Drills - youth	10.00	13.00
- adult ~~only~~	~~12.00~~ 12.50	~~14.50~~ 15.50
Drop-in Speed Skating – youth	~~8.00~~ 7.00	10.00
Drop-in Speed Skating – adult	~~9.00~~ 9.50	~~11.00~~ 12.50
Freestyle – all	~~9.00~~ 7.00	~~11.00~~ 10.00
Drop-in Curling	11.00	14.00

10 Session Punch Cards will be sold to locals only - $1 off each session or $10 off in total.

<u>Admission Passes (10 admissions)</u>

Public Skate – youth~~/senior~~	$45	N/A
Public Skate – adult	50.00	N/A
Drop-in Hockey - youth	~~70.00~~ 60.00	N/A
Drop-in Hockey – adult	85.00	N/A
Stick and Puck – youth	60.00	N/A
Stick and Puck – adult	~~70.00~~ 85.00	N/A
Skills and Drills – youth	90.00	
Skills and Drills – adult	115.00	
Freestyle	~~80.00~~ 60.00	N/A
Drop-in Speedskating – youth	~~70.00~~ 60.00	N/A
Drop-in Speedskating – adult	~~80.00~~ 85.00	N/A
Off-ice Conditioning – 5 punch	55.00	
Off-ice Conditioning – 10 punch	100.00	

<u>Hourly Ice</u>

User Groups*/Employees	~~$170~~ 175.00	
Locals / Businesses	~~190~~ 195.00	~~190~~
For-profit	~~250~~ 255.00	
~~Local Broomball (includes equipment)~~	~~210~~	
~~Curling (non-user group includes equipment and instruction)~~	~~300~~	

*User Groups are defined as local, organized programs who rent weekly ice from the arena (minimum 25 hours per season).

<u>Season Passes</u> <u>(11 month season)</u>

Family (4)*	~~$400~~ 500.00
Additional Family Member	~~Included~~ 50.00 per person
Adult	$250.00
Youth (6-17 year olds/~~Senior +55 years~~)	$180.00

<u>Equipment (per hour)</u>

Broomball	$25.00

Curling (2 hour minimum)	$50.00

<u>Skate Services</u>

Hockey Skate Sharpening	
24 Hours	$5.00
Immediate	$8.00
Goalie Skate Sharpening	
24 Hours	$6.00
Immediate	$9.00
Figure Skate Sharpening	
24 Hours	$7.00
Immediate	$10.00
Custom Radius	$20.00
Figure Skate Sealing	$30.00
Rivets Replacements	$2.00 (ea.)
Blade Holder Replacements	varies with skate and blade type
Figure Skate Blade Mounting	$10.00

<u>Room Rental</u>

Multi-purpose Rooms	$40/hr (ea.)

User Groups can use the Upper Level Meeting Room for monthly board meetings at no cost, but rooms must be booked in advanced.

<u>Gate Fees</u>

~~Gate Fees charged by any group will be split with the Arena 50/50.~~

The Park City Ice Arena will take 25% of any gate fees collected for an event.

<u>Vendor Fees</u>

The Park City Ice Arena will take 10% of gross sales for any food, beverage, or merchandise sold.

<u>Advertising Fees and Sponsorship Fees</u>

Dasher Board Ads	West Wall	$1,500 (136.36/mo.)
	East Wall	$725 (65.91/mo.)
In Ice Ads $25/sq. foot		$2,000 (182.82/mo.)
Speed Skating Pad Pockets		$150 (13.64/mo.)
North Wall Banners		$1,100 (100/mo.)
Score Clock Banner		$2,500 (227.27/mo.)
Glass Decals		$400 (36.36/mo.)
Program Sponsorship		$1,000
Information Screen		$150 (per month)
Scoreboard Screen		$150 (per month)

Note: All user groups will receive a free dasher board ad on the east side to promote their activity. They can sell the ad, acknowledge their sponsors or promote their program.

9.2. <u>Recreation Program Fees</u> The Park City Ice Arena offers a variety of organized programs and activities. Due to the fluctuations in the number of participants and frequent changes in circumstances, program fees are established on a program-by-program basis by dividing the number of projected participants by the estimated program costs. Fees are then published in the Recreation Services annual brochure. In most cases, fees will be kept commensurate with fees charged by others providing like service.

9.3. Fees for Non-Recreational Activities at the Ice Arena Facility The fees charged for non-recreational or special event use will be competitive with the marketplace providing the fees cover a minimum of: a) the costs involved in the production of the event; and b) recovery of lost revenue.

The Park City Ice Arena is principally for recreation. Non-recreation activities usually will be charged up to fifty percent (50%) more than the minimum. No fee waivers for non-recreational or special event use will be permitted. However, the City Council may authorize the City to pay all or a portion of the fee in accordance with the master festival ordinance provisions.

9.4. Fee Increases Recommendations for fee increases may be made on an annual basis. The City will pursue frequent small increases as opposed to infrequent large ones. Staff will be required to provide an annual review and analysis of the financial posture of the Ice Arena Fund along with justification for any recommended increase. When establishing fees, the City will consider rates charged by other public and private providers as well as the ability of the users to pay.

The City Manager will have the authority to annually increase fees up to $.50 or 10%, whichever is greater. Any requested increase over that amount will require Council action. Fee increases will take place only if they are necessary to achieve the City Council's objective and maintain program quality, and only with the authorization of the City Manager or the City Council.

9.5. Discounting Fees The Ice Arena Manager may discount fees when:

1. Offering special promotions designed to increase use.
2. Trying to fill non-prime time.
3. Introducing new programs or activities.
4. Playing conditions are below standard due to weather or facility disrepair.

9.6. Fee Waivers. The City intends that no resident under 18 years old or over age 65 be denied the use of any program, activity or facility for reasons of financial hardship. The Ice Arena Manager may, at his discretion, waive all or a portion of a fee, or may arrange offsetting volunteer work for anyone demonstrating an inability to pay for services.

9.7 **Establishing User Fees:** Fees shall be set at a level which ensures field quality and meets the objectives of the City Council. Resident rates apply to residents of Park City School District. Visitor rates apply to requests outside of the Park City School District Boundaries. In order to receive the resident rate a minimum of 75% of the participants must be residents of the Park City School District.

					FULL COMPLEX RATES	
	FULL DAY	**FULL DAY**	**HR/FIELD**	**HR/FIELD**	**VISITOR**	**RESIDENT**

	VISITOR	RESIDENT	VISITOR	RESIDENT	TOTAL	TOTAL
PCSC Stadium SB	$400	$300	$75	$50		
PCSC Stadium SOC	$400	$300	$75	$50		
PCSC multipurpose	$350	$250	$60	$40	**$1,600**	**$1,000**
PCSC Sportexe	$1,000	$500	$200	$100		
PCHS BB	$350	$250	$60	$40		
PCHS SB	$350	$250	$60	$40		
PCHS LL	$350	$250	$60	$40	**$800**	**$575**
North 40 North	$350	$250	$60	$40		
North 40 South	$300	$200	$45	$35		
					$500	**$350**
City Park	$350	$250	$60	$40	**$350**	**$250**
PCHS Dozier	$1,000	$500	$200	$100	**$1,000**	**$500**
Dozier w/gate	add'l $200	add'l $200	add'l $$25/hr	add'l $25/hr	add'l $200	add'l $200
TMIS Pony	$300	$200	$45	$35		
TMIS LL1	$300	$200	$45	$35	**$675**	**$450**
TMIS LL2	$300	$200	$45	$35		

Attachment C

Monthly Monitoring Budget Policy Matrix

	Monitoring	Reporting	Analysis	Discussion	Training	Review
Budget Department	>Weekly emails to managers >Monthly Monitoring	>New monthly monitoring reports to managers, city manager, council >Detailed Personnel reports >Monthly Budget reports >Expense Detail Report >Custom Reports	>Look for major issues continually >Proivde resources/expertise to departments	>Meet with managers when there are problems in their budget (i.e. major overages, etc.) >Meet with teamso over monthly budget shortfalls	>Train all managers in new monthly monitoring program and clarify any other questions or concerns > Semi-annual budget tools training	>New performance measure of coming in under budget >Internal Service Survey Question about Bud Dept's usefulness as budget resource to be put on Budget Officer's review
Managers	Monitor own budget througout fiscal year	Look for any problems on budget reports. Discuss them with Budget Dept.	>Analyze and understand primary budget drivers >Set own budget during budget season >Determine budget options	>Meet with budget department when questions or concern arise >Meet with team quarterly to go over budget issues	Become well-versed on the monthly budgeting program	New performance measure to come in under budget
Teams	Assist other managers on team with budget concerns.	Look for any problems on budget reports. Discuss them with Budget Dept.	Assist other managers on team with budget concerns.	Provide input on possible responses to budget shortages and other resource issues.	Become well-versed on the monthly budgeting program. Request additional training as necessary	Take part in 360 review of team members that includes a section for fiscal responsibility.

Primary Responsbility
Secondary Responsibility

Budgeting Tools
- **Monthly Budget Report**
- Expense Detail Report
- Personnel Budget Report
- Weekly Email Notices
- Desktop Budget Toolbox

Budget Timeline

July

Q1

- Weekly budget reminder emails sent out.
- Monthly budget reports sent out (budget meeting set up if necessary).
- Quarterly budget meeting with teams.

August

- Weekly budget reminder emails sent out.
- Monthly budget reports sent out (budget meeting set up if necessary).

Septemeber

- Weekly budget reminder emails sent out.
- Monthly budget reports sent out (budget meeting set up if necessary).

October

Q2

- Weekly budget reminder emails sent out.
- Monthly budget reports sent out (budget meeting set up if necessary).
- Quarterly budget meeting with teams.

November

- Weekly budget reminder emails sent out.
- Monthly budget reports sent out (budget meeting set up if necessary).
- 360 Performance Reviews

December

- Weekly budget reminder emails sent out.
- Monthly budget reports sent out (budget meeting set up if necessary).

January

Q3

- Weekly budget reminder emails sent out.
- Monthly budget reports sent out (budget meeting set up if necessary).
- Quarterly budget meeting with teams.
- The City Council holds its annual Visioning Session in mid-January. Council goals and levels of service are identified that guide the annual budget process.

February

- Weekly budget reminder emails sent out.
- Monthly budget reports sent out (budget meeting set up if necessary).
- Department managers prioritize budget options within their team and submit them to the Budget Dept.
- Preparation of tentative budget begins.

March

- Weekly budget reminder emails sent out.
- Monthly budget reports sent out (budget meeting set up if necessary).
- Team budget meetings with City Manager.

April

Q4

- Weekly budget reminder emails sent out.
- Monthly budget reports sent out (budget meeting set up if necessary).
- Quarterly budget meeting with teams.
- Internal Service Survey sent out.

May

- Weekly budget reminder emails sent out.
- Monthly budget reports sent out (budget meeting set up if necessary).
- 360 Performance Reviews
- The Tentative Budget is presented to City Council at the first Council meeting in May.

June

- Weekly budget reminder emails sent out.
- Monthly budget reports sent out (budget meeting set up if necessary).
- The Final Budget is adopted on or before June 22nd of each year .

Public hearings on the Budget take place throughout May and into June.

FY 2009 Monthly Budget Monitoring - May

Team	Dept	May FY09 Budget	May FY09 Actuals	% +/-	FY 2009 Budget	FY 2009 Projection	% +/-	Budget w/ 2.5% Reduction
Executive	CITY COUNCIL	$16,905	$14,167	83.80%	$194,209	**$206,322**	**106.24%**	$189,354
	CITY MANAGER	$36,087	$26,423	73.22%	$460,783	$410,024	88.98%	$449,263
	ELECTIONS	$0	**$49**	0.00%	$0	**$813**	0.00%	$0
	LEGAL	$46,291	**$47,459**	**102.52%**	$753,394	**$769,765**	**102.17%**	$734,559
	VENTURE FUND	$2,014	$840	41.70%	$50,000	$28,524	57.05%	$48,750
	SPECIAL MEETINGS	$826	$19	2.26%	$15,000	$13,350	89.00%	$14,625
	Subtotal	$102,123	$88,956	87.11%	$1,473,386	$1,428,799	96.97%	$1,436,551
Internal Services	BUDGET, DEBT & GRANTS	$20,932	**$24,100**	**115.13%**	$354,617	$273,806	77.21%	$345,752
	HUMAN RESOURCES	$54,651	$32,947	60.29%	$597,386	$508,092	85.05%	$582,451
	FINANCE	$45,568	$39,518	86.72%	$644,645	$641,906	99.58%	$628,529
	TECHNICAL & CUSTOMER SERVICES	$78,870	$62,651	79.44%	$1,140,681	$1,061,447	93.05%	$1,112,164
	Subtotal	$200,020	$159,216	79.60%	$2,737,329	$2,485,251	90.79%	$2,668,896
Public Works – Public Works	BLDG MAINT ADM	$69,654	$69,180	99.32%	$1,090,803	**$1,096,666**	**100.54%**	$1,063,533
	FIELDS	$9,599	$7,152	74.50%	$192,347	$158,460	82.38%	$187,538
	PUBLIC WORKS ADMIN.	$21,829	$13,345	61.13%	$298,400	$257,629	86.34%	$290,940
	PARKS & CEMETERY	$102,465	$99,465	97.07%	$1,342,240	**$1,373,895**	**102.36%**	$1,308,684
	STREET MAINTENANCE	$101,449	$77,931	76.82%	$1,655,755	**$1,702,482**	**102.82%**	$1,614,361
	STREET LIGHTS/SIGN	$11,308	**$11,323**	**100.13%**	$190,300	$111,882	58.79%	$185,543
	SWEDE ALLEY PARKING STRUCT.	$10,070	$8,700	86.40%	$84,750	$84,024	99.14%	$82,631
	Subtotal	$326,374	$287,096	87.97%	$4,854,595	$4,785,039	98.57%	$4,733,230
Public Works – Water	WATER BILLING	$5,585	$4,190	75.03%	$99,609	**$101,442**	**101.84%**	$97,119
	WATER OPERATIONS	$262,961	$218,620	83.14%	$3,803,514	$3,605,487	94.79%	$3,708,426
	Subtotal	$268,546	$222,811	82.97%	$3,903,123	$3,706,928	94.97%	$3,805,545
Public Works – Fleet	FLEET SERVICES DEPT	$204,607	$78,664	38.45%	$2,425,781	$1,937,728	79.88%	$2,365,136
	Subtotal	$204,607	$78,664	38.45%	$2,425,781	$1,937,728	79.88%	$2,365,136
Public Works – Transit	TRANSPORTATION OPER	$471,374	$394,751	83.74%	$6,540,182	$6,114,448	93.49%	$6,376,677
	Subtotal	$471,374	$394,751	83.74%	$6,540,182	$6,114,448	93.49%	$6,376,677
Golf	GOLF MAINTENANCE	$53,706	$43,360	80.74%	$621,303	$524,613	84.44%	$605,770
	GOLF PRO SHOP	$50,890	$38,457	75.57%	$540,227	$534,353	98.91%	$526,721
	Subtotal	$104,596	$81,817	78.22%	$1,161,530	$1,058,966	91.17%	$1,132,492
Library & Recreation – Library & Recreation	CITY RECREATION	$103,709	$73,765	71.13%	$1,416,575	$1,284,114	90.65%	$1,381,161
	TENNIS	$42,518	$31,301	73.62%	$475,160	**$548,085**	**115.35%**	$463,281
	LIBRARY	$63,537	$46,784	73.63%	$760,374	$714,775	94.00%	$741,365
	ICE FACILITY	$62,960	**$88,243**	**140.16%**	$812,881	**$824,473**	**101.43%**	$792,559
	Subtotal	$272,724	$240,093	88.04%	$3,464,990	$3,371,447	97.30%	$3,378,365
Sustainability	SUSTAINABILITY - VISIONING	$66,680	$65,547	98.30%	$485,698	$463,471	95.42%	$473,556
	SUSTAINABILITY - IMPLEMENTATION	$28,624	$24,650	86.12%	$411,703	$400,913	97.38%	$401,410
	Subtotal	$95,305	$90,197	94.64%	$897,401	$864,384	96.32%	$874,966
Public Safety	POLICE	$233,658	$189,784	81.22%	$3,312,812	$3,220,137	97.20%	$3,229,992
	STATE LIQUOR ENFORCEMENT	$5,283	$2,886	54.64%	$60,751	$59,259	97.54%	$59,232
	COMMUNICATION CENTER	$43,023	$36,430	84.68%	$618,066	$582,946	94.32%	$602,614
	DRUG EDUCATION	$3,622	**$4,303**	**118.79%**	$27,161	$17,847	65.71%	$26,482
	Subtotal	$285,586	$233,403	81.73%	$4,018,790	$3,880,189	96.55%	$3,918,320
Community Development	ENGINEERING	$43,661	$16,065	36.80%	$418,161	$336,333	80.43%	$407,707
	PLANNING DEPT.	$78,140	$63,479	81.24%	$888,556	$826,193	92.98%	$866,342
	BUILDING DEPT.	$115,623	$99,510	86.06%	$1,517,760	**$1,611,818**	**106.20%**	$1,479,816
	Subtotal	$237,423	$179,055	75.42%	$2,824,477	$2,774,344	98.23%	$2,753,865
	City Total	**$2,568,678**	**$2,056,059**	**80.04%**	**$34,301,584**	**$32,407,524**	**94.48%**	**$33,554,332**

* Includes vacancy factor and other FY08 adjustments

	Budget	Projection	% +/-
General Fund - 011	$19,265,740	$18,606,521	96.58%
Quinns Recreation Complex - 012	$1,005,228	$982,932	97.78%
Water Fund - 051	$3,903,123	$3,706,928	94.97%
Golf Course Fund - 055	$1,161,530	$1,058,966	91.17%
Transportation & Parking Fund - 057	$6,540,182	$6,114,448	93.49%
Fleet Services Fund - 062	$2,425,781	$1,937,728	79.88%
	$34,301,584	**$32,407,524**	**94.48%**

FY 2009 Budget Projection

Team	Dept	FY 08 Ori Bud	FY 08 Adj Bud*	FY 08 Actual	FY 09 Bud	FY 09 Projection	% +/-	Budget w/ 2.5% Reduction
Executive	CITY COUNCIL	$189,191	$200,191	$209,302	$194,209	$206,322	106.24%	$189,354
	CITY MANAGER	$370,316	$460,940	$475,963	$460,783	$410,024	88.98%	$449,263
	ELECTIONS	$22,000	$22,000	$12,717	$0	$813	0.00%	$0
	LEGAL	$719,360	$767,939	$757,556	$753,394	$769,765	102.17%	$734,559
	VENTURE FUND	$50,000	$50,000	$33,284	$50,000	$28,524	57.05%	$48,750
	SPECIAL MEETINGS	$15,000	$15,000	$15,186	$15,000	$13,350	89.00%	$14,625
	Subtotal	$1,365,867	$1,516,070	$1,504,008	$1,473,386	$1,428,799	96.97%	$1,436,551
Internal Services	BUDGET, DEBT & GRANTS	$344,720	$349,720	$325,856	$354,617	$273,806	77.21%	$345,752
	HUMAN RESOURCES	$574,472	$579,472	$556,396	$597,386	$508,092	85.05%	$582,451
	FINANCE	$626,729	$648,329	$638,339	$644,645	$641,906	99.58%	$628,529
	TECHNICAL & CUSTOMER SERVICES	$1,098,632	$1,123,232	$1,055,108	$1,140,681	$1,061,447	93.05%	$1,112,164
	Subtotal	$2,644,554	$2,700,754	$2,575,699	$2,737,329	$2,485,251	90.79%	$2,668,896
Public Works – Public Works	BLDG MAINT ADM	$1,050,456	$1,073,456	$1,104,641	$1,090,803	$1,096,666	100.54%	$1,063,533
	FIELDS	$224,913	$224,913	$209,534	$192,347	$158,460	82.38%	$187,538
	PUBLIC WORKS ADMIN.	$280,990	$296,990	$303,326	$298,400	$257,629	86.34%	$290,940
	PARKS & CEMETERY	$1,333,758	$1,350,558	$1,347,455	$1,342,240	$1,373,895	102.36%	$1,308,684
	STREET MAINTENANCE	$1,508,765	$2,467,765	$2,507,471	$1,655,755	$1,702,482	102.82%	$1,614,361
	STREET LIGHTS/SIGN	$190,300	$190,300	$78,520	$190,300	$111,882	58.79%	$185,543
	SWEDE ALLEY PARKING STRUCT.	$84,750	$84,750	$85,543	$84,750	$84,024	99.14%	$82,631
	Subtotal	$4,673,931	$5,688,731	$5,636,490	$4,854,595	$4,785,039	98.57%	$4,733,230
Public Works – Water	WATER BILLING	$98,149	$98,149	$97,867	$99,609	$101,442	101.84%	$97,119
	WATER OPERATIONS	$3,396,047	$3,701,346	$3,711,192	$3,803,514	$3,605,487	94.79%	$3,708,426
	Subtotal	$3,494,196	$3,799,496	$3,809,059	$3,903,123	$3,706,928	94.97%	$3,805,545
Public Works – Fleet	FLEET SERVICES DEPT	$1,815,532	$2,443,732	$2,357,962	$2,425,781	$1,937,728	79.88%	$2,365,136
	Subtotal	$1,815,532	$2,443,732	$2,357,962	$2,425,781	$1,937,728	79.88%	$2,365,136
Public Works – Transit	TRANSPORTATION OPER	$5,874,721	$5,877,721	$5,840,100	$6,540,182	$6,114,448	93.49%	$6,376,677
	Subtotal	$5,874,721	$5,877,721	$5,840,100	$6,540,182	$6,114,448	93.49%	$6,376,677
Public Works / Library & Recreation – Golf	GOLF MAINTENANCE	$604,138	$596,638	$511,417	$621,303	$524,613	84.44%	$605,770
	GOLF PRO SHOP	$526,973	$539,523	$559,401	$540,227	$534,353	98.91%	$526,721
	Subtotal	$1,131,111	$1,136,161	$1,070,819	$1,161,530	$1,058,966	91.17%	$1,132,492
Library & Recreation – Library & Recreation	CITY RECREATION	$1,363,643	$1,380,287	$1,318,409	$1,416,575	$1,284,114	90.65%	$1,381,161
	TENNIS	$435,927	$469,077	$516,750	$475,160	$548,085	115.35%	$463,281
	LIBRARY	$745,568	$746,614	$730,662	$760,374	$714,775	94.00%	$741,365
	ICE FACILITY	$685,330	$737,330	$765,285	$812,881	$824,473	101.43%	$792,559
	Subtotal	$3,230,468	$3,333,308	$3,331,105	$3,464,990	$3,371,447	97.30%	$3,378,365
Sustain-ability	SUSTAINABILITY - VISIONING	$478,940	$478,940	$487,282	$485,698	$463,471	95.42%	$473,556
	SUSTAINABILITY - IMPLEMENTATION	$381,413	$426,087	$418,938	$411,703	$400,913	97.38%	$401,410
	Subtotal	$860,354	$905,028	$906,220	$897,401	$864,384	96.32%	$874,966
Public Safety	POLICE	$3,119,346	$3,359,346	$3,388,634	$3,312,812	$3,220,137	97.20%	$3,229,992
	STATE LIQUOR ENFORCEMENT	$61,133	$61,133	$37,308	$60,751	$59,259	97.54%	$59,232
	COMMUNICATION CENTER	$583,965	$583,965	$545,699	$618,066	$582,946	94.32%	$602,614
	DRUG EDUCATION	$23,161	$23,161	$7,948	$27,161	$17,847	65.71%	$26,482
	Subtotal	$3,787,605	$4,027,605	$3,979,590	$4,018,790	$3,880,189	96.55%	$3,918,320
Community Development	ENGINEERING	$413,081	$413,081	$406,478	$418,161	$336,333	80.43%	$407,707
	PLANNING DEPT.	$655,889	$655,889	$622,750	$888,556	$826,193	92.98%	$866,342
	BUILDING DEPT.	$1,509,616	$1,513,116	$1,638,079	$1,517,760	$1,611,818	106.20%	$1,479,816
	Subtotal	$2,578,586	$2,582,086	$2,667,307	$2,824,477	$2,774,344	98.23%	$2,753,865
	City Total	**$31,456,926**	**$34,010,693**	**$33,678,359**	**$34,301,584**	**$32,407,524**	**94.48%**	**$33,554,332**

* Includes vacancy factor and other FY08 adjustments

	Budget	Projection	% +/-
General Fund - 011	$19,265,740	$18,606,521	96.58%
Quinns Recreation Complex - 012	$1,005,228	$982,932	97.78%
Water Fund - 051	$3,903,123	$3,706,928	94.97%
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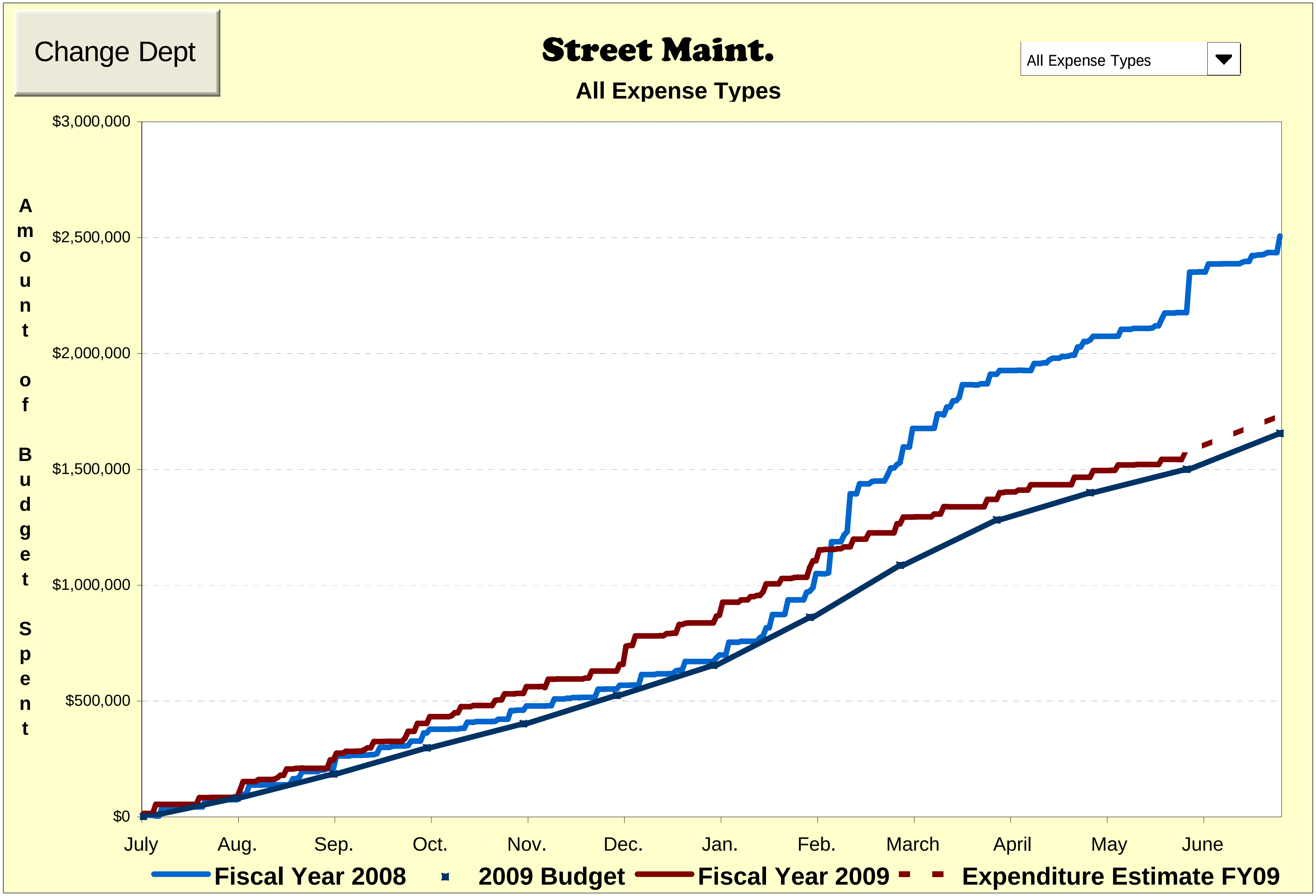
Transportation & Parking Fund - 057	$6,540,182	$6,114,448	93.49%
Fleet Services Fund - 062	$2,425,781	$1,937,728	79.88%
	$34,301,584	**$32,407,524**	**94.48%**

Change Dept

Street Maint.

	Year to Date Budget by Month						Budget by Month		
Department by Activity	Budget Thru May	Projection*	YTD Expenses**	Remainder	YTD %	FY08 YTD	MayBudget	MayExpense	Remainder
Personnel	$733,909	$816,407	$802,040	($68,131)	109%	$918,139	$56,195	$48,544	$7,650
Materials, Supplies & Services	$49,143	$33,813	$32,386	$16,757	66%	$43,183	$2,710	$455	$2,255
Utilities	$3,248	$3,446	$3,353	($105)	103%	$2,749	$337	$266	$71
Contract Services	$145,727	$126,043	$118,399	$27,328	81%	$773,383	$8,765	$0	$8,765
Parts, Maintenance, & Supplies	$237,162	$271,214	$266,623	($29,461)	112%	$203,471	$3,454	($500)	$3,954
Grants & Miscellaneous	$0	$0	$0	$0	0%	$0	$0	$0	$0
Capital Outlay	$11,238	$0	$0	$11,238	0%	$60,200	$821	$0	$821
Debt Service	$0	$0	$0	$0	0%	$0	$0	$0	$0
Interfund Transfer	$320,833	$320,996	$320,826	$7	100%	$175,087	$29,167	$29,166	$1
Total	$1,501,260	$1,571,919	$1,543,627	($42,367)	103%	$2,176,212	$101,449	$77,931	$23,517


Change Dept
Street Maint.
All Expense Types
All Expense Types
Amount of Budget Spent
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
July
Aug.
Sep.
Oct.
Nov.
Dec.
Jan.
Feb.
March
April
May
June
Fiscal Year 2008
2009 Budget
Fiscal Year 2009
Expenditure Estimate FY09

Attachment D

Resolution No.

A RESOLUTION ADOPTING THE PARK CITY COMPREHENSIVE EMERGENCY MANAGEMENT PLAN (CEMP)

WHEREAS, the purpose of the CEMP is to develop a comprehensive emergency management program that will provide a system to mitigate the effects of an emergency or disaster, preserve life, respond during emergencies, provide necessary assistance, and establish a recovery system in order to return the community to its normal state of affairs; and

WHEREAS, this plan attempts to define clearly the roles and responsibilities of each department and function within the City organization by providing guidance in accomplishing the objectives of this plan with lists of guidelines, plans, assessments and resources; and

WHEREAS, on February 28, 2003, the President issued Homeland Security Presidential Directive (HSPD) - 5 *Management of Domestic Incidents,* which directs the Secretary of Homeland Security to develop and administer a National Incident Management System (NIMS) and the directive also requires Federal Departments and agencies to make adoption of the NIMS by State, tribal and local organizations a condition for Federal preparedness assistance beginning in Federal FY 2005; and

WHEREAS, certain State and Federal disaster reimbursements require local jurisdictions to adopt and train in a CEMP, NIMS and Incident Command Systems (ICS); and

WHEREAS, it is expected that certain Federal grant programs now require or will require an adopted CEMP; and

WHEREAS, the City Manager and the Emergency Management Group (EMG) has reviewed the updated Comprehensive Emergency Management Plan with all of its attachments as periodically amended by the EMG and recommends adoption by the City Council; and

WHEREAS, the City Council deems it in the best interest of Park City Municipal Corporation to formally adopt them;

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

Attachment D

SECTION 1. ADOPTION. The Comprehensive Emergency Management Plan, dated June, 2009 attached hereto, along with all appendices and compendiums as periodically amended by the City Manager, are hereby adopted, to replace any and all others previously adopted. Any amendments approved by the City Manager shall be effective for not more than one year unless ratified by the City Council.

SECTION 2. EFFECTIVE DATE. This Resolution shall take effect upon adoption.

PASSED AND ADOPTED this 4th day of June, 2009

PARK CITY MUNICIPAL CORPORATION

____

Mayor Dana Williams

Attest:

____

Janet M. Scott, City Recorder

Approved as to form:

____

Mark Harrington, City Attorney

PARK CITY MUNICIPAL CORPORATION

COMPREHENSIVE EMERGENCY MANAGEMENT PLAN (CEMP)

June 2009

Updated 6/4/2009

Attachment D

TABLE OF CONTENTS

APPENDICES (provided under separate covers)

Appendix A. Park City Municipal Code - Emergency Management & Responsibilities
Appendix B. State of Utah Code Annotated 1953 - Title 63 - Disaster Response & Recovery
Appendix C. Hazard Identification and Vulnerability Analysis Worksheets and Emergency/Disaster Action Plans (HIVA/EAP) (Protected*)
Appendix D. Emergency Preparedness for City Facilities
Appendix E. Training, Implementation and Exercise Plan
Appendix F. Incident Command Structure (ICS)
Appendix G. Mutual Aid Agreements
Appendix H. Resource List and Contracts
Appendix I. Employee Contact List (Protected*)
Appendix J. Available FEMA Training Courses
Appendix K. Emergency Operations Center (EOC) (Protected*)
Appendix L. Emergency Support Functions (ESF)
Appendix M. Community Preparedness Information and Plan
Appendix N. Acronyms and Glossary
Appendix O. Form and Log Templates
Appendix P. Emergency Manager (EM) Notification Procedure
Appendix Q. Standard Operating Procedures (SOP) in Support of ESF

* Some parts or all of these appendices are Private or Protected pursuant to UCA - 63-2-304 and UCA 62-2-106

Attachment D

Resolution No.

A RESOLUTION ADOPTING THE PARK CITY COMPREHENSIVE EMERGENCY MANAGEMENT PLAN (CEMP)

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WHEREAS, certain State and Federal disaster reimbursements require local jurisdictions to adopt and train in a CEMP, NIMS and Incident Command Systems (ICS); and

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PARK CITY MUNICIPAL CORPORATION

____
Mayor Dana Williams

Attest:

____
Janet M. Scott, City Recorder

Approved as to form:

____
Mark Harrington, City Attorney

Attachment D

Resolution No. 23-07

A RESOLUTION ADOPTING THE USE OF THE NATIONAL INCIDENT MANAGEMENT SYSTEM (NIMS)

WHEREAS, natural and man-made disasters may occur in any part of Park City, and;

WHEREAS, Utah State Code Title 63, State Affairs in General, Chapter 5a, Disaster Response and Recovery outlines authority, and;

WHEREAS, Park City is responsible to respond to emergency incidents as well as disasters with local responders, i.e. Law Enforcement, Fire, Emergency Medical Services, Public Services, and other such departments and divisions that might be required, and;

WHEREAS, City departments may be called to respond to and/or assist in response and/or recovery from the effects of emergency incidents and disasters, and;

WHEREAS, Park City is committed to achieving a system that will provide a consistent approach for local, state and federal governments to work effectively and efficiently together to prevent, prepare for, respond to and recover from domestic emergency and disaster incidents, regardless of cause, size or complexity, and;

WHEREAS, The Homeland Security Presidential Directive (HSPD-5) requires federal departments and local jurisdictions to adopt the National Incident Management Systems (NIMS), and;

WHEREAS, in times of disaster, local and state agencies work closely with federal agencies, and;

WHEREAS, NIMS provides a consistent nationwide template for all agencies to work together to prevent, prepare for, respond to and recover from all hazards, and;

WHEREAS, as a condition for federal preparedness assistance, beginning in federal Fiscal Year 2005, local organizations are mandated by HSPD-5 to adopt NIMS as the model for incident management in times of disaster;

NOW, THEREFORE, BE IT RESOLVED that the City Council of Park City, Utah as follows:

SECTION 1. ADOPTION. Park City Municipal Corporation hereby adopts the National Incident Management System (NIMS) to be used by all City departments in response to all incidents and/or disasters within Park City.

Attachment D

SECTION 2. EFFECTIVE DATE. This resolution shall take effect upon adoption.

PASSED AND ADOPTED by the City Council this 9th day of August, 2007.

PARK CITY MUNICIPAL CORPORATION

Dana Williams

Mayor Dana Williams

Attest:

Janet M. Scott, City Recorder

PARK CITY SUMMIT COUNTY UTAH
CORPORATE
Seal
MARCH 1,
1884

Approved as to form:

Mark Harrington, City Attorney

Attachment D

Park City Municipal Corporation
Comprehensive Emergency Management Plan
Record of Changes

Pursuant to Resolution -09, the City Manager may approve amendments to the Comprehensive Emergency Management Plan (CEMP), which shall remain in effect for up to one year or until permanently ratified by the City Council.

Nature of Changes	Date of Change	Pages Affected	City Manager's Signature

Attachment D

PARK CITY MUNICIPAL CORPORATION

COMPREHENSIVE EMERGENCY MANAGEMENT PLAN (CEMP)

PURPOSE

The purpose of the Park City Comprehensive Emergency Management Plan (CEMP) is to develop a comprehensive emergency management program that will provide a system to mitigate the effects of an emergency or disaster, preserve life, respond during emergencies, provide necessary assistance, and establish a recovery system in order to return the community to its normal state of affairs.

This plan attempts to define clearly the roles and responsibilities of each department and function within the City organization by providing guidance in accomplishing the objectives of this plan with lists of guidelines, plans, assessments and resources.

CONCEPT & PRINCIPALS

On February 28, 2003, the President issued Homeland Security Presidential Directive (HSPD) - 5 *Management of Domestic Incidents*, which directs the Secretary of Homeland Security to develop and administer a National Incident Management System (NIMS). This plan utilizes the tenants of NIMS, including the Incident Command System (ICS), as the basis for operations and to the level the various tenants apply to local government. In adopting this CEMP, Park City Municipal Corporation also adopts NIMS and ICS as required in HSPD-5.

It is the responsibility of Park City government to undertake comprehensive emergency management planning in order to protect life and property from the effect of an event prompted by natural or man-made occurrences. Local government has the primary responsibility of emergency management activities. When the emergency exceeds the local government's capabilities to respond, assistance will be requested from Summit County, and then the State of Utah. The Federal Government will provide assistance to the State when appropriate.

This plan is based upon the concept that the emergency functions for City departments, functions or groups will generally parallel their normal day-to-day functions. To the extent possible, the same personnel and material resources will be employed in both cases.

Day-to-day functions that do not contribute directly to the emergency response or operations may be suspended for the duration of the incident. The efforts that would normally be required for those functions will be redirected to accomplish the emergency response tasks.

A CEMP should be concerned with all types of emergency situations. It is more than an operational plan and it accounts for activities before, during and after the emergency operations. The following are the four phases of a CEMP.

Attachment D

Phases of Emergency Management

1. <u>Mitigation</u>: Mitigation activities are those that eliminate or reduce the probability of an occurrence. Actions accomplished before an event to prevent it from causing a disaster, or to reduce its effects if it does, save the most lives, prevents the most damage, and are the most cost effective. City departments will enforce all public safety mandates including land use management and building codes; and recommend to governing bodies legislation required to improve the emergency readiness of the City. These activities also include long-term efforts that lessen the undesirable effects of unavoidable hazards.

2. <u>Preparedness</u>: Preparedness activities develop the response capabilities needed if an emergency arises. Preparedness consists of almost any pre-disaster action that is assured to improve the safety or effectiveness of disaster response. Preparedness consists of those activities that have the potential to save lives, lessen property damage, and increase individual and community control over the subsequent disaster response. Emergency/Disaster Action Plans spell out the scope of activities required for community response. Departments/agencies shall ensure that employees are trained to implement emergency and disaster procedures and instructions. Departments/agencies shall validate their level of emergency readiness through internal drills and participation in exercises selected by the Emergency Program Manager (EPM). Other government jurisdictions within and outside the city boundaries shall also participate in these exercises. Exercise results shall be documented and used in a continuous planning effort to improve the city’s emergency readiness posture. In addition to the ongoing training and education of City employees and elected officials in the CEMP, local citizens and businesses shall also be educated on their responsibilities in preparing for an emergency.

3. <u>Response</u>: Response is the actual provision of services during the incident or crisis. These activities help reduce casualties and damage and speeds recovery from the incident. The active use of resources to address the immediate and short-term effects of an emergency or disaster constitutes the response phase and is the focus of department/agency Emergency/Disaster Action Plans. They include emergency and short-term medical care, return of vital life-support systems to minimum operating conditions, mass communications, evacuations and initial damage assessment. When any department/agency within the city receives information about a potential emergency or disaster, it will conduct an initial assessment, determine the need to alert others, and set in motion appropriate actions to reduce risk and potential impacts. Emergency response activities will be described in department/agency Emergency/Disaster Action Plans and may involve activating the Emergency Operations Center (EOC) for coordination and support of the Incident Command System (ICS). Departments/agencies will strive to provide support to warning and emergency public information, save lives and property, supply basic human needs, maintain or restore essential services, and protect vital resources and the environment.

4. Recovery: Recovery is both a short-term and long-term process. They involve detailed damage assessments, complete restoration of vital life-support systems, financial assistance, and long-term medical care. There is no definite point at which response ends and recovery begins. However, generally speaking, most recovery efforts will occur after the emergency organization is deactivated and departments/agencies have returned to pre-disaster operation, and will be integrated with day-to-day functions. The recovery period is also an opportune time to institute mitigation measures, particularly those related to the recent incident. Examples of recovery actions would be: provision of temporary housing and food, restoration of non-vital government services, and reconstruction of damaged areas.

OBJECTIVES CONTAINED WITHIN THE CEMP

1. Defines clearly what the roles and responsibilities are of key members of City staff, City departments or functions and elected officials, in order to mitigate, prepare for, respond to and recover from the effects of any major emergency or disaster.

2. Establishes and defines roles and responsibilities within NIMS and ICS, as required by law.

3. Ensures that essential City services are maintained during an emergency or disaster.

4. Outlines the cooperative efforts between the City, the County, other governmental subdivisions and the State in response to an emergency or disaster.

5. Provides the necessary Mitigation, Preparedness, Response, Recovery, Mutual Aid, Action Plans, Hazard Identification, Risk Assessment, Emergency Support Functions, Resource Lists, Contact Lists and documents in appendices and compendiums to accomplish the activities laid out in this CEMP.

CHAPTER 1 – Authority

Emergency Authority

A compendium of existing local and state legislation pertaining to emergency management and authority are shown in Appendix A and B.

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Mayor

Statutory Authority

The Mayor, as outlined in City Code 2-2-3, shall be the chief executive of the City. He/she shall be recognized as the head of the City government for all ceremonial and legal purposes, and he shall execute and authenticate legal instruments requiring his signature as such official. Further, the Mayor has emergency powers as set out in UCA 63-5a-4. The Mayor heads the Emergency Policy Council.

Proclamation of Local Emergency

In the event of or threat of, as disaster, attack, internal disturbance, natural phenomenon, or technological hazard, as defined in UCA 63-5a-2, the Mayor may proclaim a state of "local emergency" under UCA 63-5a-6.

Appointment of Special Police

Under City Code 2-4-15, the Mayor may upon any emergency, riot, pestilence, invasion, or at any time he shall deem necessary for the peace, good order or health of the City, order the Chief of Police to appoint special policemen for a specified time.

City Council

Emergency Ordinances

Emergency ordinances, as outlined in City Code 2-3-11, may be enacted by City Council for the preservation of public property, health, peace or safety. Further, the City Council may authorize expenditures for an emergency in excess of the budget as outlined in UCA 10-6-129.

Emergency Interim Successors

The City Council and Mayor shall annually set out Emergency Interim Successors for Local Officers as set out in UCA 63-5b-401. (see also Continuity of Government Operations - Succession of Command)

City Manager

Statutory Authority

The City Manager is the Chief Administrative Officer of the City as defined in City Code 2-4-1 and will administer all affairs of the City as directed in City Code 2-4-1 A through M.

Administrative Authority

The City Manager or his/her designee or successor, as Chief Administrative Officer shall administer all emergency or disaster operations as outlined in the CEMP, including but not limited to EOC Operations Commander, Unified Commander and/or Incident Commander (IC).

City Attorney

Statutory Authority

The City Attorney shall be the legal representative of the City and he shall advise the Mayor and Council and City officials in matters relating to their official powers and duties and perform such other duties as the Mayor and Council may prescribe by ordinance, resolution or otherwise as outlined in City Code 2-4-11.

Chief of Police

Statutory Authority

The Chief of Police shall direct the police department in the enforcement of all the laws of the City and all statutes of the State of Utah applicable to the City as outlined in City Code 2-4-13, 6-3-6 and 11-9-2

Emergency Program Manager

Administrative Authority

The Emergency Program Manager (EPM) is hereby appointed by the City Manager to act as the City's designated manager to be involved in all areas of emergency management for the City. His or her responsibilities include; the keeping of the CEMP with all of its appendices (which must be updated annually); establishing and maintaining the City's state and federal NIMS compliance in the FEMA database; Emergency Operations Center (EOC) manager; establishes, maintains and participates in the training of all City staff in emergency preparedness and response; helps set City building preparedness and response to building specific emergencies; identifies and analyzes potential hazards to the community and the City's response; liaison to the County Emergency Manager and State Region 2A Office of Public Safety/Homeland Security; participates in individual incidents as a coordinator and review officer and in conjunction with the Community and Public Affairs Manager sets up citizen and business emergency preparedness programs. The EPM works with a policy and review body called the Emergency Management Group (EMG). The City Manager may reassign the responsibilities of EPM at any time with or without cause.

Community and Public Affairs Manager

Administrative Authority

The Community and Public Affairs Manager is hereby appointed by the City Manager to act as the City's designated Public Information Officer (PIO). The City Manager may reassign the responsibilities of the PIO at any time with or without cause.

<u>Chief Building Official/Fire Marshal</u>

Statutory Authority

The Chief Building Official shall be responsible for the enforcement of the building codes, and all other such codes as adopted by the City and as outlined in City Code 6-1-2, 6-3-6, 11-2-2, 11-2-3 and 11-9-1.

CHAPTER 2 – Organization

Department's within the City will have emergency functions in addition to their normal duties. Each department is responsible for developing and maintaining its own emergency management procedures with assistance from the Emergency Manager and in concert with the CEMP. Departments will prepare plans, forms, documents and procedures to carry out their missions as outlined in the CEMP. Specific responsibilities for some departments may be outlined within the plan and/or in the appendix sections.

<u>Emergency Management Group (EMG)</u>

An Emergency Management Group (EMG) has been established to assist in the preparation of the CEMP, make periodic reviews and amendments, provide assistance and direction to the Emergency Program Manager (EPM) and assist departments with their components and implementation of the CEMP. The EPM is Chair of this group and the Police Chief is the Vice-Chair.

The Emergency Management Group (EMG) members are:

1. City Manager – Operations Commander
2. Emergency Program Manager (EPM) - Chair
3. Community and Public Affairs Manager
4. Information Technology Director
5. Chief of Police – Vice Chair
6. City Attorney
7. Public Works Director
8. Chief Building Official/Fire Marshal
9. City Engineer
10. Outside Agency members (as decided by the City Manager)

The Committee will ensure that emergency policies, activities, and resources, are coordinated among the City departments. On no less than an annual basis, the EPM will hold an EMG policy review meeting; make necessary CEMP amendments and a training session for the Committee members and the elected City officials.

As well, the EPM will facilitate on at least a bi-annual basis a City wide emergency response field training exercise or table top training exercise to evaluate this plan, its components and the individual department's emergency management procedures.

Attachment D

Departmental Emergency Management

Under the direction of each City department manager or designee, each department will educate its employees on the CEMP and how it impacts their department, including individual and department roles and responsibilities, specific facility action plans and they will conduct regular training to meet the requirements of the CEMP. Further, training in the ICS will be conducted at all levels, including the need to complete tasks while under the supervision of an Incident Commander who may not be a regular supervisor. An outline of FEMA training required for various line and supervisory levels of City staff are outlined in Appendix E and F.

Direction and Control

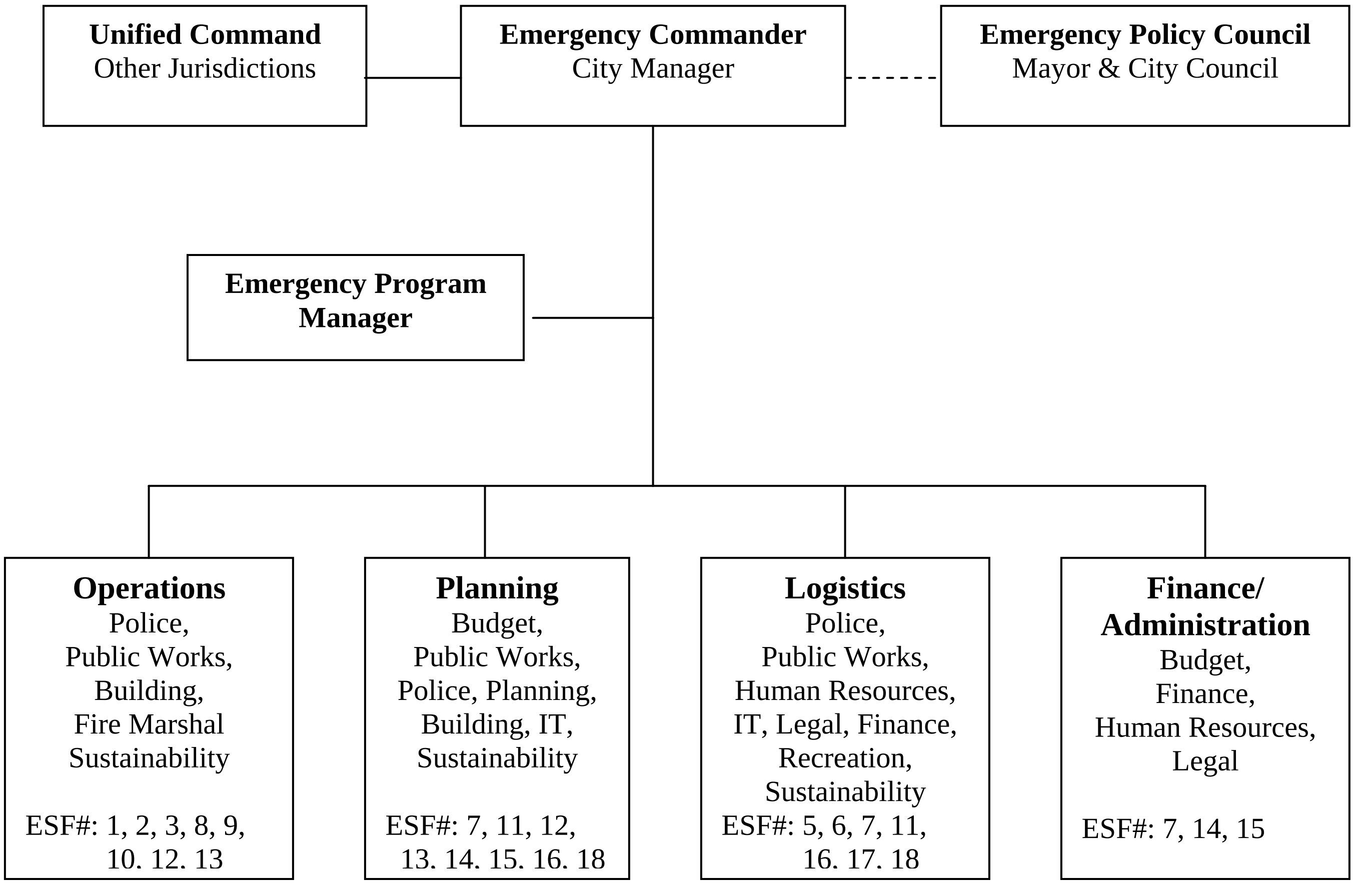
The final responsibility for all emergency management belongs to the City Manager, a member of the Emergency Management Group (EMG) and Operations Commander. The EMG is responsible for all policy level recommendations and changes. The City Council shall adopt by resolution the CEMP and the federal NIMS, including all appendices and compendiums that encompass the total plan as periodically amended by the EMG. During response operations, elected official(s) will be available to, interact with constituents and forward community concerns, provide emergency policy direction, enact emergency legislation and provide designated public information in conjunction with the Public Information Officer (PIO) and/or other duties as agreed upon with the Operations Commander

The EPM has responsibility for coordinating the entire emergency plan and response program, and makes all routine decisions for this committee. During emergency operations, the EPM ensures that the policy and coordination of all groups are working in concerted, supportive effort to overcome the emergency.

Attachment D

<u>CEMP Organizational Chart</u>

Emergency Management Plan
Organizational Chart



<u>Continuity of Government Operations</u>

Succession of Command

1. The line of succession of the City Manager as the Operations Commander is to the Chief of Police, then to the Public Works Director and then to Emergency Manager. In the event the Emergency Manager assumes the Operations Commander position, he/she will be replaced by a trained Acting Emergency Manager.

   The line of succession of the City Manager for his position as City Manager, i.e. appointment of an Acting City Manager, is to the City Attorney.

2. The line of succession of each City department is according to the operating procedures established by each department and should be no less than three deep.

3. The line of succession of the Mayor is to the Mayor Pro Tempore, to the Alternate Mayor Pro Tempore and then to the most senior member of the City Council.

4. The line of succession of the City Council shall be governed by Park City Municipal Code 2-2-9. In the event a majority of Council members is unavailable or unable to fill vacancies by appointment, then emergency interim succession pursuant to UCA 63-5b-401 shall be to the Planning Commission, starting with the Chair, and then to the Chair Pro Tempore, if any, and then to the next most senior member of the Planning Commission.

Preservation of Records

1. In order to develop after-action reports, all messages and logs will be maintained and submitted to the EPM immediately after deactivating emergency operations.

2. Documentation of emergency response actions is required for the following:
    a. Accounting/reimbursement
    b. Response action improvement
    c. Possible legal action

<u>Administrative Items</u>

Emergency Authority

1. A compendium of existing state legislation pertaining to emergency management are shown in Appendix A and B.

Mutual Aid

1. Should local government resources prove to be inadequate during an emergency operation, requests will be made for assistance from other local jurisdictions and higher levels of government according to existing or emergency negotiated mutual aid agreements and memorandums of understanding entered into by duly authorized officials and will be formalized in writing whenever possible. See Appendix G.

Consumer Protection

1. Consumer complaints pertaining to alleged unfair or illegal business practices will be referred to the State Attorney General's Consumer Protection Division.

<u>Accounting for Resources, Costs and Losses</u>

In an emergency, proper accounting of costs and losses is required for insurance or federal disaster assistance reimbursements. Care should be taken to include all direct and indirect costs. Park City will use accounting methods in accordance with federal guidelines. The required documentation will be forwarded to appropriate state and federal agencies.

<u>Incident Command System (ICS)</u>

The Incident Command System is one of the key organizational systems of the National Incident Command System (NIMS). The ICS provides overall management at the incident site. The Incident Commander develops a management structure based on the needs of the incident. All appropriate elected officials, department heads, managers, supervisors and line personnel shall be trained in the ICS. See Appendix E and F.

<u>Plan Development and Maintenance</u>

If a plan is to be effective, its contents must be known and understood by those who are responsible for its implementation. The Emergency Program Manager (EPM) and members of the Emergency Management Group (EMG) will brief appropriate public/private sector officials in emergency management operations of this plan in particular.

The plan shall be updated at least once every year. Training for all employees and elected officials shall be ongoing.

CHAPTER 3 – Procedures and Operations

<u>Emergency Levels</u>

During the emergency operation, a timely and well-documented system of assessing the damage that is caused or expected is crucial for determining appropriate response actions, alleviating victim suffering and hardship, managing resources effectively, and planning future hazard mitigation activities.

When carrying out the Comprehensive Emergency Management Plan, the transition from normal operations to emergency operation must be orderly. To achieve unified response operations, it is important that all departments have a common definition and status of emergencies. These defined levels of an emergency provide a transition from normal operating posture to full alert and provide for coordination with other agencies. When responding to emergencies, the following apply:

Level I: NO OUTSIDE ASSISTANCE NECESSARY

An emergency that poses a threat to life, property, or the environment and <u>where ample resources exist.</u> The responding department(s) handles the incident with on-duty resources and notifies the City Manager or his/her designee via department notification protocols.

Level II: ENHANCED RESPONSE REQUIRED

An emergency of a greater hazard, which poses a threat to life, property, or the environment, and requires coordination between more than one City department. Park City personnel handle the emergency with City resources, mutual aid, and resource sharing. Once a Level II emergency is in effect, any request for assistance or resources from the on scene Incident Commander will take precedence over other daily activities. Incident Commanders responding to Level II emergencies will notify the City Manager or his designee via department notification protocols. If needed, request for EOC activation may be made by responding Incident Commander(s), involved department chiefs or department heads, the City Manager, or the Emergency Program Manager.

Level III: MAJOR INCIDENT

An emergency involving a catastrophic incident. The incident may result from a natural or man-made disaster such as earthquake, flood, fire, terrorism, etc. The incident may result in an immediate threat to persons, property, or the environment and requires the resources of the entire City, including government, private, and outside assistance. The Mayor or designee may issue a formal declaration of emergency.

During response operations, responders maintain the principle of centralized control and decentralized execution. All response actions are in harmony and orchestrated by legal authority from the Emergency Operations Center.

As City departments, agencies, and non-governmental organizations progress from normal operations to an emergency posture, they go through the response conditions outlined below in accordance with the emergency level. For example, a Level II emergency would require Response Condition II.

Response Conditions

Response Condition - I: NO OUTSIDE ASSISTANCE NECESSARY

1. Monitor the situation regularly.
2. Review applicable plans and Standard Operating Procedures.
3. Review the status of all equipment and supplies.
4. Notify the City Manager and key personnel.

Response Condition II: ENHANCED RESPONSE REQUIRED

1. The Emergency Operations Center may be activated as needed with partial staffing.
2. Notify City Manager and key personnel.
3. Accelerate repair or procurement of equipment and supplies on an emergency basis 24 hours a day, if necessary. Emergency procedures for procurement of supplies and equipment may be implemented.
4. Place personnel on standby status as needed.

Response Condition III: MAJOR INCIDENT

1. Place Emergency Operations Center on full staffing.
2. Bring equipment and supplies to full operational status.
3. Recall personnel as necessary.
4. Freeze supplies and resources and commit them to the emergency as needed.

The above procedures will not constrain or limit the emergency actions of any department or agency involved in a response.

<u>Declaration of Emergency</u>

Park City is the primary responder to a disaster in the City. As such, it rapidly mobilizes forces, assesses the situation, and plans a course of action. Once the situation exceeds Park City's capability to respond, officials will first seek supplemental resources from Summit County, then the State of Utah, and finally the Federal government.

A local "emergency" may be declared by proclamation of the Mayor. In the absence of the Mayor, the interim successor may declare an emergency. Nothing in this section is intended to preclude the declaration of an emergency and the exercise of emergency powers as long as those actions are consistent with the requirements of declaring an emergency outlined herein.

The proclamation declaring the emergency will be filed with the City Recorder and will state four things:

- the nature of the emergency.
- the areas threatened.
- the various conditions which cause the emergency to be declared.
- the initial period of the emergency.

The declaration is kept on file with other supporting documentation to justify the disbursement of disaster assistance funds if available. See Appendix O for templates.

<u>Emergency Operations Center (EOC)</u>

The EOC serves as a centralized management center for emergency operations. Here, decisions are made by the EOC managers based upon information provided by the IC and other personnel. Regardless of size or process, every facility should designate an area where decision makers can gather during an emergency.

Each facility must determine its requirements for an EOC based upon the functions to be performed and the number of people involved. Ideally, the EOC is a dedicated area equipped with communications equipment, reference materials, activity logs and all the tools necessary to respond quickly and appropriately to an emergency.

EOC Resources:

- Communications equipment

- A copy of the emergency management plan and EOC procedures
- Blueprints, maps, status boards
- A list of EOC personnel and descriptions of their duties
- Technical information and data for advising responders
- Building security system information
- Information and data management capabilities
- Telephone directories
- Backup power, communications and lighting
- Emergency supplies

An Emergency Operations Center (EOC) has been established within the Police Facility Building, 2060 Park Avenue. Those participating in the EOC will be located in secure meeting space adjacent to Police Records/Reception (the Lloyd D. Evans, Sr. Meeting Room). The Emergency Policy Council (EPC) will be located in the secure Police Facility Administrative Conference Room. The general operations of the EOC functions will be conducted within the confines of the space available at the time of activation of the EOC.

1. Secondary Emergency Operations Center. Should the primary EOC location, become unavailable due to structure failure, road inaccessibility, etc., the EOC functions will be moved to the Public Works Building and shall function at that location until such time as the primary EOC becomes operational or an alternate site is identified that can facilitate the EOC operations to a higher degree.

2. Alternative Emergency Operation Center. At the point that the Park City Municipal Corporation facilities available to be used as an EOC site become unavailable or unusable, the EOC function will be moved to the Summit County Emergency Operations Center at the Summit County Search and Rescue Building in Kamas or the Summit County Mobile Command Post (MCP).

3. Authority to Activate EOC. Activation of the Emergency Operations Center (EOC) is solely the responsibility of the City Manager, designee, or successor. The City Manager may consult with the Emergency Program Manager, Chief of Police, Public Works Director and the Mayor in making the determination to activate the EOC; however, the final decision rests with the City Manager.

4. EOC Command Structure. While the Emergency Operations Center (EOC) is functional, the City Manager will act as the EOC Commander, unless he relinquishes that responsibility to a designee. The City Manager will interact with the appropriate manager or managers when addressing the incident response, operations, assessment and recovery phases. Each City Department or function involved in any phase of an incident will have a management representative located within the EOC operations area, or in a location directed by the City Manager. The EPM or designee shall manage the EOC. See Appendix K.

CHAPTER 4 – Incident Response and Management

Emergency Support Functions (ESF) Concept

Attachment D

In order to facilitate the delivery of emergency services during a disaster, Park City has adopted the Emergency Support Function (ESF) concept found in the National Response Framework (NRF). The Emergency Support Function concept is based on the idea of designating specific emergency response tasks to the City departments and outside organizations best suited to complete the designated task. Each function has an assigned department or organization responsible for that function with other departments and organizations playing supporting roles.

<u>ESF Overview</u>

The tasks that may need to be performed in emergency situations have been categorized as Emergency Support Functions (ESFs) under the National Incident Management System (NIMS) and Park City's CEMP has chosen to follow that categorization. The tasks have been grouped into 18 Emergency Support Functions. Each ESF is supported by Standard Operating Procedures (SOP) for that ESF. See ESF and SOP details in Appendix L.

ESF 1 TRANSPORTATION **Public Works/Transit /Fleet**
Coordinate the use of transportation resources required to perform the emergency response, recovery and assistance mission.

ESF 2 COMMUNICATIONS **Police/Information Technology**
Coordinate and provide communication support, and, where necessary, establish temporary telecommunications support.

ESF 3 PUBLIC WORKS **Public Works/Streets/Building/Engineering**
Assist in lifesaving or life-protection activity following a disaster. This may include technical advice and evaluation, engineering services, construction management and inspection, emergency contracting, and emergency repairs.

ESF 4 FIRE FIGHTING **Park City Fire District (PCFD)**
Manage and coordinate fire fighting and emergency medical activity.

ESF 5 INFORMATION MANAGEMENT **Sustainability**
Collect, process, and organize information about a potential or actual disaster or emergency. Disseminate accurate information to the public.

ESF 6 MASS CARE **FEMA/Red Cross**
Coordinate activities involved with emergency shelter, mass feeding, bulk distribution of relief supplies for victims of disaster, and disaster welfare information.

ESF 7 RESOURCE SUPPORT **Sustainability/Emergency Mgr**
Provide logistical and resource support. This includes provision of emergency relief supplies, space, office equipment, office supplies, telecommunications, contracting services, transportation services, and personnel.

ESF 8 HEALTH & MEDICAL SERVICES **Summit County Health/PCFD**
Provide assistance in identifying and meeting the health and medical needs of disaster victims and emergency responders.

ESF 9 URBAN SEARCH & RESCUE **Park City Fire District (PCFD)**
Provide support in locating, extricating and treating victims if buildings are damaged or collapse.

ESF 10 HAZARDOUS MATERIALS **PCFD/Summit County Health**
Provide support in response to actual or potential discharge and/or release of hazardous

materials.

ESF 11 FOOD & WATER **All Recreation Departments**
Identify food and water needs. Identify sources of water; arrange for manpower and transportation to the disaster area and distribute as needed to responders and mass shelters.

ESF 12 UTILITIES **Public Works/Water/Utility Companies**
Assist in coordinating efforts to provide emergency power and fuel to support response operations as well as providing power and fuel to restore normal community functions.

ESF 13 LAW ENFORCEMENT **Police**
Provide sufficient resources to maintain civil order under emergency conditions.

ESF 14 LEGAL **City Attorney/Legal**
Review local legal authorities and state statutes relating to emergency activities and advise City decision makers.

ESF 15 FINANCE MANAGEMENT **Finance**
Create a central management committee to oversee the emergency purchasing and reimbursement process. Maintain a disaster documentation system.

ESF 16 FACILITIES **Building/Engineering/Building Maintenance**
Coordinate the inspection and use of City owned/operated facilities to support disaster response and recovery operations.

ESF 17 VOLUNTEERS & DONATIONS **Human Resources**
Coordinate the use of volunteers and donated goods in support of disaster recovery operations.

ESF 18 ANIMALS **Summit County Animal Services**
Provide for emergency evacuation, medical care, shelter food and water for domestic animals.

<u>Departmental Roles and Responsibilities</u>

<u>General Responsibilities</u>

1. General Preparedness Responsibilities
   The following common responsibilities are assigned to each department listed in this plan. Further, each department shall create an internal emergency management organization and develop standard operating procedures (SOP) in accordance with the provisions of this plan. Preparation activities include:
   - Establishing departmental and individual responsibilities (as indicated in this plan); identify emergency tasks.
   - Working with other departments to enhance cooperation and coordination, and eliminate redundancy. Departments having shared responsibilities should work to complement each other.
   - Establishing education and training programs so that each division and employee will know exactly where, when and how to respond.
   - Developing site specific plans for department facilities as necessary.
   - Ensuring that employee job descriptions reflect their emergency duties.
   - Training staff and volunteer augmentees to perform emergency duties, tasks.
   - Identifying, categorizing and inventorying all available departmental resources, including but not limited to fixed assets, personnel and contracts.
   - Developing procedures for mobilizing and employing additional resources.
   - Ensuring communication capabilities.

- Preparing to provide internal logistical support to department operations during the initial emergency response phase.
- Prepare Standard Operating Procedures (SOP) in support of ESF responsibilities.

2. General Response Responsibilities
   The following common responsibilities are assigned to each department listed in this plan.
   - Upon receipt of an alert or warning, initiate notification actions to alert employees and volunteer augmentees assigned response duties.
   - As appropriate:
     Suspend or curtail normal business activities
     Recall essential off-duty employees
     Send non-essential employees home
     Evacuate departmental facilities
   - As requested, augment the City's effort to warn the public through use of vehicles equipped with public address systems, sirens, radio, employees going from door to door, etc.
   - Keep the Operations Commander informed of field activities, and maintain a communications link to the Incident Commander and/or EOC.
   - Activate a control center to support and facilitate department response activities, maintain events log, and report information within the ICS or EOC.
   - Report damages and status of critical facilities within the ICS or EOC.
   - If appropriate or requested, send a representative to the EOC.
   - Ensure staff members tasked to work with the EOC have the authority to commit resources and set policies.
   - Coordinate with the EOC to establish protocols for interfacing with county, state, federal responders.
   - Utilize only the Public Information Officer to release any information to the media.
   - Submit reports to the EPM detailing departmental emergency expenditures and obligations.

<u>Individual Responsibilities</u>

1. Chief Administrative Officer/City Manager (Executive)
   a. Provides overall administration, direction and control of the emergency, damage assessment and response operation within Park City
   b. Is a member of the Emergency Management Group (EMG)
   c. Commands the EOC
   d. Coordinates with the Mayor and Emergency Policy Council
   e. Provide risk management reporting and city insurance program
   f. Provide supplies, equipment, and personnel as requested

2. Emergency Program Manager (Executive)
   a. Assists the City Manager with the planning, management and control of emergency operations

b. Makes the Emergency Operations Center available to Park City officials for conducting overall direction/coordination of response and recovery operations. Manages and coordinates the EOC and interdepartmental operations

c. Maintains supplies and equipment for the Emergency Operations Center.

d. Coordinates department provision of supplies, equipment, and personnel as requested

e. Works with the PIO and volunteer agencies to inform citizens of the actions they should take for their protection

f. Coordinates with other departments to ensures that special needs populations receive information regarding actions taken for them to protect their life and property

g. Conducts after-action meetings and prepares after-action reports in conjunction with the Operations Commander and/or Incident Commander(s)

h.Additional responsibilities prior to an emergency include:

- 1) Updating the Comprehensive Emergency Management Plan, and providing updated copies of the CEMP
- 2) Coordinating emergency management exercises involving the City and community
- 3) Participate in community preparedness training in conjunction with the PIO
- 4) Coordinates the Special Needs Registry and assists in Special Needs community planning

3. Mayor and City Council

a. Monitors situations within their constituencies and coordinates information with City Manager or designee

b. Mayor submits formal local disaster declarations

c. Meets formally as a City Council as necessary.

d. Mayor or designee acts as official City spokesperson in concert with the PIO, as needed

e. Provides emergency policy direction

f. Issue emergency rules and proclamations that have the force of law during proclaimed emergency period

g. Appropriate funds to meet disaster expenditure needs

h. Extend or terminate emergency disaster declarations

4. Finance

a. Perform functions in the EOC or on-scene as assigned

b. Provide IC and/or EOC initial situation/damage reports as per field units observations and reports from the general public

c. Provide supplies, equipment, and personnel as requested

d. Provide appraisers to assist with damage assessments

e. Process emergency purchases/procurement

f. Establish and maintain a system whereby incident costs are identified and accumulated for county, state and federal reimbursement

g. Ensure payroll system setup to pay employees and contractors

h. Coordinate financial resources

i. Maintains records of expenditures and use of resources.

j. Under the direction of the City Manager, helps with the resolution of claims and accounting for resources expended during the emergency.

5. City Attorney
   - a. Provides legal advice to staff and Council
   - b. Becomes familiar with laws governing emergency powers and provides advice on all related issues
   - c. Reviews and approves as to form all emergency documents signed by the Mayor or designee
   - d Perform functions in the EOC as needed or assigned

6. City Recorder (Executive)
   - a. Provides safekeeping of vital records during the emergency
   - b. Co-signs all emergency documents signed by the Mayor or designee
   - c. Assists in logging and documenting all actions during the emergency

7. Police
   - a. Perform functions in the EOC or on-scene as assigned
   - b. Provide IC and/or EOC initial situation/damage reports as per field units observations and reports from the general public
   - c. Provide supplies, equipment, and personnel as requested
   - d. Augment warning system by providing siren-equipped and/or public address mobile units, and/or manpower for door-to-door warning
   - e. Coordinate to lost persons, search and rescue, and coordination of heavy rescue operations in conjunction with PCFD and SCSD as needed
   - f. Maintain law and order and provide public safety activities as required
   - g. Provide security for key facilities
   - h. Protect property in evacuated area
   - i. Enforce orders of fire officers and implement/enforce evacuation orders, when necessary
   - j. Provide law enforcement and traffic control in support of emergency actions
   - k. Organizes auxiliary law enforcement personnel and commits available resources to maintain peace
   - l. Coordinates City radio communication capabilities

8. Budget and Grants
   - a. Perform functions in the EOC or on-scene as assigned
   - b. Provide IC and/or EOC initial situation/damage reports as per field units observations and reports from the general public
   - c. Provide supplies, equipment, and personnel as requested
   - d. Provides planning, logistic and financial support to operations

9. Sustainability/Community and Public Affairs
   - a. Perform functions in the EOC or on-scene as assigned
   - b. Provide IC and/or EOC initial situation/damage reports as per field units observations and reports from the general public

c. Provide logistical and resource support as requested, which may include, the provision of emergency relief supplies, space, office equipment, office supplies, telecommunications, contracting services, transportation services, and personnel
d. Serves as the Public Information Officer (PIO)
e. Under the direction of the City Manager, collects, organizes, prepares and distributes public information materials about a potential or actual disaster or emergency.
f. Participates with the EPM in disseminating and training in citizen and business preparedness plans
g. In conjunction with the Mayor acts as the designated contact for the news media and public
h. Ensures that special needs populations receive information regarding actions taken for them to protect their life and property

10. Public Works
a. Perform functions in the EOC or on-scene as assigned
b. Provide IC and/or EOC initial situation/damage reports as per field units observations and reports from the general public
c. Provide supplies, equipment, and personnel as requested
d. Assist with initial infrastructure damage assessment of horizontal construction, i.e., roads, bridges, storm sewers, etc.
e. Provide heavy equipment to support rescue operations
f. Provide technical information on damaged structures
g. Provide traffic control signs and barricades
h. Assist with the identification of evacuation routes and keep evacuation routes clear of stalled vehicles
i. Coordinate the disposal of solid waste from congregate care facilities (shelter/mass feeding)
j. Coordinate emergency utility support requirements with public and private utilities
k. Operate fleet repair facility
l. Provide for availability of motor fuels, Red Cross vehicles and fuel driven equipment
m. Provide for storage of equipment and vehicles in a safe place
n. Provide comprehensive list of City vehicles and equipment to IC or EOC
o. Provides for the removal of debris and maintenance of roadways
p. Obtains additional equipment and transportation resources
q. Establishes contracts for outside services in compliance with FEMA schedules
r. Coordinate transportation requirements for special needs agencies/individuals
s. Provide buses for evacuations and temporary shelters
t. Provide additional bus transportation resources
u. Coordinate mobilization of emergency transportation services
v. Use transportation communication links to provide damage assessment information
w. Insures that transportation assets meet the demands of emergency response personnel
x. Maintains a resource list of all Park City fleet equipment and provides the EOC with updates of disaster damage to fleet

11. Information Technology
a. Perform functions in the EOC or on-scene as assigned

Attachment D

b. Provide IC and/or EOC initial situation/damage reports as per field units observations and reports from the general public
c. Provide supplies, equipment, and personnel as requested
d. Maintain all communication systems
e Protect archives and necessary documents
f. Provide supplies, equipment, and personnel as requested

12. Building/Fire Marshal/Engineering
a. Perform functions in the EOC or on-scene as assigned
b. Provide IC and/or EOC initial situation/damage reports as per field units observations and reports from the general public
c. Provide supplies, equipment, and personnel as requested
e. Direct building inspectors and/or rapid assessment teams to assist with damage assessment and safety of City facilities
f. Provide Fire Marshal services

13. Planning
a. Perform functions in the EOC or on-scene as assigned
b. Provide IC and/or EOC initial situation/damage reports as per field units observations and reports from the general public
c. Provide supplies, equipment, and personnel as requested
d. Assist in initial planning and on going planning during an emergency
e. Provide documents and maps to assist in response and recovery
f. Support building and engineering in their emergency functions.

14. Human Resources
a. Perform functions in the EOC or on-scene as assigned
b. Provide IC and/or EOC initial situation/damage reports as per field units observations and reports from the general public
c. Provide supplies, equipment, and personnel as requested
d. Establish an employee call back system
e. Establish a system to check on employee's families and communicate that information
f. Assist with employee needs at work and with their families
g. Track man power requests and needs and assist with obtaining outside staffing
h. Coordinate volunteers and donations with the assistance of Recreation

15. Recreation
a. Perform functions in the EOC or on-scene as assigned
b. Provide IC and/or EOC initial situation/damage reports as per field units observations and reports from the general public
c. Provide supplies, equipment, and personnel as requested
d. Assist with the assessment of human needs during and after a disaster
e. Obtain and supply food and water to city and emergency staff
f. Coordinate with the Red Cross, and other agencies as necessary to provide emergency programs for basic human needs to include reception centers, shelters, mass feeding at City designated shelters

g. Provide assistance in the registration of people at congregate care facilities (shelter/mass feeding)
h Work in close concert with Red Cross and others in activation and operation of short term, and longer-term shelters/disaster centers
i. Assist Human Resources in managing and coordinating volunteers and donations
j. Provide facilities for emergency shelter, food, and water distribution points, child care facilities as needed
k. Provide receiving and distribution sites
l. Assist with the delivery of goods

CHAPTER 5 – Damage Assessment and Recovery

Damage Assessment and Analysis Information

1. Accurate damage assessment information must be obtained by Park City at the earliest possible time in order to:
    a. Evaluate the impact on the population and socioeconomic system of Park City and its ability to respond and recover.
    b. Assist the Governor with determining local and state level of contribution to the recovery effort.
    c. Allow the State Coordination Officer and the Federal Emergency Management Agency Regional Director to determine the kinds and quantities of disaster assistance to be provided by the state and federal government, if appropriate.
    d. Document the need for supplementary federal assistance under a Presidential ‘Emergency’ or ‘Major Disaster’ Declaration.
    e. Notify insurers of damaged/destroyed property.

Damage Assessment and Reporting

1. Initial Damage Assessment. The nature and magnitude of a disaster will determine how quickly a complete Initial Damage Assessment can be conducted. Widespread debris, washed out bridges, inundated roads, and unsafe buildings are a few of the problems that can delay the assessment. Immediately after the occurrence of a disaster, it is important to get a preliminary assessment of the extent and magnitude of the damage.

2. Damage Assessment Forms. During the response and recovery phases of a disaster, it is vital that the State Coordinating Officer and the Governor have accurate damage, cost and socioeconomic impact information available in summary form. This will determine how best to supplement the action taken by Park City and whether federal assistance is required. See Appendix O.

3. City Manager. It is the responsibility of the City Manager or his or her designee to coordinate with City and county elected officials to determine a systematic, unified course of action. The following items should be covered:

- Outline the extent (geographic area) and magnitude (severity) of the damage.
- Assess the socioeconomic impact on the City.

- Discuss the need for requesting outside assistance, the nature of such assistance and implications of accepting aid.
- Specify the geographic areas and damage categories, which need to be examined in greater detail.

4. Department Directors. It is the responsibility of department directors to oversee the gathering of damage assessment information in accordance with the assigned departmental duties. To assure accurate and efficient collection of data, department heads must take the following actions:

- Designate assessment teams of two or three people with specific areas of expertise.
- Assign the team to a specific geographic area or category of damage.
- Brief team members to ensure uniformity and understanding of damage categories, community impact, costs, reporting, procedures, etc.
- Identify damage sites by map location and street address. Roads and bridges should be listed by pre-assigned Utah State Department of Transportation numbers. Maps and photo identifications of damage sites will aid in conducting future surveys and on-site assessments.
- Provide each team with supplies to effectively perform the assessments (maps, cameras, list of property owners and locations). Have teams take photographs of damage sites and attach brief descriptions detailing vital information and describing the damage.
- Establish a deadline for gathering information so it can be summarized and presented to the governing body.
- Gather and maintain supporting documentation (invoices, contracts, expenditure records) for costs incurred in emergency response and mitigation work. Copies of emergency expenditure records should be maintained and attached to each damage site file.

<u>Incident Reporting</u>

1. Description and Purpose. Situation Reports should be made to continually update disaster status information. The information provided in the initial and subsequent Situation Reports should outline a sequential record of actions taken from the point of first response through restoration activities. The degree of detail will vary with the type and severity of the events.

2. Content and Format. Situation Reports contain specific data and answer the following basic questions:

a. Location and nature of damage.
b. Description of the categories and degree of damage.
c. Socioeconomic impact on the community.
d. Response actions being taken by local government.
e. Form of supplemental state and federal assistance requested.
f. Public assistance and individual assistance for the community.

Attachment D

<u>Reports and Record Keeping</u>

1. A number of prescribed documents, reports and records must be executed and maintained during disaster operations. These ensure prompt and coordinated state and federal disaster response and maximize financial assistance.

2. Once an emergency is declared an '**Emergency'** or '**Major Disaster**' by the President of the United States, the federal disaster assistance programs may be made available to the state and its designated political subdivision. The Federal Emergency Management Agency is responsible for coordinating and administering all federal disaster relief programs through the Region VII office. Subsequent to a presidential declaration, the Federal Coordinating Officer will establish a field office in the disaster area to administer disaster relief programs according to Public Law 93-288, the Robert T. Stafford Disaster Relief and Emergency Assistance, and the Code of Federal Regulations, Title 44, Part 206.

3. An accurate record system maintained separately from normal day-to-day operations should be established immediately at the onset of the emergency. All recipients of state and federal monies must maintain adequate disbursement and accounting records of costs incurred for approved disaster work.

4. One of the main responsibilities of Park City officials involved in disaster operations will be the preparation and maintenance of all required documents, reports and records. The Governor's Authorized Representative is responsible for the execution of all necessary documents on behalf of the State of Utah for state and federal disaster assistance including certifying any applications for public assistance. In addition, the Governor's Authorized Representative will provide guidance and assistance to Park City officials involved in the preparation and maintenance of their required reports and records.

5. All contracts must follow the **Procurement Guidance as found in Title 44 of the Code of Federal Regulations Part 13.36.**

END

Attachment F

City Council Staff Report

Subject:	**City Manager's Recommended Budget**
Author:	**Bret Howser**
Department:	**Budget, Debt, & Grants**
Date:	**May 7, 2009**
Type of Item:	**Informational**

(Excerpt from staff report)

Racquet Club Renovation:

In September 2008, City Council approved a $547,000 contract with VCBO Architecture for architectural services for the remodel of the Racquet Club and reconstruction of the 7 outdoor tennis courts. The rebuilding of the courts will be funded by Asset Management and is estimated to cost $460,000.

In February 2008 staff and VCBO Architecture presented to City Council the conceptual plans for the renovation of the Racquet Club.

As the initial design was developed, the plan was to leave the existing gymnasium and the tennis building. The tennis building was to remain under the premise that it could be upgraded at a minimal cost. The roof was replaced and structural upgrades were made in 2003. The current snowload capacity is 65 lbs per square foot while current building codes require 98 lbs per square foot of capacity. Despite the 2003 upgrade the building still has maintenance issues such as being highly energy inefficient, condensation build up and occasional leaks through the roof vents.

At the February Council meeting staff was directed to develop a phasing plan with the idea that the only funding available is the $7.2 million of current cash on hand. Council was supportive of replacing the tennis building at some phase but was concerned about funding availability to complete the project in one phase.

Phase 1: Leave existing tennis building –

From a design perspective in order to maintain the tennis building at its current load capacity and have minimal structural upgrades to the building any new structure would have to be built on the west side of the existing tennis building.

This phase would remove the original building that currently is the space for the restaurant, front desk, lobby, offices and locker rooms. The tennis building and the buildings on the south side of the tennis building would remain. These currently house the recreation offices, child care and the weight room.

The benefits to this are:

Attachment F

1. The project could be built with existing funds.
2. The major improvements would be to the weight room, group fitness, locker rooms and main entrance.
3. The potential to have the least effect on current facility operations. Indoor tennis courts would have minor disruption operationally. Other amenities would be displaced but would be relocated on site.

The negatives to this are:

1. The facility would have limited interconnected spaces and would result in long narrow hallways with amenities spread around the facility.
2. Less efficiency in staffing of the facility resulting in operating costs similar to the current facility.
3. No improvement in the energy efficiency of the tennis building.
4. The tennis building remains but will need to be replaced in a future phase.
5. Dealing with an existing building that has no construction plans or as built drawings. There is a greater unknown element when dealing with a remodel of this building that could result in unforeseen change orders as the project progresses.
6. The tennis building will not meet current snowload capacity requirements and will remain at its current level.

Estimated Project Costs for Phase I: -

Description	**Cost**
Architectural & Engineering Services	$345,648
Fixtures, Furnishings & Equipment (FF&E)	$200,000
Remodel Allowance for existing spaces	$200,000
Testing, Fees, Surveys, Etc. (Allowance)	$25,000
Total Estimated Soft Costs	**$765,648**
Demolition	$200,000
Site Work	$150,000
Replace 7 outdoor tennis courts	$455,000
New Indoor Rec Center	$4,705,800
Total Estimated Construction Costs	**$6,331,448**
Phase I Budget	$7,660,000
Budget Surplus	**$1,328,552**

The current Racquet Club has a net square footage 62,378 sq. ft. The Phase I design anticipates a new facility that has a square footage of 74,992 sq. ft. broken down as follows:

- 51,492 sq ft existing building to remain with minimal improvements
- 23,500 sq ft for new recreation center area

Phase II: Replace the existing tennis building –

Attachment F

This phase anticipates removing the tennis building and replacing it with a new building in roughly the same location.

By replacing the tennis building the city will have a facility that is no longer a maintenance issue, energy inefficient and not meet current City building codes.

The benefits to this are:

1. A new building will have increased energy efficiency compared to the existing building giving the city a better opportunity to create a truly energy efficient and sustainable building.
2. A new building will have a useful lifespan of 40 + years.
3. Long term costs to the city are reduced by putting in a new building that will have lower maintenance costs and have a longer lifespan.
4. The new building will be code compliant for accessibility and structural issues, where the existing one is not
5. The new building allows better orientation on the site.
6. The facility would have interconnected spaces. This creates a dynamic space with a sense of interrelated activities.
7. Improved and expanded amenities that would include a running/jogging track, expanded weight room, group fitness facilities and a bouldering wall.
8. Improved staff efficiency result in lower operating costs as compared to the current facility.
9. The existing indoor tennis courts are 35+ years old. While they function fine there are issues with drainage and the limited space between each court.

The negatives to this are:

1. The project would need to use additional funding, possibly through the issuance of Sales Tax bonds.
2. Phasing the project will result in increased costs estimated at $800,000.
3. Four indoor tennis courts would be unusable during construction. Likely out of operation for a year. Greatest interruption to operations but given that other City offices will have been moved back to Marsac there is greater flexibility in potential relocation of services.

Estimated Project Cost –

The current Phase II conceptual design preliminary cost estimate is $4,706,342 with the following breakdown:

Description	**Cost**
Architectural & Engineering Services	$262,717
Fixtures, Furnishings & Equipment (FF&E)	$50,000
Testing, Fees, Surveys, Etc. (Allowance)	$15,000
Total Estimated Soft Costs	**$262,782**
Demolition	$45,000

Attachment F

Site Work	$300,000
New Indoor Tennis Courts	$4,033,625
Total Estimated Construction Costs	**$4,706,342**
Phase I Remaining Budget	$1,328,552
Funds needed for Phase II	**$3,377,790**

These estimates are based off the architect's analysis of the current bidding climate, in relation to the current bid opening of the Southwest Recreation Center. However, due to lack of recent recreation center projects, staff believes that the estimates *may* be slightly high. Recently, bids for City projects have been coming in as much as 30-40% below estimates. For this reason, staff believes that it may be in the City's best financial interest to move forward with Phase II at this time.

Completing Phase I & II as one project –

The CIP Committee reviewed the Racquet Club Renovation project as part of the reprioritization process this year, and continues to recommend the project for funding as a priority 4 project. According to Council direction in February, only previously-realized funding (approximately $7.2 million) for the project remains in the FY 2009 Adjusted Budget. The original FY 2009 budget anticipated additional General Fund surplus would be added to Phase I and Phase II as well as some funding from surplus in FY 2010, bringing the total original budget for both phases of the project to $10 million. These funds have been removed from the project as current projections do not show available surplus dollars in these years.

However, the CIP Committee carefully considered the new proposed scope of the project, including rebuilding of the Tennis Building, and concluded that the benefits achieved through economies of scale and taking advantage of deflated construction costs in the current market warrant funding of a broader scope than would be achieved with only the cash on hand. Currently staff estimates that the cost of reconstructing the Tennis Building could be $1-2 million more expensive if done separately at a later date, in addition to the increased operating and maintenance expenses associated with managing an older building.

The Committee therefore recommends that Council consider developing bid documents at the $10.5 million level and see where bids come in. This would mean budgeting for $3.3 million dollars of sales tax revenue bonds to complete the Tennis Building reconstruction in addition to the original Phase I renovation. This debt could be issued in conjunction with the OTIS sales tax bonds which are scheduled to be issued late in FY 2010. This would allow the City to monitor the economy through another ski season and re-evaluate the prudence of issuing debt for the project next spring. Debt service payments for these bonds would hover around $300,000 per year starting in FY 2011 and are considered in the Debt Service section of this document. Total interest over 15 years would be around $1.4 million. Council might consider structuring the bonds with an early call date, though, to keep the option of paying off the bonds after five years in the event the economy recovers and surplus funds become available, thus limiting the interest expense and maximizing the savings associated with this funding strategy.

As part of the VCBO contract the Racquet Club is to be master planned to include future phases to make sure as the project is built out that we would not have to remove items that were just built to accommodate the future phase. Build out anticipates indoor aquatics and indoor space for food service.

Attachment G

PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
APRIL 2, 2009

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

Tom Bakaly, City Manager; Mark Harrington, City Attorney; Jonathan Weidenhamer, Economic Development Manager; Katie Cattan, Planner; Thomas Eddington, Planning Manager; Jerry Gibbs, Public Works Manager; Diane Foster, Sustainability Manager; and Heinrich Deters, Project Manager

Bruce Larrabee and Ken Davis, HMBA

Jack Thomas, Julia Petit, Adam Strachan, and Richard Peek, Planning Commission Members

Absent: **Council member Liza Simpson**

EXCERPT. . .

2. HMBA capital improvement requests. Jon Weidenhamer explained that the City received two capital projects requests from the HMBA, including a lighting project estimated at $260,000 and $120,000 for a sound system on Main Street. The HMBA is asking for a $240,000 interest free loan and for $29,000 to begin to implement the two projects which are included in the RELS (request for elevated service) program. During the CIP budget process, this item will be evaluated and a recommendation from staff will be rendered. He explained that if it is not funded through the CIP process, the Main Street Business Improvement District may be a way of raising capital through business license increases. If Council feels these requests are not feasible, it would be helpful to understand this position now and he referred to information from staff on operation and maintenance concerns.

During the Visioning Session in January, Council members asked the HMBA to prioritize improvements like outdoor dining, bulb-outs, streetscape, changes to the noise ordinance, etc. Mr. Weidenhamer asked if members feel comfortable with staff moving forward with these two specific requests through the CIP process.

Jim Hier expressed his confusion why the CIP request is for $29,000 and not the entire amount and Mr. Weidenhamer explained that the HMBA intends to fund-raise the remainder. Mr. Hier pointed out that capital projects typically relate to City-owned properties or assets and this seems more like a grant request. Mr. Weidenhamer noted that the RELS process is part of the capital improvement project review where staff can weigh in on maintenance and operational concerns. Tom Bakaly indicated that in order for a project to be funded through the CIP, some component of the project needs to be capitalized or owned by the City. The deadline for grants has passed, but the HMBA requests could be added if so desired by members and Mr. Bakaly urged Council to comment on the concept.

Ken Davis explained that the piped-in music would not be continuous but used for special events, crowd control and emergencies. During the holidays, it would be used to play Christmas music. In response to a question from Roger Harlan, Mr. Davis indicated that they did not contact the City's emergency manager, Hugh Daniels, but there may be funding available from Homeland Security because of its safety element. Bruce Larrabee stated that he didn't contact Mr. Daniels, but spoke with the Chief of Police who was supportive. Candace Erickson stated that she would only be supportive of the sound system if it is intended for emergencies only. She spoke about the sound system in a Bavarian Village in Leavenworth, Washington where the non-stop polka music almost drove her crazy; she hates the idea. Joe Kernan felt there are times when amplified music would be appropriate. Roger Harlan believed the value of a sound system must warrant the cost. Jim Hier felt it safe to say that security is not the impetus for the request; the request is for a sound system for Christmas and special events to enhance the ambiance on Main Street. Security really should not be considered here. He felt that the amount of money for the amount of time it would be used is seriously unjustified but if the HMBA raises the money for a sound system, a grant from the City could be considered. Tom Bakaly understood consensus to be to not support the sound system and members agreed.

With regard to the lighting scheme, Candace Erickson relayed that she liked the lighting plan during the Olympics but believes the LMC restricts attachments to historic structures. Heinrich Deters agreed and noted that the proposal is for year-round lighting. Mr. Davis understood that the lighting would be on from November to January and not year-round. Mr. Deters added that the Building Department expressed concerns about operations and maintenance. Joe Kernan stated that he is concerned about the HMBA repaying the City and Mr. Weidenhamer explained that the City is not allowed to extend a loan to a business district at a zero percent interest rate. Mr. Kernan noted that aside from that, it is not a good practice to lend the funds. Mayor Williams stated that it is difficult for the City to endorse the project without a commitment from Main Street businesses.

Mr. Davis explained that the plan has been around for a year and the HMBA received restaurant tax grant matching dollars to help the HMBA get started on the first phase but the timing was not ideal. The thought this year is to get the entire project done at one time and to approach the City for funding and he understood that the lighting company may help finance the project. He spoke about using the BID to administer the allocated costs but the HMBA is looking for financial help from the City to get this done. Jim Hier agreed that it is costly and the merchants should vote on the plan so that the level of commitment is clear. With demonstrated support, the project could be paid for with individual contributions or with BID fees; the City should not have to commit first. Candace Erickson suggested pursuing working with the lighting company on a payment plan for merchants. In response to a comment from Ken Davis, the efficiency of LED lights was discussed. Heinrich Deters relayed that Public Works agreed with the 5% or $12,000 budget for annual O&M for seasonal lighting; department concerns included damage to buildings. Mayor Williams expressed that covering the cost for the power is an issue for him and agrees with Mr. Hier in hearing what the membership thinks about this program and the level of buy-in.

The Mayor encouraged the HMBA to return and update members. Tom Bakaly summarized that the HMBA would essentially own the project and depending upon the level of commitment from businesses, Council may be willing to consider contributing some funds to help. He reiterated that the HMBA would be the owner of the lighting program.

Attachment H

Projection	Shortfall	Revenue	Capital	Operating	Contingency	Bonuses	Net +/-
October Projection	-$2,762,184	$250,484	$1,524,095	$476,473	$575,000	$0	$63,868
Current Projection	**-$3,246,121**	**$500,968**	**$1,696,835**	**$476,473**	**$575,000**	**$0**	**$3,154**
50% More Severe	-$4,143,276	$751,452	$2,196,835	$476,473	$575,000	$96,500	-$47,016
100% More Severe	-$5,524,368	$1,001,936	$3,196,835	$476,473	$575,000	$193,000	-$81,124

Table B03 – 2009 Shortfall Reduction Matrix

PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
MAY 21, 2009

Present: **Mayor Dana Williams; Council members Candace Erickson; Jim Hier; Joe Kernan; and Liza Simpson**

Tom Bakaly, City Manager; Mark Harrington, City Attorney; Kent Cashel, Transportation Manager; Jed Briggs, Budget Analyst; Bret Howser, Budget Manager; Pace Erickson, Operations Manager; Kyle MacArthur, Water Department Analyst; Clint Dayley, Parks and Golf Course Manager; Mike Lennon, Building Maintenance Manager; Craig Sanchez, Golf Course Manager; Linda Tillson, Library Director; Ken Fisher, Recreation Director; Jon Pistey, Ice Arena Coordinator; Diane Foster, Environmental Coordinator; Jon Weidenhamer, Economic Development Manager; Matt Cassel, City Engineer; Ron Ivie, Chief Building Official; Thomas Eddington, Planning Director; Wade Carpenter, Chief of Police; Bret Howser, Budget Officer; Heinrich Deters, Trails Coordinator

Sandy Geldorf, HMBA; and Brad Lucas, Lockner

Absent: **Council member Roger Harlan**

1. Council questions/comments. Candace Erickson discussed the enjoyable City golf tournament held during the week. Liza Simpson expressed how helpful the Budget Department staff has been during the budget process. Joe Kernan referred to the manager's report on the Planning Commission meeting on the Iron Horse expanded transit facility project, specifically the comment on reduced parking. Kent Cashel reported that one member suggested that the parking be reduced but the comment was general because there were no numbers to base it upon. Mr. Kernan stated that one future use could be a transit center where parking is critical and should not be precluded. Jim Hier reported on the Chamber Special Events Committee meeting where applications and associated funding for special events were reviewed. He reported on the challenges associated with the enactment of SB216, including training enforcement staff on the 2009 Uniform Building Code before it is formally adopted by the legislature. There are many other issues created by the bill. Mr. Hier met with the Summit Land Conservancy where The Colony presented modifications to the conservation easement. He suggested meeting with the County Council on the expanded transit facility and long range transportation plan.

Mayor Williams recognized Stacey Noonan leaving employment with the City and acknowledged her good work in developing the Sports Complex. The Mayor reported that he and staff met with the Aspen Springs Home Owners Association and the Park City community received an award from the Utah Genius Group. A student group from Courchevel will be here the first week in July. He commented on Governor Huntsman's appointment as US Ambassador to China; although this is for the greater good, he will be sorely missed in Utah. There was discussion about the upcoming meeting schedule.

2. Budget review. Jed Briggs reviewed the schedule for budget discussions. He explained that teams submitted budget options and 5% and 10% reduction plans. Service levels are not reduced, there is no across-the-board cut, and some options are recommended for approval. About 3% was cut for this fiscal year, but with technical options, there is a slight overall increase and the General Fund decreased by about $77,000. The process was challenging this year, because there were two or three times the amount of options submitted by teams.

Kent Cashel, representing Public Works administration, transit and fleet, described the transit reorganization which represents a $65,000 savings. Reductions represent $14,000 which will not affect service levels; he discussed the elimination of the free trash can practice. He discussed the proposal for the IHC Hospital dial-a-ride program, the Kamas transit service, and The Montage 2011 service. Mr. Cashel recommended that the Park and Ride will not open this year for a number of reasons, primarily because the SR248 improvements will not be made in time to facilitate good transit service to and from the parking facility. The cost would not justify the anticipated low ridership but the lot could be used for special events. The Park and Ride would operate about 12 hours a day through the winter with 15 minute bus service in the morning and half hour frequencies during the rest of the day. Jim Hier suggested that the resorts use the lot for employee parking and concurred that bus service should not be provided at this time, but closing the lot may be a mistake. He suggested estimating the cost for opening it with minimal maintenance and Kent Cashel explained that regular operations are estimated at $90,000 per year. Fuel use has been reduced by 5% at Public Works.

Kyle MacArthur, Water Department, explained the reduction in costs for the use of chemicals this year but the increase next year once the new treatment plant is on line. Tank cleaning is recommended to be eliminated the next few years, but flushing will be scheduled. Trainings will be held in house and equipment purchasing will be put on hold. It's uncertain if additional employees will be needed to staff the new treatment plant, but it is hoped that the new automated meter reading system will be effective. Discussion ensued regarding targeting leaks and reducing leakage throughout the system. Currently the leakage is calculated at 15% and Mr. MacArthur was hopeful the new equipment will assist in reducing it to 10%. Joe Kernan expressed the importance of an efficient system. Mr. MacArthur spoke about his development plan to prepare him to assist with the management of water projects. He spoke about expenditures, pointing out additional costs with the water treatment plant at Quinns coming on line in 2011.

Clint Dayley explained that Parks and Golf has three budgets including fields, parks and golf maintenance. A budget option to cover the costs of the new Hillside Park facility designated at Service Level 1 and two career development plans, which off-set each other, are requested. He described budget cuts which do not affect service levels.

Mike Lennon, Building Maintenance Manager, explained his department's request to budget $9,250 to cover services for the expanded museum, which will be reimbursed to the City. Two thousand dollars is requested for extra cleanings of the barn. Building Maintenance's 5% reduction plan represents $54,500.

Pace Erickson presented Troy Dayley's information in his absence. He explained that Street Maintenance will also provide career development plans at a net zero cost and has formulated a plan to plow the new hospital with no cost to the City. He reviewed line items, including walkability projects and explained the 5% reduction plan.

Craig Sanchez, Golf Course Manager, pointed out costs associated with the purchase of the Pro Shop this year and $55,000 is budgeted annually primarily for HOA fees.

Ken Fisher, Recreation Manager, stated that his department did not submit options and budget cuts amount to $48,300. For the benefit of Liza Simpson, he explained cuts in the Recreation Advisory Board budget. The Tennis Department submitted two options for staffing and equipment and there is a revenue offset.

Linda Tillson, Library Director, explained that the budget option requested is to provide the same level of service as costs have increased. The Library Board recommends increasing the reciprocal borrowing program beyond students, to include all Summit County residents working in Park City. She discussed the reduction plan formulated by staff, avoiding cuts that may reduce the ability to purchase books and materials for the community. The cost for the expanded reciprocal borrowing program is $24,000 and the County would fund half.

Jon Pistey, Ice Arena Coordinator, explained that all options at the Arena are zero sum. He pointed out the $72,000 option to change the Events Coordinator position from a contract to a full-time position.

Ms. Erickson referred to the expanded reciprocal program option, emphasizing that charging non-residents for cards provides some revenue for the Library while the expanded program inviting County residents to use our facility, represents a cost to the City. She questioned if this makes sense, especially this year and asked if the Library Board feels strongly about this. Ms. Tillson explained that the recommendation was reached last fall before the economy fell and she is uncertain if the same recommendation would be rendered this spring. Ms. Erickson pointed out that purchasing a library card is not an unusual practice for people using libraries in other communities and she does not like giving away a service paid by the taxpayers. It doesn't seem fair. Liza Simpson agreed that it seems like an odd time to expand a program but added that the City Manager supports the option. Tom Bakaly explained that he approved it because the County will participate in the cost and the Library represents the last fee differential. Liza Simpson asked if Summit County has funded the program which was unknown. Mr. Bakaly suggested making a matching contribution a condition for participating in the program. Ms. Simpson stated that she feels strongly that the program be contingent on County funding. Jim Hier agreed.

Candace Erickson still disagreed and explained that golf is different than the library because it is an enterprise fund, not funded from tax dollars. The County and City operate joint recreation facilities and equalizing fees makes sense for recreation. However, the reciprocal borrowing program will cost the City $12,000. The Mayor felt the program should be contingent on funding from Summit County. Tom Bakaly stated that he will update members on the status of the County's funding.

Mr. Bakaly addressed options for the Executive Team. He discussed allocating $300,000 to the Risk Management Fund and implementing a furlough program for an employee, representing a savings of $10,000. Total cuts for executive represent about 7%, among the highest, in the hopes of favorable consideration of filling the Assistant City Manager position. He acknowledged that filling an unbudgeted higher level management position probably raises questions in a recession, but explained that the position needs to be filled to maintain service levels. The title change from Budget and Grants Manager to Assistant City Manager achieves successive planning goals. There is no net increase in cost. Bret Howser explained that in 2008, about $330,000 was budgeted for personnel related costs and the proposed restructuring would reduce personnel costs to about $200,000. He illustrated a chart for the position displaying the amount of time spent on general city management and budget related tasks. It is proposed to contract the grant position to bring in additional revenue, which is proposed to be split between transit and general items. This person would also be a resource to other departments. Joe Kernan felt that this is a valuable position which should be adequately funded.

Mr. Howser explained that the Assistant City Manager is classified at the same pay grade as Budget and Grants Manager and it makes sense to have the position focus on general city management work. Through a presentation, Mr. Bakaly discussed his major priorities, the amount of time he spends on each, including water, community relations, capital projects, employee relations, etc., and the recommended amount of time to spend on these issues. He also identified issues from high to low risk. Monitoring legislative issues, for instance, is an area requiring more attention. Similar concerns relate to water, employee relations, private project oversight, redevelopment projects, and environmental initiatives. He displayed a table outlining other communities that provide for the position. It is proposed to raise the salary in the 2011 plan. Mayor Williams expressed that it would be helpful for him to have information on communities included in our benchmark data that don't have the assistant position. It appeared that 33 of 40 cities do not have an assistant city manager and comparable service and budget levels were discussed. Funding the Risk Management Fund was explained.

In response to a question from Jim Hier, Bret Howser explained the Assistant would be categorized in Grade 10 in 2009 and moved to Grade 11 in 2010. Jim Hier stated that the Budget/Grants position was not funded last year because of the unknowns about the economy. He doesn't feel any stronger about filling the position at this time in this particular economic market. Although the position could be budgeted, it should not be filled. Mayor Williams discussed the many benefits of having an in-house lobbyist and acknowledged that he has been on both sides of the recommendation. He questioned the effectiveness of the contract lobbyist at a cost of $70,000 and didn't feel that issues will be less challenging in the future. Hiring a full-time person is not that much more money but the Mayor admitted that he is undecided. Candace Erickson stated that she has been in favor of this hire since Mr. Hill left the City last year and she feels there will always be a *fire* because Park City is that kind of town. She pointed out the many priorities the City Manager is assigned to by the Council and believed that employees will benefit from additional oversight. Liza Simpson agreed with Ms. Erickson and emphasized that this may be a great market to be recruiting the right person and feels we need the help. Joe Kernan believed adequately addressing issues and maintaining service levels are important enough to fill the position. Candace Erickson interjected that the legislative piece is huge. The Mayor recognized consensus to support the position, as recommended, without further research.

Diane Foster, representing the Sustainability Team, stated that there are no requests this year and the team has reduced the budget by about $15,000. There will be no reduction in level of service provided and staff is looking into revised formats for the citizen guide and relying more heavily on electronic transmission of information. Jon Weidenhamer explained that the Economic Development Team is requesting $15,000 for the Special Events Budget to cover the significant increase of event days, from 170 to 294 days. The second request is for $16,000 for annual operations and maintenance of back-country trails which is a level of service directed by Council. The last request is for $25,000 to perform the Main Street economic analysis. Budget options total $55,000 but the team has identified $20,000 in decreases.

Matt Cassel, City Engineer, explained the recommendation to increase the analyst position from .5 FTE to a one FTE; currently she is being shared with Sustainability and represents a zero sum option. Ron Ivie, Chief Building Official, explained the option of moving two inspectors from contract positions to FTEs to maintain same level service. Savings are realized by cutting the consulting budget in half. He stated that Building Department inspectors will perform almost all engineering inspections on municipal projects. Thomas Eddington, Planning Department, explained that an architect-planner contract position will be moved to a FTE and the cost will be offset by a Planner II vacant position and a reduction in contract funds.

Wade Carpenter detailed line items in the Police and Communications Budget. He explained the funding of an officer dedicated to the schools, which is shared by the School District, but removed on officer from patrol. This year, the recommendation is to fill a senior police officer position so the patrol position can be covered. Discussion ensued on one-time reduction items, specifically the removal of the contract with the former Chief. Chief Carpenter discussed the Department's 5% reduction plan and specifically a plan to reduce contract towing services mainly relating to special events and snow removal. Liza Simpson emphasized that she does not want the level of service for special events and snow removal diminish. Chief Carpenter stated that there will be more in-house training and additional savings from the elimination of the reserve coordinator position.

Tom Bakaly suggested moving the pay plan and benefits discussion to next week. Bret Howser emphasized that budget decreases should not affect levels of service to the community. There was discussion about budget information being available on-line. He explained the request from the HMBA to increase the business improvement district fees to raise $17,000. The fee per license is proposed to be increased by $87. This item is separate from the lighting project and is intended for marketing and administration. Jim Hier suggested that payments to the HMBA be made monthly beginning in July and Mr. Howser suggested returning with options in a revised contract with the HMBA. Sandy Geldorf assured Council that members are aware that the increase may be higher than the $56 originally discussed.

3. Bonanza Drive reconstruction project. Matt Cassel reported that the design is 85% complete and at this time, staff is seeking direction from Council on the location of the pedestrian tunnel across Bonanza Drive and the installation of medians along the corridor. The staff report provides four options, including the tunnel located at Iron Horse and Bonanza Drive, which is the option staff has been moving forward with. The second is eliminating the tunnel and installing a traffic signal at Iron Horse and Bonanza. The third is a long-term option locating a bridge across Bonanza at the intersection of the Rail Trail and Bonanza Drive and Option 4 is locating a tunnel across Bonanza at the intersection of the Rail Trail and Bonanza Drive. He explained that Option 1 will work with Options 2, 3 and 4 and Option 3 and 4 will not work together.

Heinrich Deters explained that Council allocated $1.9 million to walkability projects relating to the 2007 Landmark Study recommendations. However, the walkable community was not satisfied with the allocation and requested a $15 million bond to be put to the voters which passed. In consideration of safety, efficiency and connectivity, the main issue identified in the WALC study was connecting Poison Creek to the Rail Trail. The current location and design for the tunnel accomplishes this and the walkable community does not support Option 2. With regard to Option 4, Mr. Deters feels several connections in the area and moving utilities now for a future link will be supported. The Mayor stated that he favors the original plan which was rated as the top project by WALC and the design is almost complete. He stated that he is reluctant to base decisions on the possible redevelopment of NOMA and feels the plan should be followed.

Liza Simpson commented that she attended the Planning Commission meeting where members discussed the variety of groups the intersection serves and the importance of at grade crossings as well as the tunnel. The design needs to have at grade stair access into the tunnel and be acceptable to property owners Mary and Charlie Wintzer. A future tunnel at the Rail Trail should not be precluded and the utilities should be buried accordingly now. Ms. Simpson stated that the City should move forward with the tunnel at Iron Horse.

Joe Kernan felt the staff is going the right direction because the tunnel has numerous benefits. He believed the other options need further study and more information is needed but he encouraged planning for possibilities. Candace Erickson stated that she supports the tunnel and expressed that a signal will back traffic on Bonanza which conflicts with the goal to accommodate traffic flow achieved with the tunnel. She relayed that she had a conversation with Mary Wintzer who has plans for her land. Jim Hier believed that the tunnel needs to be convenient to encourage use and deter people from crossing at grade on Iron Horse. He does not support conducting a study on designing an at-grade crossing.

Matt Cassel expressed that the use of medians will help to achieve some of the goals in the General Plan. They are intended to control left-turn movements, and not necessarily help with the traffic flow through Bonanza, but to help with the traffic within the area. The General Plan refers to elimination of curb cuts and the medians achieve this without compromising accesses to businesses. He recommended supporting the median plan which is open for discussion. The Mayor invited public input.

Carol Potter, Mountain Trails Foundation, expressed her support of Option 1, the installation of a tunnel at Bonanza and Iron Horse.

Craig Elliott, agent for Mark Fisher, pointed out that each tunnel has a different use and the Iron Horse location is a connector that ties into Main Street. It doesn't really service the NOMA area and there are probably other options available. He recommended asking the design team to create an alternate that could be bid and the City may be able to get more for its money today.

Mark Spencer, Spencer Smoke and Grill, asked about closures of Bonanza with the construction of the tunnel and medians, and the marketing plan. Matt Cassel explained that construction of the water line on Bonanza from upper Iron Horse to Deer Valley Drive is planned in July. After Labor Day, SR248 will be extended. The median in front of Park City Plaza is open so vehicles can make left turns. Marketing or public relations will be achieved in-house to help promote the business area, but the program is not intended as advertising for businesses themselves, and there is no dollar amount identified at this point. He detailed planned left-turn movements traveling north and south on Bonanza Drive. Jim Hier understood that Iron Horse to Deer Valley Drive will be disturbed this summer and there will be no impact from SR248 to Iron Horse. Matt Cassel indicated there will be water line construction, but through traffic. Jim Hier continued to explain that impacts to the Park City Plaza will occur next summer. Construction of the tunnel may require a closure for a month and will be scheduled in the shoulder season.

With no further comments from the audience, the Mayor asked for Council direction. Liza Simpson stated that she feels strongly that it would make more sense to do all of the road improvements, i.e., wider sidewalks, tunnel, etc. and determine how that portion functions and if needed, install the medians after a couple of years. It will change the cost of the project by much and she feels the medians are problematic. Matt Cassel explained that removing the medians would save about $180,000 to $200,000 from the project cost. Consultant Brad Lucas interjected that there would be incremental costs if installed later and the road would have to be torn up twice. Matt Cassel emphasized current conflicts with bikes, pedestrians and vehicles and the goal of adding a non-vehicular traffic to the corridor. Mr. Lucas pointed out that it would be difficult to achieve efficiencies at the Prospector intersection without a raised median there. Candace Erickson expressed concerns about restricting no left-turn movements to west side businesses on Bonanza. Joe Kernan favored installing the medians now and if they do not work, to remove them. Liza Simpson clarified that the medians at Prospector and Iron Horse are okay but agreed with Ms. Erickson.

Pete Gillwald, west side of Bonanza Drive business owner, noted that not being able to turn left is going to be problematic for the Clinic as well. He suggested that the median begin at Kearns Blvd. and go to Prospector.

Matt Cassel explained that changing the original recommendation for the Park City Plaza was a difficult one because of the precedent of opening it up for everyone. However, the revised plan really conflicts with the goal of reducing left-turn conflicts by limiting them at key points. Joe Kernan felt that if left turns are allowed at the Park City Plaza, they should be allowed on the other side of the street. Jim Hier emphasized that the Park City Plaza has many more businesses.

Pete Gillwald stated that the Clinic generates a lot of traffic and discussion ensued about needing to take circuitous routes to reach destinations on the west side of Bonanza Drive.

Jim Hier commented that he supports not installing a median at the end of Park City Plaza up to Iron Horse. Candace Erickson suggested using the median space for the proposed median for a left-turn lane. Mayor Williams understood consensus from members for providing left-turn access to west side businesses including the Clinic, No Place Like Home and the car wash. Members confirmed their interest in lowering utilities in this phase. Liza Simpson clarified her position with installing medians and the island at Prospector and by upper Iron Horse and removing the middle two. Matt Cassel understood direction to be installing a tunnel at Iron Horse and Bonanza, laying utilities at the Rail-Trail, and eliminating medians from Iron Horse to Park City Plaza's south driveway.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
MAY 21, 2009

I ROLL CALL

Mayor Dana Williams called the regular meeting of the City Council to order at approximately 6 p.m. at the Library and Education Center on Thursday, May 21, 2009. Members in attendance were Dana Williams, Candace Erickson, Jim Hier, Joe Kernan, and Liza Simpson. Roger Harlan was excused. Staff present was Tom Bakaly, City Manager; Mark Harrington, City Attorney; Tamara Lindsay, Water Analyst; Max Paap, Special Events Manager; Pace Erickson, Operations Manager; Henrich Deters, Project Manager; and Todd Touchard, Project Manager.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

None.

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

None.

IV WORK SESSION NOTES AND MINUTES OF MEETINGS OF APRIL 30, 2009 AND MAY 7, 2009

Jim Hier, "I move we approve the work session notes and minutes of the meetings of April 30 and May 7". Joe Kernan seconded. Candace Erickson abstained from voting on the minutes of May 7 as she was not in attendance. Motion carried.

	April 30	May 7
Candace Erickson	Aye	Abstention
Roger Harlan	Absent	Absent
Jim Hier	Aye	Aye
Joe Kernan	Aye	Aye
Liza Simpson	Aye	Aye

V CONSENT AGENDA ***(Items that have previously been discussed or are perceived as routine and may be approved by one motion. Listed items do not imply a predisposition for approval and may be removed by motion and discussed and acted upon under "Additional Discussion – Agenda Items")***

Joe Kernan, "I move approval of Consent Agenda Items 1 and 2". Liza Simpson seconded. Motion carried.

Candace Erickson	Aye

Roger Harlan	Absent
Jim Hier	Aye
Joe Kernan	Aye
Liza Simpson	Aye

1. Consideration of an agreement with the Park City Foundation for the development of a community carbon and water website – Staff recommends approval.

2. Consideration of Resolution providing for the acquisition, construction and completion of improvements to the water system of Park City, Summit County, Utah; declaring the intention to issue the City's Water Revenue Bonds in one or more series in a total principal amount not exceeding $22,000,000 for the purpose of defraying the cost of such improvements; directing the publication of a Notice of Bonds to be issued; providing for the holding of al public hearing and the publication of a Notice of Public Hearing; expressing official intent regarding certain capital expenditures to be reimbursed from the proceeds of such revenue bonds; fixing the maximum aggregate principal amount of the bonds, the maximum number of years over which the bonds may nature, the maximum interest rate that the bonds may bear and the maximum discount from par at which the bonds may be sold; and related matters – Staff recommends approval.

VI NEW BUSINESS *(New items with presentations and/or anticipated detailed discussions)*

1. Consideration of Construction Agreement, in the amount of $1,524,025 with Mountainland Supply LLC, in a form approved by the City Attorney, for the for Fixed Base Automatic Water Meter Reading System Installation Project – Tamara Lindsay explained the long working relationship this contractor has had with the City and its qualifications, noting that Mountainland was also the lowest bidder. In response to questions from Candace Erickson, Ms. Lindsay clarified that the project will be reviewed by the Planning Commission for the height of the antennae and she detailed the role of the seasonal employee. Unusual usage or problems will be flagged by the software. The Mayor invited public input; there was none. Liza Simpson, "I move we approve a construction agreement in the amount of $1,525,000 with Mountainland Supply, in a form approved by the City Attorney for the Fixed Base Automatic Water Meter Reading System Installation Project". Joe Kernan seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Absent
Jim Hier	Aye
Joe Kernan	Aye
Liza Simpson	Aye

2. Consideration of a Resolution adopting a tentative revised budget for fiscal year 2009 and the budget for fiscal year 2010 for Park City Municipal Corporation and its related agencies – The Mayor opened the public hearing; there were no comments from

the audience. Joe Kernan, "I move to continue the public hearing to May 28, 2009". Candace Erickson seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Absent
Jim Hier	Aye
Joe Kernan	Aye
Liza Simpson	Aye

3. Consideration of Master Festival License for Park City's 125th Birthday Bash Celebration to be held June 13, 2009 – Max Paap and Bob Kollar described activities, the street closure and music. The Chamber is the applicant for the day long celebration planned in various locations on Main Street. The Mayor added that the Western Governors Conference will be held in Park City during that time, and there will be special arrangements made for these guests for the night performance. In response to a question from Liza Simpson, Mr. Kollar indicated that the City and Chamber each contributed $10,000 toward the event and the County donated $2,000. Discussion ensued regarding marketing and projected attendance. The Mayor opened the public hearing; there was no public input. Candace Erickson, "I move we approve the Master Festival License for the Park City 125th Birthday Bash to be held on June 13, 2009". Joe Kernan seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Absent
Jim Hier	Aye
Joe Kernan	Aye
Liza Simpson	Aye

4. Consideration of Master Festival License for the Weekly Mountain Bike Series to be held in Round Valley on May 24 through June 17, 2009 – Max Paap explained that the application requests holding Wednesday night mountain bike rides in Round Valley. This is a first year event and although the event did not meet the 90 day application requirement, staff believes there is good cause to consider approval. Heinrich Deters emphasized community elements of the program. In response to a question from Candace Erickson about possible conflicts like unleashed dogs on the trails Mr. Deters explained that the event will be posted at the trailheads in advance to curtail conflicts and riders will congregate at Quinns. The Mayor opened the public hearing; there were no comments from the audience. Jim Hier, "I move we approve the Master Festival License for the Weekly Mountain Bike Series, as conditioned in the staff report". Joe Kernan seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Absent
Jim Hier	Aye
Joe Kernan	Aye
Liza Simpson	Aye

5. Consideration of Pavement Management Program contracts, in form approved by the City Attorney with:

(a) Kilgore Paving for pavement overlays in the amount of $211,713

(b) Intermountain Slurry Seal for slurry seals in the amount of $44,146

(c) Ridge Rock Inc for crack seal in the amount of $47,250 and trail sealcoat sealing in the amount of $4,749

(d) M&M Asphalt for asphalt rejuvenation the amount of $9,545

(e) Precision Manholes for utility adjustments in the amount of $32,184 – Pace Erickson explained the use of smaller aggregate in the slurry seal or Type 2 this year with success and described walkability projects in the area, specifically milling Little Kate Road. The Main Street project and the condition of Thaynes Canyon Drive were discussed. Liza Simpson, "I move we accept the 2009 Pavement Management Program and authorize staff to execute agreements, in forms approved by the City Attorney". Joe Kernan. Motion carried.

Candace Erickson	Aye
Roger Harlan	Absent
Jim Hier	Aye
Joe Kernan	Aye
Liza Simpson	Aye

6. Consideration of Construction Agreement, in a form approved by the City Attorney, with Extreme Excavating & Landscape Inc for the construction of the Boothill Transmission Line Phase 2, in the amount of $107,483 – Todd Touchard described the scope of the project and there were no questions from Council. Candace Erickson, "I move we approve the Construction Agreement, in a form approved by the City Attorney, with Extreme Excavating and Landscape Inc. for the construction for the Boothill Transmission Line Phase 2, in the amount of $107,483". Joe Kernan seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Absent
Jim Hier	Aye
Joe Kernan	Aye
Liza Simpson	Aye

VII OLD BUSINESS

Consideration of an Ordinance annexing approximately 286.64 acres of property located at the southwest corner of the SR248 and US40 interchange in the Quinn's Junction area, known as the Park City Heights Annexation, into the corporate limits of Park City, Utah, and approving a Water Agreement, and amending the Official Zoning Map of Park city to zone the property in the Community Transition Zoning District (CT) Joe Kernan, "I move we continue the Old Business item to June 4". Liza Simpson seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Absent
Jim Hier	Aye
Joe Kernan	Aye
Liza Simpson	Aye

Jim Hier recalled that the acreage of the property was designated at a larger number and staff indicated that the plat would be checked to confirm the size.

VIII ADDITIONAL DISCUSSION – AGENDA ITEMS

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 2 p.m. Members in attendance were Mayor Dana Williams, Candace Erickson, Jim Hier, Joe Kernan, and Liza Simpson. Roger Harlan was excused, Staff present was Tom Bakaly, City Manager; Craig Sanchez, Director of Golf; Tom Daley, Deputy City Attorney; Polly Samuels McLean, Assistant City Attorney, Kent Cashel, Transportation Manager; and Mark Harrington, City Attorney. Liza Simpson, "I move to close the meeting to discuss property and litigation". Joe Kernan seconded. Motion carried. The meeting opened at approximately 3 p.m. Joe Kernan, "I move to open the meeting". Jim Hier seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Absent
Jim Hier	Aye
Joe Kernan	Aye
Liza Simpson	Aye

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

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Janet M. Scott, City Recorder

City Council
Staff Report

Subject:	**Series 2009 GO Bond Final Bond Resolution**
Author:	**Bret Howser**
Department:	**Budget, Debt, & Grants**
Date:	**June 4, 2009**
Type of Item:	**Legislative**

Summary Recommendations:
Staff recommends that Council approve the final bond resolution authorizing staff to issue a $13,500,000 General Obligation bond for the purchase of open space, walkability projects, and refunding of the 1999 Series GO Bonds.

Topic/Description:
GO Bond Final Bond Resolution

Background:
In November of 2006, Park City residents approved the issuance of $20 million of General Obligation bonds for the purchase and preservation of open space. In December 2008, the City purchased open space at Kimball Junction and Round Valley for which a $10 million bond was issued. While the cost of the open space exceeded $10 million, the City bonded for this amount so the bonds would be bank qualified, netting a more favorable interest rate for the City. However, the City should now bond for the remainder of the purchase price (approximately $2 million).

Additionally, the City is in negotiation to acquire the Gambel Oaks land for open space. The proposed GO Bond would provide funding necessary to cover costs related to this land acquisition (approximately $2 million).

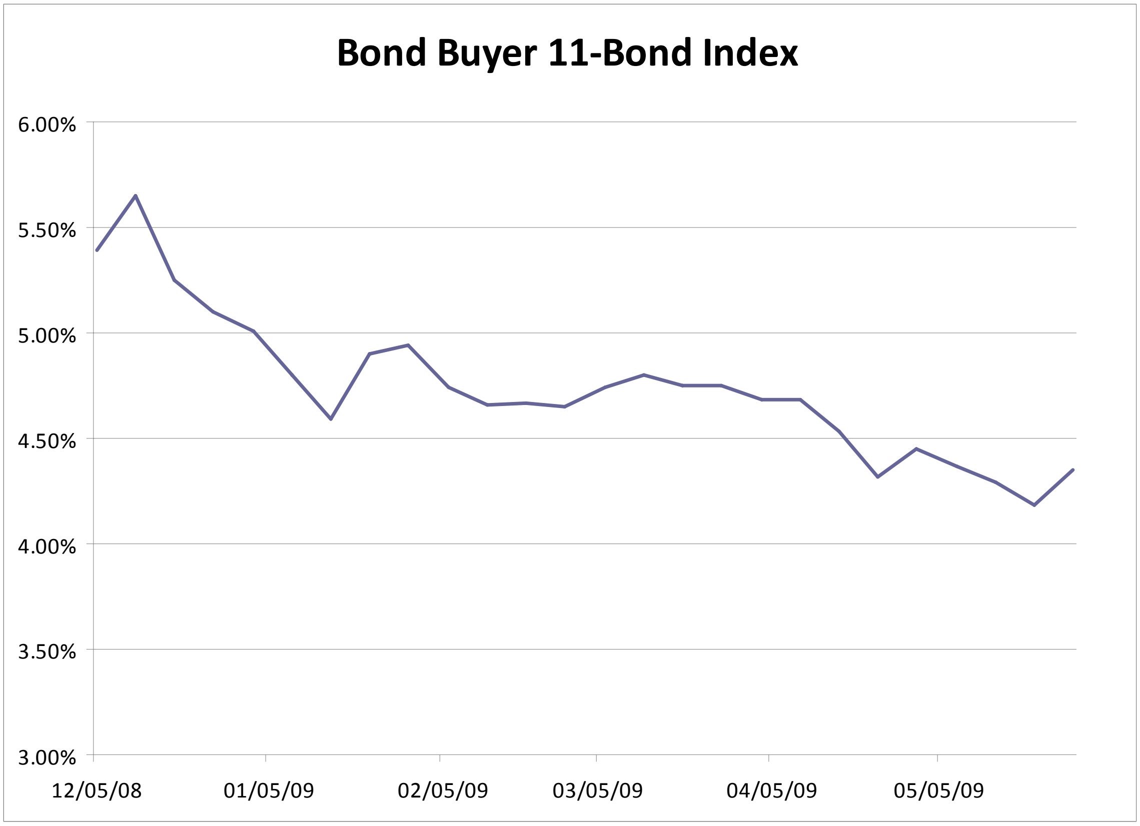
Park City residents voted for the approval of $15 million of General Obligation debt for the construction of a series of walkable and bikeable community projects in November 2007. City staff is on pace to begin construction and incur costs related to these projects this spring. The first phase of walkability projects will be occurring over the next 3 years and should cost approximately $7.7 million.

In 1999, the City issued General Obligation bonds for the purchase of open space. Those bonds are callable this year, and staff recommends that the City take advantage of the current market's more favorable rates and refund the 1999 bonds. $1.7 million in principal remain on the bonds with an interest rate of about 5% annually. It is expected that the City could gain substantial savings in interest expense by refinancing the bonds now.

Council approved a parameters resolution on May 7, 2009, which set the parameters of the GO bond issuance and initiated the process of public notice. A public hearing was held on May 28, 2009, with no public comment being put forth.

Analysis:
On the morning of June 4, 2009, the City will hold an online auction-style pricing of the proposed GO Bonds. The winning bid will be determined based on the lowest total cost to the City. Once the winning bidder is selected, the terms of that bid will be integrated into the Final Bond Resolution and prepared for Council to review during Council Meeting on the evening of June 4. This is a practice that the City uses to provide Council with the most recent information by considering the resolution on the same day as the sale.

Currently, staff anticipates that the winning bid would have an average rate of about 3.5%, which would make the average debt service about $1.02 million. The tax impact would be $15.31 per $100,000 of assessed value (or $8.42 for $100,000 AV for primary residences). The historical rate chart below shows the recent volatility of the bond market. The current market rates, though, should be quite favorable to the City in comparison with other GO Bonds issued by the City in the past.



The attached bond resolution will be updated with information concerning the bids received and the winning bid on June 4. The description of the project and other language is just as it will appear in the final bond resolution, but the terms have been left blank until bids are received on the morning of June 4.

The purpose or allowable expenditure of the bond proceeds is described as follows:

> *…acquiring, improving and forever preserving park and recreational land, together with related historical or cultural improvements, to protect the conservation values thereof, remove existing unneeded man-made improvements, and make limited improvements for public access, parking and use (the "Open Space Project")…*
>
> *…acquiring, constructing, improving and modifying pathways, roads and related improvements for use by pedestrians and cyclists (the "Walkability Project" and together with the Open Space Project, collectively, the "Projects")…*
>
> *Purpose -*
> *(a) The Bonds are hereby authorized to be issued under authority of the Act for the purpose of*
>
> > *(i) acquiring, improving and forever preserving the Open Space Project,*
> > *(ii) acquiring, constructing, improving and modifying the Walkability Project,*
> > *(iii) refunding the Refunded Bonds in advance of their maturity, and*
> > *(iv) paying certain costs related to the issuance and sale of the Bonds.*
>
> *(b) The acquisition, improvement and preservation of the Open Space Project is for one or more public purposes. In order to accomplish such purposes, all or a portion of the Open Space Project may not lie within the limits of the City, as permitted in Section 11-14-103(2) of the Utah Code.*

All three bond rating agencies, Standard & Poor's, Moody's, and Fitch, affirmed Park City's AA rating on General Obligation debt. In the current municipal bond market, the City's high bonding rating is as important as ever. The following is an excerpt from S&P's rationale for the upgrade the City received in December 2008:

> The city's financial policies and practices are considered 'strong' under Standard & Poor's Financial Management Assessment (FMA). An FMA of 'strong' indicates that the city's practices are strong, well embedded, and likely sustainable. This is a change from an FMA of 'good' assigned at the time of the last rating. Changes include creation of a debt management policy, a clearly defined reserve policy, and a 10-year financial plan. Additional practices include active monitoring of annual budgets to actual revenue collections with monthly review by the city council and specific steps identified to guide cuts should revenues be less than anticipated during the course of a fiscal year.

Should Council approve the final bond resolution, staff will move forward with to close on the bond issuance on June 16, 2009.

Department Review:
Budget, Debt & Grants; City Manager; Legal

Alternatives:

A. Approve:
Staff recommends holding a public hearing and approving the final bond resolution related to the Series 2009 GO bond issuance.

B. Deny:
So doing would impact the timing of the anticipated purchase of identified open space parcels and walkability projects

C. Modify:

D. Continue the Item:
This may impact the timing of purchase.

E. Do Nothing:
This would have a similar impact as B.

Significant Impacts:
The final bond resolution is the final action necessary from Council to approve a bond issuance. This bond issuance was anticipated and voter-approved as the funding source for the purchase of open space and walkability projects. The funding would allow staff to continue with the current timing of the issuance.

Consequences of not taking the recommended action:
The purchase of identified open space parcels and the construction of walkability projects could be delayed until Council decides to move forward with the bond issuance or until alternate funding is identified.

Recommendation:
Staff recommends that Council approve the final bond resolution authorizing staff to issue a $13,500,000 General Obligation bond for the purchase of open space, walkability projects, and refunding of the 1999 Series GO Bonds.

Attachments:
A – Final Bond Resolution

PARK CITY, UTAH

Resolution No. _____

Authorizing the Issuance and Sale of

$______________
General Obligation and Refunding Bonds, Series 2009

Adopted June 4, 2009

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SECTION PAGE

RESOLUTION NO. _____

A RESOLUTION CONFIRMING THE SALE AND AUTHORIZING THE ISSUANCE OF $________________ GENERAL OBLIGATION AND REFUNDING BONDS, SERIES 2009 OF PARK CITY, UTAH; FIXING THE INTEREST RATES TO BE BORNE THEREBY; PROVIDING FOR THE LEVY OF TAXES TO PAY PRINCIPAL OF AND INTEREST ON THE BONDS; PROVIDING FOR THE USE OF THE PROCEEDS THEREOF AND FOR THE REFUNDING OF $1,695,000 OUTSTANDING PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF THE ISSUER; MAKING CERTAIN FINDINGS AND COVENANTS IN CONNECTION THEREWITH; PROVIDING FOR A SYSTEM OF REGISTRATION THEREFOR; RATIFYING ACTIONS HERETOFORE TAKEN; MAKING CERTAIN REPRESENTATIONS AND COVENANTS CONCERNING MAINTENANCE OF THE TAX-EXEMPT STATUS OF INTEREST THEREON UNDER THE FEDERAL INCOME TAX LAWS; AUTHORIZING THE CIRCULATION OF AN OFFICIAL STATEMENT; APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE UNDERTAKING AND PROVIDING FOR RELATED MATTERS.

***   ***   ***

WHEREAS, at the 2006 Bond Election, the issuance of $20,000,000 principal amount of General Obligation and Refunding Bonds was authorized for the purpose of acquiring, improving and forever preserving park and recreational land, together with related historical or cultural improvements, to protect the conservation values thereof, remove existing unneeded man-made improvements, and make limited improvements for public access, parking and use (the *"Open Space Project"*);

WHEREAS, at the 2007 Special Bond Election, the issuance of $15,000,000 principal amount of general obligation bonds was authorized for the purpose of acquiring, constructing, improving and modifying pathways, roads and related improvements for use by pedestrians and cyclists (the *"Walkability Project"* and together with the Open Space Project, collectively, the *"Projects"*);

WHEREAS, the Open Space Project will remain undeveloped, except for minor access and use improvements, and will be dedicated to the public for continued non-motorized recreational use and visual protection;

WHEREAS, the Open Space Project will help define and enhance the natural, aesthetic and scenic qualities of the City;

WHEREAS, the Issuer has heretofore authorized and issued $_____________ of bonds voted at the 2006 Special Bond Election and the Issuer has determined to authorize the issuance and sale at this time of up to an additional $4,000,000 principal amount of the bonds voted at the 2006 Special Bond Election;

WHEREAS, the Issuer has not heretofore issued and delivered any of the bonds voted at the 2007 Bond Election and the Issuer has determined to authorize the issuance and sale at this time of $7,500,000 principal amount of the bonds voted at the 2007 Bond Election;

WHEREAS, pursuant to the applicable provisions of the Act, and the authorization of the Special Bond Elections, the Issuer has the authority to (A) issue its general obligation bonds for the purpose of paying all or a part of the cost of (1) acquiring, improving and forever preserving the Open Space Project and (2) acquiring, constructing, improving and modifying the Walkability Project and (B) refunding a portion of the Issuer's outstanding Refunded Bonds in order to achieve a debt service savings on the Issuer's general obligation bonds;

WHEREAS, it is the finding and determination of the Issuer that the refunding of Refunded Bonds is beneficial to the Issuer and to its inhabitants;

WHEREAS, a notice inviting electronic bids for the purchase of the Bonds has been advertised by electronic dissemination through the PARITY® electronic bid submission system and brought to the attention of potential purchasers, and the ___ (___) bids received pursuant to such notice have been tabulated as follows; and

WHEREAS, it has been found that the bid of ________________________, of _____________, ______________, [and its associates,] conforms to the parameters, deadlines and procedures set forth in the notice of sale prepared in connection with the advertisement for sale of the Bonds and is the best bid received for the purchase of the Bonds, resulting in the sale of the Bonds at the lowest obtainable interest rate, said bid reading in full as follows:

[ATTACH COPIES OF WINNING BID AND LIST OF BIDS RECEIVED]

; and

WHEREAS, in the opinion of the Issuer, it is to the best interests of the Issuer that (a) the bid of the Purchaser be accepted and sale of the Bonds to the Purchaser be ratified and confirmed, and (b) the Mayor be authorized to execute the Final Official Statement with respect to the Bonds;

NOW, THEREFORE, Be It Resolved by the City Council of Park City, Utah, as follows:

ARTICLE I

DEFINITIONS

Section 101. Definitions. As used in this Bond Resolution (including the preambles hereto), unless the context shall otherwise require, the following terms shall have the following meanings:

"*1999 Bond Account*" means the Bond Account established pursuant to Section 213 of the 1999 Resolution.

"*1999 Paying Agent*" means Zions First National Bank, of Salt Lake City, Utah, in its capacity as the paying agent and the bond registrar, as applicable, for the 1999 Bonds.

"*1999 Resolution*" means the resolution of the City Council adopted ____________, 1999, authorizing the issuance of the 1999 Bonds.

"*1999 Bonds*" means the Issuer's General Obligation Bonds, Series 1999, dated August 15, 1999, originally issued in the aggregate principal amount of $_______________.

"*2006 Bond Election*" means the special bond election duly and lawfully called and held in the Issuer on November 7, 2006, at which the issuance and sale by the Issuer of $20,000,000 of general obligation bonds was authorized for the purpose of acquiring, improving and forever preserving park and recreational land, together with related historical or cultural improvements, to protect the conservation values thereof, remove existing unneeded man-made improvements, and make limited improvements for public access, parking and use, the results of which election were declared by the City Council of the Issuer, sitting as a Board of Canvassers, on November 16, 2006.

"*2007 Bond Election*" means the special bond election duly and lawfully called and held in the Issuer on November 6, 2007, at which the issuance and sale by the Issuer of $15,000,000 of general obligation bonds was authorized for the purpose of acquiring, constructing, improving and modifying pathways, roads and related improvements for use by pedestrians and cyclists, the results of which election were declared by the City Council of the Issuer, sitting as a Board of Canvassers, on November 15, 2007.

"*Act*" means, collectively, the Local Government Bonding Act, Chapter 14 of Title 11 of the Utah Code, the Registered Public Obligations Act, Chapter 7 of Title 15 of the Utah Code, the applicable provisions of Title 10 of the Utah Code and the Utah Refunding Bond Act, Chapter 27 of Title 11 of the Utah Code.

"*Bond Account*" means the Bond Account established in Section 213 hereof.

"*Bond Counsel*" means Chapman and Cutler LLP or another attorney or a firm of attorneys of nationally recognized standing in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States.

"*Bond Registrar*" means each Person appointed by the Issuer as bond registrar and agent for the transfer, exchange and authentication of the Bonds. Pursuant to Section 206 hereof, the initial Bond Registrar is Zions First National Bank, of Salt Lake City, Utah.

"*Bond Resolution*" means, collectively, this Resolution of the Issuer adopted on May 7, 2009 and that certain resolution of the Issuer adopted on June 4, 2009, both authorizing the issuance and sale of the Bonds.

"*Bondowner*" or "*owner*" means the registered owner of any Bond as shown in the registration books of the Issuer kept by the Bond Registrar for such purpose.

"*Bonds*" means the Issuer's $__________ General Obligation and Refunding Bonds, Series 2009 authorized by the Bond Resolution.

"*Cede*" means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds pursuant to Section 401 hereof.

"*City Recorder*" means the duly qualified and acting City Recorder of the Issuer or in the absence or disability of such person, such other official as shall be duly authorized to act in the City Recorder's stead.

"*Closing Date*" means the date of the initial issuance of the Bonds.

"*Code*" means the Internal Revenue Code of 1986, as amended.

"*Continuing Disclosure Undertaking*" means the Continuing Disclosure Undertaking of the Issuer, in substantially the form attached hereto as *Exhibit 1*, dated the Closing Date, for the purpose of providing continuing disclosure information under Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as may be amended from time to time.

"*Depository Account*" means the Depository Account established in Section 213 hereof.

"Dissemination Agency Agreement" means the Dissemination Agency Agreement, dated the Closing Date, between the Issuer and the Dissemination Agent, in substantially the form attached hereto as *Exhibit 2.*

"Dissemination Agent" means each Person appointed by the Issuer as dissemination agent with respect to the Continuing Disclosure Undertaking and the Dissemination Agency Agreement. The initial Dissemination Agent is Zions First National Bank.

"DTC" means The Depository Trust Company, New York, New York, and its successors and assigns.

"Exchange Bond" means any Exchange Bond as defined in Section 209 hereof.

"Final Official Statement" means the final Official Statement with respect to the Bonds, in substantially the form attached hereto as *Exhibit 3.*

"Issuer" means Park City, Utah.

"Letter of Representations" means the Blanket Issuer Letter of Representations from the Issuer to DTC, dated August 26, 1999.

"Mayor" means the duly qualified and acting Mayor of the Issuer or in the absence or disability of such person, the duly qualified and acting Mayor Pro Tem of the Issuer.

"Moody's" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer to the Paying Agent.

"Open Space Project Account" means the Open Space Project Account established in Section 213 hereof.

"Participants" means those broker dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository.

"Paying Agent" means each Person appointed by the Issuer as paying agent with respect to the Bonds. Pursuant to Section 206 hereof, the initial Paying Agent is Zions First National Bank, of Salt Lake City, Utah.

"Person" means natural persons, firms, partnerships, associations, corporations, trusts, public bodies and other entities.

"Preliminary Official Statement" means the Preliminary Official Statement with respect to the Bonds, dated May 26, 2009.

"Purchaser" means ________________________, of ____________, __________, and its associates, as the initial purchasers of the Bonds from the Issuer.

"Rating Agencies" means Moody's, if the Bonds are then rated by Moody's and S&P, if the Bonds are then rated by S&P.

"Record Date" means (a) in the case of each interest payment date, the day that is fifteen (15) days preceding such interest payment date, or if such day is not a business day for the Bond Registrar, the next preceding day that is a business day for the Bond Registrar, and (b) in the case of each redemption, such record date as shall be specified by the Bond Registrar in the notice of redemption required by Section 207 hereof, *provided* that such record date shall be not less than fifteen (15) calendar days before the mailing of such notice of redemption.

"Refunded Bonds" means the 1999 Bonds being refunded.

"Regulations" means United States Treasury Regulations dealing with the tax-exempt bond provisions of the Code.

"Standard & Poor's" or *"S&P"* means Standard & Poor's, a division of The McGraw-Hill Companies, Inc., a corporation organized and existing under the laws of the State of New York, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Standard & Poor's" or "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer to the Paying Agent.

"Tax Certificate" means any agreement or certificate of the Issuer that the Issuer may execute in order to establish and maintain the excludability of interest on the Bonds from gross income of the owners thereof for federal income tax purposes.

"United States" means the government of the United States of America.

"Utah Code" means Utah Code Annotated 1953, as amended.

"Walkability Project Account" means the Walkability Project Account established in Section 213 hereof.

Section 102. Rules of Construction. Unless the context otherwise requires:

(a) references to Articles and Sections are to the Articles and Sections of this Bond Resolution;

(b) the singular form of any word, including the terms defined in Section 101, includes the plural, and vice versa, and a word of any gender includes all genders; and

(c) the terms *"hereby," "hereof," "hereto," "herein," "hereunder"* and any similar terms as used in this Bond Resolution refer to this Bond Resolution.

Section 103. *Authority for Bond Resolution.* This Bond Resolution is adopted pursuant to the provisions of the Act.

ARTICLE II

AUTHORIZATION, TERMS AND ISSUANCE OF BONDS

Section 201. *Authorization of Bonds, Principal Amount, Designation and Series.* In accordance with and subject to the terms, conditions and limitations established by the Act and in the Bond Resolution, a series of General Obligation and Refunding Bonds of the Issuer is hereby authorized to be issued in the aggregate principal amount of ________________ Dollars ($__________________). Such series of bonds shall be designated *"General Obligation and Refunding Bonds, Series 2009."*

Section 202. *Purpose.* (a) The Bonds are hereby authorized to be issued under authority of the Act for the purpose of (i) acquiring, improving and forever preserving the Open Space Project, (ii) acquiring, constructing, improving and modifying the Walkability Project, (iii) refunding the Refunded Bonds in advance of their maturity, and (iv) paying certain costs related to the issuance and sale of the Bonds.

(b) The acquisition, improvement and preservation of the Open Space Project is for one or more public purposes. In order to accomplish such purposes, all or a portion of the Open Space Project may not lie within the limits of the City, as permitted in Section 11-14-103(2) of the Utah Code.

Section 203. *Issue Date.* The Bonds shall be dated as of the Closing Date.

Section 204. *Bond Details.* The Bonds shall mature May 1 of the years and in the principal amounts, and shall bear interest (calculated on the basis of a year of 360 days consisting of twelve 30-day months) from the Closing Date, payable semiannually on May 1 and November 1 of each year, commencing November 1, 2009, and at the rates per annum, as shown below:

MAY 1 OF THE YEAR	AMOUNT MATURING	INTEREST RATE PER ANNUM

Each Bond shall bear interest from the interest payment date next preceding the date of registration and authentication thereof unless (i) it is registered and authenticated as of an interest payment date, in which event it shall bear interest from the date thereof, or (ii) it is registered and authenticated prior to the first interest payment date, in which event it shall bear interest from its date, or (iii) as shown by the records of the Bond Registrar, interest on the Bonds shall be in default, in which event it shall bear interest from the date to which interest has been paid in full. The Bond Registrar shall insert the date of registration and authentication of each Bond in the place provided for such purpose in the form of Bond Registrar's certificate of authentication on each Bond. The Bonds shall bear interest on overdue principal at the aforesaid respective rates.

Section 205. Denominations and Numbers. The Bonds shall be issued as fully-registered bonds, without coupons, in the denomination of $5,000 or any whole multiple thereof, not exceeding the amount of each maturity. The Bonds shall be numbered with the letter prefix "R-" and from one (1) consecutively upwards in order of issuance.

Section 206. Paying Agent and Bond Registrar. Zions First National Bank, of Salt Lake City, Utah, is hereby appointed the initial Paying Agent and Bond Registrar for the Bonds. The Issuer may remove any Paying Agent and any Bond Registrar, and any successor thereto, and appoint a successor or successors thereto. Each Paying Agent and Bond Registrar shall signify its acceptance of the duties and obligations imposed upon it by the Bond Resolution by executing and delivering to the Issuer a written acceptance thereof. The principal of, and premium, if any, and interest on the Bonds shall be payable in any coin or currency of the United States of America that, at the respective dates of payment thereof, is legal tender for the payment of public and private debts. The principal of and premium, if any, on the Bonds shall be payable when due to the owner of each Bond upon presentation and surrender thereof at the principal corporate trust office of the Paying Agent. Payment of interest on each Bond shall be made to the Person that, as of the Record Date, is the owner of the Bond and shall be made by check or draft mailed to the Person that, as of the Record Date, is the owner of the Bond, at the address of such owner as it appears on the registration books of the Issuer kept by the Bond Registrar, or at such other address as is furnished to the Bond Registrar in writing by such owner on or prior to the Record Date.

Section 207. Redemption and Redemption Price; Notice of Redemption. (a) The Bonds maturing on or after May 1, _____, are subject to redemption prior to maturity, at the election of the Issuer, on __________ 1, _____, (the *"First Redemption Date"*), and on any date thereafter, in whole or in part, from such maturities or parts thereof as shall be selected by the Issuer, upon notice given as provided below, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption. Bonds maturing on or prior to the First Redemption Date are not subject to optional redemption.

(b) If less than all of the Bonds of any maturity are to be redeemed, the particular Bonds or portion of Bonds of such maturity to be redeemed shall be selected at random by the Bond Registrar in such manner as the Bond Registrar in its discretion may deem fair and appropriate. The portion of any registered Bond of a denomination of more than $5,000 to be redeemed will be in the principal amount of $5,000 or a whole multiple thereof, and in selecting portions of such Bonds for redemption, the Bond Registrar will treat each such Bond as representing that number of Bonds of $5,000 denomination that is obtained by dividing the principal amount of such Bond by $5,000.

(c) Notice of redemption shall be given by the Bond Registrar by registered or certified mail, not less than thirty (30) nor more than forty-five (45) days prior to the redemption date, to the owner, as of the Record Date, of each Bond that is subject to redemption, at the address of such owner as it appears in the registration books of the Issuer kept by the Bond Registrar, or at such other address as is furnished to the Bond Registrar in writing by such owner on or prior to the Record Date. Each notice of redemption shall state the Record Date, the principal amount, the redemption date, the place of redemption, the redemption price and, if less than all of the Bonds are to be redeemed, the distinctive numbers of the Bonds or portions of Bonds to be redeemed, and shall also state that the interest on the Bonds in such notice designated for redemption shall cease to accrue from and after such redemption date and that on the redemption date there will become due and payable on each of the Bonds to be redeemed the principal thereof and interest accrued thereon to the redemption date. Each notice of optional redemption may further state that such redemption shall be conditional upon the receipt by the Paying Agent, on or prior to the date fixed for such redemption, of moneys sufficient to pay the principal of and premium, if any, and interest on such Bonds to be redeemed and that if such moneys shall not have been so received said notice shall be of no force and effect and the Issuer shall not be required to redeem such Bonds. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption shall not be made and the Bond Registrar shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received. Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given, whether or not the owner receives such notice. Failure to give such notice or any defect therein with respect to any Bond shall not affect the validity of the proceedings for redemption with respect to any other Bond.

(d) In addition to the foregoing notice under subsection (c) above, further notice of such redemption shall be given by the Bond Registrar as set out below, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner affect the validity of a call for redemption if notice thereof is given as prescribed above.

(i) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (A) the CUSIP numbers of all Bonds being redeemed; (B) the date of issue of the Bonds as originally issued; (C) the rate of interest borne by each Bond being redeemed; (D) the maturity date of each Bond being redeemed; and (E) any other descriptive information needed to identify accurately the Bonds being redeemed.

(ii) Each further notice of redemption shall be sent at least thirty-five (35) days before the redemption date to DTC in accordance with the operating procedures then in effect for DTC, and to all other registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds designated to the Bond Registrar by the Issuer, to the Rating Agencies and to any other nationally recognized information services as designated by the Issuer to the Bond Registrar.

(e) If notice of redemption shall have been given as described above and the condition described in Section 207(c) hereof, if any, shall have been met, the Bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for the payment of the redemption price of all the bonds to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, then from and after the redemption date interest on such bonds shall cease to accrue and become payable.

(f) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number or numbers identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(g) The Bond Registrar shall also give any notice of the "defeasance" or redemption of the Bonds that may be required by the Continuing Disclosure Undertaking provided that the Issuer shall provide to the Bond Registrar any documents or other information that the Bond Registrar requests to provide such notice.

Section 208. Acceptance of Bid; Issuance, Sale and Delivery of Bonds. (a) The bid of the Purchaser for the purchase of the Bonds, which is set out in full in the preambles hereto, shall be and the same is hereby accepted, it being hereby found, determined and declared after public advertisement for bids for the purchase of the Bonds, that the Bonds bear interest at the lowest obtainable interest rate.

(b) Under authority of the Act, the Bonds shall be issued by the Issuer for the purpose set forth in Section 202 hereof. The sale of the Bonds to the Purchaser at the price of $________________ is hereby confirmed.

(c) The Bonds shall be delivered to the Purchaser and the proceeds of sale thereof applied as provided in Section 210 hereof.

Section 209. Execution of Bonds. The Bonds shall be executed on behalf of the Issuer by the Mayor and attested and countersigned by the City Recorder (the signatures of the Mayor and City Recorder being either manual or by facsimile) and the official seal of the Issuer or a facsimile thereof shall be impressed or printed thereon. The use of such manual or facsimile signatures of the Mayor and the City Recorder and such facsimile or impression of the official seal of the Issuer on the Bonds are hereby authorized, approved and adopted by the Issuer as the authorized and authentic execution, attestation, countersignature and sealing of the Bonds by said officials on behalf of the Issuer. The Bonds shall then be delivered to the Bond Registrar for manual authentication by it. Only such of the Bonds as shall bear thereon a certificate of authentication, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of the Bond Resolution, and such certificate of the Bond Registrar shall be conclusive evidence that the Bonds so authenticated have been duly authenticated and delivered under, and are entitled to the benefits of, this Bond Resolution and that the owner thereof is entitled to the benefits of this Bond Resolution. The certificate of authentication of the Bond Registrar on any Bond shall be deemed to have been executed by it if (i) such Bond is signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder or that all of the Bonds hereunder be authenticated by the same Bond Registrar, and (ii) the date of registration and authentication of the Bond is inserted in the place provided therefor on the certificate of authentication.

The Mayor and the City Recorder are authorized to execute, countersign, attest and seal from time to time, in the manner described above, Bonds (the *"Exchange Bonds"*) to be issued and delivered for the purpose of effecting transfers and exchanges of Bonds pursuant to Article III hereof. At the time of the execution, countersigning, attestation and sealing of the Exchange Bonds by the Issuer, the payee, principal amount, maturity and interest rate may be in blank. Upon any transfer or exchange of Bonds pursuant to Article III hereof, the Bond Registrar shall cause to be inserted in appropriate Exchange Bonds the appropriate payee, principal amount, maturity and interest rate. The Bond Registrar is hereby authorized and directed to hold the Exchange Bonds and to complete, authenticate and deliver the Exchange Bonds for the purpose of effecting transfers and exchanges of Bonds; *provided* that any Exchange Bonds authenticated and delivered by the Bond Registrar shall bear the same series, maturity and interest rate as Bonds delivered to the Bond Registrar for exchange or transfer and shall bear the name of such payee as the Bondowner requesting an exchange or transfer shall designate; and *provided further* that upon the delivery of any Exchange Bonds by the Bond Registrar a like principal amount of Bonds submitted for transfer or exchange, and of like series and having like maturity dates and interest rates, shall be cancelled. The execution, countersignature, attestation and sealing by the Issuer and delivery to the Bond Registrar of any Exchange Bond shall constitute full and due authorization of such Bond containing such payee, principal amount, maturity and interest rate as the Bond Registrar shall cause to be inserted, and the Bond Registrar shall thereby be authorized to authenticate and deliver such Exchange Bond in accordance with the provisions hereof.

In case any officer whose signature or a facsimile of whose signature shall appear on any Bond (including any Exchange Bond) shall cease to be such officer before the issuance or delivery of such Bond, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until such issuance or delivery, respectively.

Section 210. Delivery of the Bonds; Application of Proceeds. The City Manager, City Treasurer, Budget Officer or other officer of the Issuer is hereby authorized and instructed to make delivery of the Bonds to the Purchaser and to receive payment therefor in accordance with the terms of sale and to set the proceeds of sale of the Bonds aside for deposit into the following accounts to be used for the purpose for which the Bonds are herein authorized:

(a) $_______________ of such proceeds shall be deposited in the Open Space Project Account to pay all or part of the costs of the Open Space Project;

(b) $_______________ of such proceeds shall be deposited in the Walkability Project Account to pay all or part of the costs of the Walkability Project; and

(c) $_______________ of such proceeds shall be deposited in trust in the 2003 Bond Account with the 2003 Paying Agent to pay interest on the Refunded Bonds, shall be held in irrevocable trust by the 2003 Paying Agent in the 2003 Bond Account to provide for the payment of the Refunded Bonds on their redemption date; *provided, however*, that all or a portion of such proceeds may be invested at the direction of the City Manager, City Treasurer or Budget Officer of the Issuer in governmental obligations that comply in all respects with the provisions of Section 11-27-3 of the Utah Code and that mature on or before such redemption date.

The City Manager, City Treasurer, Budget Officer or other officer of the Issuer is authorized to cause to be transferred to the Paying Agent a portion of the proceeds of the Bonds to pay any costs of issuance of the Bonds authorized by the Business Administrator.

Section 211. Continuing Disclosure Undertaking. The Mayor is hereby authorized, empowered and directed to execute and deliver, and the City Recorder to seal, countersign, and attest, the Continuing Disclosure Undertaking and the related Dissemination Agency Agreement (collectively, the *"Continuing Disclosure Undertaking"*) in substantially the same forms as now before the City Council of the Issuer and attached hereto as *Exhibits 1* and *2*, respectively, or with such changes therein as the Mayor shall approve, his execution thereof to constitute conclusive evidence of his approval of such changes. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the Issuer as herein provided, the Continuing Disclosure Undertaking will be binding on the Issuer and the officers, employees and agents of the Issuer, and the officers, employees and agents of the Issuer are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Bond Resolution, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under the Continuing Disclosure Undertaking.

Section 212. Further Authority. The Mayor and the City Recorder and other officers of the Issuer are, and each of them is, hereby authorized to do or perform all such acts and to execute all such certificates, documents and other instruments as may be necessary or advisable to provide for the issuance, sale, registration and delivery of the Bonds and to fulfill the obligations of the Issuer hereunder and thereunder.

Section 213. Establishment of Accounts. (a) The following accounts on the accounting records of the Issuer are hereby created, which are to be held as follows:

(i) Bond Account, to be held by the Issuer;

(ii) Depository Account, to be held by the Paying Agent;

(iii) Open Space Project Account, to be held by the Issuer; and

(iv) Walkability Project Account, to be held by the Issuer.

(b) Pending application for the purposes contemplated hereby, moneys on deposit in the Bond Account, Depository Account and Project Account shall be invested as permitted by law in investments approved by the City Manager or other authorized officer of the Issuer. Following the earlier of April 1, 2009, or the date upon which all of the costs of issuance of the Bonds have been paid, any moneys remaining from the sale proceeds of the Bonds held by the Paying Agent at the direction of the City Manager, City Treasurer, Budget Officer or other officer of the Issuer pursuant to Section 210 hereof to pay the costs of issuance of behalf of the Issuer shall be transmitted to the Issuer for deposit into the Project Account.

Section 214. Provision for Refunding the Refunded Bonds. It is hereby found and determined that the amount of money specified in Section 210(c) hereof (without investment thereof) will be sufficient to pay, when due, pursuant to call for redemption on __________, 2009, or such other date determined by the City Treasurer, the redemption price of and interest due and to become due on, the Refunded Bonds on said date, will be deposited with the 199 Paying Agent and provision thereby made for the refunding of the Refunded Bonds.

Section 215. Authorization of Redemption Prior to Maturity of Refunded Bonds. (a) The Refunded Bonds are hereby called for redemption on _________, 2009, or such other date determined by the City Treasurer, at the redemption price of one hundred percent (100%) of the principal amount of each such 1999 Bond so called for redemption plus accrued interest thereon to the date fixed for redemption.

ARTICLE III

TRANSFER AND EXCHANGE OF BONDS; BOND REGISTRAR

Section 301. Transfer of Bonds. (a) Any Bond may, in accordance with its terms, be transferred, upon the registration books kept by the Bond Registrar pursuant to Section 303 hereof, by the Person in whose name it is registered, in person or by such owner's duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Bond Registrar. No transfer shall be effective until entered on the registration books kept by the Bond Registrar. The Issuer, the Bond Registrar and the Paying Agent may treat and consider the Person in whose name each Bond is registered in the registration books kept by the Bond Registrar as the holder and absolute owner thereof for the purpose of receiving payment of, or on account of, the principal or redemption price thereof and interest due thereon and for all other purposes whatsoever.

(b) Whenever any Bond or Bonds shall be surrendered for transfer, the Bond Registrar shall authenticate and deliver a new fully-registered Bond or Bonds (which may be an Exchange Bond or Bonds pursuant to Section 209 hereof) of the same series, designation, maturity and interest rate and of authorized denominations duly executed by the Issuer, for a like aggregate principal amount. The Bond Registrar shall require the payment by the Bondowner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer. With respect to each Bond, no such transfer shall be required to be made (i) after the Record Date with respect to any interest payment date to and including such interest payment date, or (ii) after the Record Date with respect to any redemption of such Bond.

(c) The Bond Registrar shall not be required to register the transfer of or exchange any Bond selected for redemption, in whole or in part, except the unredeemed portion of Bonds being redeemed in part. Upon surrender of any Bond redeemed in part only, the Issuer shall execute, and the Bond Registrar shall authenticate and deliver to the Bondowner at the expense of the Issuer, a new Bond or Bonds (which may be an Exchange Bond or Bonds pursuant to Section 209 hereof) of the same series, designation, maturity and interest rate and of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Bond surrendered.

Section 302. Exchange of Bonds. Bonds may be exchanged at the principal corporate trust office of the Bond Registrar for a like aggregate principal amount of fully-registered Bonds (which may be an Exchange Bond or Bonds pursuant to Section 209 hereof) of the same series, designation, maturity and interest rate of other authorized denominations. The Bond Registrar shall require the payment by the Bondowner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. With respect to each Bond, no such exchange shall be required to be made (a) after the Record Date with respect to any interest payment date to and including such interest payment date, or (b) after the Record Date with respect to any redemption of such Bond.

Section 303. Bond Registration Books. This Bond Resolution shall constitute a system of registration within the meaning and for all purposes of the Registered Public Obligations Act, Chapter 7 of Title 15 of the Utah Code. The Bond Registrar shall keep or cause to be kept, at its principal corporate trust office, sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the Issuer; and, upon presentation for such purpose, the Bond Registrar shall, under such reasonable regulations as it may prescribe, register or transfer, or cause Bonds to be registered or transferred on those books as herein provided.

Section 304. List of Bondowners. The Bond Registrar shall maintain a list of the names and addresses of the owners of all Bonds and upon any transfer shall add the name and address of the new Bondowner and eliminate the name and address of the transferor Bondowner.

Section 305. Duties of Bond Registrar. If requested by the Bond Registrar, the Mayor and the City Recorder are authorized to execute the Bond Registrar's standard form of agreement between the Issuer and the Bond Registrar with respect to the compensation, obligations and duties of the Bond Registrar hereunder, which may include the following:

(a) to act as bond registrar, authenticating agent, paying agent and transfer agent as provided herein;

(b) to maintain a list of Bondowners as set forth herein and to furnish such list to the Issuer upon request, but otherwise to keep such list confidential;

(c) to give notice of redemption of Bonds as provided herein;

(d) to cancel and/or destroy Bonds that have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;

(e) to furnish the Issuer at least annually a certificate with respect to Bonds cancelled and/or destroyed;

(f) to furnish to the Issuer, at its request, at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds; and

(g) to comply with all applicable provisions of DTC's operational arrangements, as provided in Section 402 hereof.

ARTICLE IV

BOOK-ENTRY SYSTEM; LIMITED OBLIGATION OF ISSUER; LETTER OF REPRESENTATIONS

Section 401. Book-Entry System; Limited Obligation of Issuer. (a) The Bonds shall be initially issued in the form of a separate, single, certificated, fully-registered Bond for each of the maturities set forth in Section 204 hereof. Upon initial issuance, the ownership of each such Bond shall be registered in the registration books kept by the Bond Registrar in the name of Cede, as nominee of DTC. Except as provided in Section 403 hereof, all of the outstanding Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede, as nominee of DTC.

(b) With respect to Bonds registered in the registration books kept by the Bond Registrar in the name of Cede, as nominee of DTC, the Issuer, the Bond Registrar and the Paying Agent shall have no responsibility or obligation to any such Participant or to any Person on behalf of which such a Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the Issuer, the Bond Registrar and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other Person, other than a Bondowner, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other Person, other than a Bondowner, as shown in the registration books kept by the Bond Registrar, of any amount with respect to the principal of or premium, if any, or interest on the Bonds. The Issuer, the Bond Registrar and the Paying Agent may treat and consider the Person in whose name each Bond is registered in the registration books kept by the Bond Registrar as the holder and absolute owner of such Bond for the purpose of payment of principal, premium and interest with respect to such Bond and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, for the purpose of giving notices of redemption and for all other purposes whatsoever. The Paying Agent shall pay all principal of, and premium, if any, and interest on, the Bonds only to the respective Bondowners, as shown in the registration books kept by the Bond Registrar, or their respective attorneys duly authorized in writing, as provided in Section 206 hereof, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of, and premium, if any, and interest on, the Bonds to the extent of the sum or sums so paid. No Person other than a Bondowner, as shown in the registration books kept by the Bond Registrar, shall receive a certificated Bond evidencing the obligation of the Issuer to make payments of principal, premium, if any, and interest pursuant to the Bond Resolution.

(c) Upon delivery by DTC to the Issuer of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the provisions herein with respect to Record Dates, the word *"Cede"* in this Bond Resolution shall refer to such new nominee of DTC; and upon receipt of such a notice the Issuer shall promptly deliver a copy of the same to the Bond Registrar and the Paying Agent.

Section 402. Letter of Representations. The Issuer's prior execution and delivery of the Letter of Representations shall not in any way limit the provisions of Section 401 hereof or in any other way impose upon the Issuer any obligation whatsoever with respect to Persons having interests in the Bonds other than the Bondowners, as shown on the registration books kept by the Bond Registrar. In the written acceptance of each Paying Agent and Bond Registrar referred to in Section 206 hereof, such Paying Agent and Bond Registrar, respectively, shall agree to take all action necessary for all of DTC's operational arrangements pertaining to the Paying Agent and Bond Registrar, respectively, to at all times be complied with.

Section 403. Transfers Outside Book-Entry System. At the option of the Issuer or upon receipt by the Issuer of written notice from DTC that DTC is unable or unwilling to discharge its responsibilities, and no substitute depository willing to undertake the functions of DTC hereunder can be found that is willing and able to undertake such functions upon reasonable and customary terms, the Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede, as nominee of DTC, but may be registered in whatever name or names Bondowners transferring or exchanging Bonds shall designate, in accordance with the provisions of Article III hereof.

Section 404. Payments to Cede. Notwithstanding any other provision of this Bond Resolution to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to principal of and premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Letter of Representations.

ARTICLE V

COVENANTS AND UNDERTAKINGS

Section 501. Covenants of Issuer. All covenants, statements, representations and agreements contained in the Bonds and all recitals and representations in the Bond Resolution are hereby considered and understood, and it is hereby confirmed that all such covenants, statements, representations and agreements are the covenants, statements, representations and agreements of the Issuer.

Section 502. Levy of Taxes; Bond Account The Issuer covenants and agrees that to pay the interest falling due on the Bonds as the same becomes due, and also to provide a sinking fund for the payment of the principal of the Bonds at maturity, there shall be levied on all taxable property in the City in addition to all other taxes, a direct annual tax sufficient to pay the interest on the Bonds and to pay and retire the same. These taxes when collected shall be applied solely for the purpose of the payment of the interest on and principal of the Bonds, respectively, and for no other purpose whatsoever until the indebtedness so contracted under the Bond Resolution, principal and interest, shall have been fully paid, satisfied and discharged, but nothing herein contained shall be so construed as to prevent the Issuer from applying any other funds that may be in the Issuer's treasury and available for that purpose to the payment of such interest and principal as the same respectively become due and mature. The levy or levies herein provided for may thereupon be diminished to that extent. The sums herein provided for to meet the interest on the Bonds and to discharge the principal thereof when due are hereby appropriated for that purpose, and the required amount for each year shall be included by the Issuer in its annual budget and its statement and estimate as certified to the Board of County Commissioners of Summit County, Utah and the Board of County Commissioners of Wasatch County, Utah, in each year. Principal or interest falling due at any time when there shall not be available from the proceeds of the levies described in this Section money sufficient for the payment thereof shall, to the extent of such deficiency, be paid from other funds of the Issuer available for such purpose, and such other funds shall be reimbursed when the proceeds of such levies become available.

On or prior to the second business day next preceding each date on which payment of principal of or interest on the Bonds is to be made, the Issuer shall deposit into the Bond Account an amount sufficient to pay principal of and interest on the Bonds on such payment date. Moneys remaining on deposit immediately after each such payment date, including any investment earnings thereon earned during the period of such deposit, shall be immediately withdrawn from the Bond Account by the Issuer and commingled with the general funds of the Issuer. The Issuer has established the Bond Account primarily to achieve a proper matching of revenues and debt service on the Bonds. The Bond Account shall be depleted at least once each year by the Issuer, except for a reasonable carryover amount not to exceed the greater of one year's earnings on the Bond Account or one-twelfth of the annual debt service on the Bonds.

Section 503. Arbitrage Covenant; Covenant to Maintain Tax-Exemption. (a) The Mayor, the City Recorder and other appropriate officials of the Issuer are hereby authorized and directed to execute such Tax Certificates as shall be necessary to establish that (i) the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations, (ii) the

Bonds are not and will not become “private activity bonds” within the meaning of Section 141 of the Code, (iii) all applicable requirements of Section 149 of the Code are and will be met, (iv) the covenants of the Issuer contained in this Section will be complied with and (v) interest on the Bonds is not and will not become includible in gross income of the owners thereof for federal income tax purposes under the Code and applicable Regulations.

(b) The Issuer covenants and certifies to and for the benefit of the owners from time to time of the Bonds that:

(i) it will at all times comply with the provisions of any Tax Certificates;

(ii) it will at all times comply with the rebate requirements contained in Section 148(f) of the Code and the Regulations, including, without limitation, the entering into any necessary rebate calculation agreement to provide for the calculations of amounts required to be rebated to the United States, the keeping of records necessary to enable such calculations to be made, the creation of any rebate fund to provide for the payment of any required rebate and the timely payment to the United States of all amounts, including any applicable penalties and interest, required to be rebated, except to the extent that the Bonds are not subject to such arbitrage rebate requirements;

(iii) no use will be made of the proceeds of the issue and sale of the Bonds, or any funds or accounts of the Issuer that may be deemed to be proceeds of the Bonds, pursuant to Section 148 of the Code and applicable Regulations, which use, if it had been reasonably expected on the date of issuance of the Bonds, would have caused the Bonds to be classified as “arbitrage bonds” within the meaning of Section 148 of the Code;

(iv) it will not use or permit the use of any of its facilities or properties in such manner that such use would cause the Bonds to be “private activity bonds” described in Section 141 of the Code;

(v) no bonds or other evidences of indebtedness of the Issuer (other than the Bonds) have been or will be issued, sold or delivered within a period beginning fifteen (15) days prior to the sale of the Bonds and ending fifteen (15) days following the delivery of the Bonds, other than the Bonds;

(vi) it will not take any action that would cause interest on the Bonds to be or to become ineligible for the exclusion from gross income of the owners of the Bonds as provided in Section 103 of the Code, nor will it omit to take or cause to be taken in timely manner any action, which omission would cause interest on the Bonds to be or to become ineligible for the exclusion from gross income of the owners of the Bonds as provided in Section 103 of the Code;

(vii) it recognizes that Section 149(a) of the Code requires the Bonds to be issued and to remain in fully registered form in order that interest thereon is excludable from gross income of the owners thereof for federal income tax purposes under laws in force at the time the Bonds are initially delivered and the Issuer agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form without an opinion of Bond Counsel to the effect that such action will not adversely affect the excludability of interest on the Bonds from the gross income of the owners thereof for federal income tax purposes; and

(viii) it acknowledges that, in the event of an examination by the Internal Revenue Service of the exemption from federal income taxation for interest paid on the Bonds, under present rules, the Issuer may be treated as a "taxpayer" in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the Internal Revenue Service in connection with such an examination.

Pursuant to these covenants, the Issuer obligates itself to comply throughout the term of the issue of the Bonds with the requirements of Section 103 of the Code and the Regulations proposed or promulgated thereunder.

Section 504. Designation of the Bonds as "Qualified Tax-Exempt Obligations." The Issuer recognizes that Section 265(b)(3) of the Code provides that a "qualified tax-exempt obligation" (as therein defined) may be treated by certain financial institutions as if it were acquired on August 7, 1986, for certain purposes. The Issuer hereby designates each of the Bonds that is outstanding from time to time as a "qualified tax-exempt obligation" for the purposes and within the meaning of Section 265(b)(3) of the Code. In support of such designation, the Issuer certifies, represents, covenants, warrants and agrees that (a) none of the Bonds will be at any time a "private activity bond" (as defined in Section 141 of the Code), (b) as of the date of original issuance of the Bonds, the Issuer will not have issued any tax-exempt bonds in calendar year 2009 other than the Bonds, (c) the reasonably anticipated amount of tax-exempt bonds (other than "private activity bonds" that are not "qualified 501(c)(3) bonds," as such terms are defined in Section 141 of the Code) that will be issued by the Issuer and subordinate entities thereof during calendar year 2009 (including the Bonds) does not exceed $30,000,000 and (d) not more than $30,000,000 of obligations (including the Bonds) issued by the Issuer during calendar year 2009 will be designated by the Issuer for purposes of Section 265(b)(3) of the Code. As used in this Section 504, *"tax-exempt bonds"* means obligations of any kind the interest on which is not includible in the gross income of the owners thereof for purposes of federal income taxation. Terms used in this Section 504 that are not otherwise defined herein shall have the same meanings herein as in the provisions of the Code that relate to tax-exempt bonds.

ARTICLE VI

FORM OF BONDS

Section 601. Form of Bonds. Each fully-registered Bond shall be, respectively, in substantially the following form, with such insertions or variations as to any redemption or amortization provisions and such other insertions or omissions, endorsements and variations as may be required (including, but not limited to, such changes as may be necessary if the Bonds at any time are no longer held in book-entry form as permitted by Section 403 hereof):

[FORM OF BOND]

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Registered Registered

UNITED STATES OF AMERICA

STATE OF UTAH

PARK CITY

GENERAL OBLIGATION BOND, SERIES 2009

Number R-____ $___________

INTEREST RATE:	MATURITY DATE:	DATED DATE:	CUSIP:
________%	May 1, _____	_________, 2009	_______

REGISTERED OWNER:

PRINCIPAL AMOUNT: ---------------------------------- DOLLARS-------------------------------------

KNOW ALL MEN BY THESE PRESENTS that Park City, Utah (the *"Issuer"*), a duly organized and existing municipal corporation and a political subdivision of the State of Utah, acknowledges itself indebted and for value received hereby promises to pay to the registered owner identified above, or registered assigns, on the maturity date identified above, upon presentation and surrender hereof, the principal amount identified above (the *"Principal Amount"*), and to pay the registered owner hereof interest on the balance of the Principal Amount from time to time remaining unpaid from the interest payment date next preceding the date of registration and authentication of this Bond, unless this Bond is registered and authenticated as of an interest payment date, in which event this Bond shall bear interest from such interest payment date, or unless this Bond is registered and authenticated prior to the first interest payment date, in which event this Bond shall bear interest from the dated date identified above (the *"Dated Date"*), or unless, as shown by the records of the hereinafter referred to Bond Registrar, interest on the hereinafter referred to Bonds shall be in default, in which event this Bond shall bear interest from the date to which interest has been paid in full, at the interest rate per annum (calculated on the basis of a year of 360 days consisting of twelve 30-day months) identified above (the *"Interest Rate"*), payable semiannually on May 1 and November 1 in each year, commencing May 1, 2009, until payment in full of the Principal Amount, except as the provisions set forth in the hereinafter defined Bond Resolution with respect to redemption prior to maturity may become applicable hereto. This Bond shall bear interest on overdue principal at the Interest Rate. Principal of and premium, if any, on this Bond shall be payable upon presentation and surrender hereof at the principal corporate trust office of Zions First National Bank, of Salt Lake City, Utah, as Paying Agent for the Bonds, or at the principal corporate trust office of any successor who is at the time the Paying Agent of the Issuer, in any coin or currency of the United States of America that at the time of payment is legal tender for the payment of public and private debts; and payment of the interest hereon shall be made to the registered owner hereof and shall be paid by check or draft mailed to the person who is the registered owner of record on the Record Date.

This Bond is one of the General Obligation and Refunding Bonds, Series 2009 of the Issuer (the *"Bonds"*), limited to the aggregate principal amount of Ten Million Dollars ($_____________), dated as of the Dated Date, issued under and by virtue of the Local Government Bonding Act, Chapter 14 of Title 11, Utah Code Annotated 1953, as amended (the *"Utah Code"*), the Utah Refunding Bond Act, Chapter 27 of Title 11 of the Utah Code, the Registered Public Obligations Act, Chapter 7 of Title 15 of the Utah Code, and the applicable provisions of Title 10 of the Utah Code (collectively, the *"Act"*), and under and pursuant to resolutions of the Issuer adopted on May 7, 2009 and ______________, 2009 (collectively, the *"Bond Resolution"*), [after having been authorized at a special bond election held on November 7, 2006, in the Issuer by a vote of the qualified electors thereof, for the purpose of acquiring, improving and forever preserving park and recreational land, together with related historical or cultural improvements, to protect the conservation values thereof, remove existing unneeded man-made improvements, and make limited improvements for public access, parking and use (the *"Project"*). The acquisition, improvement and preservation of the Project is for one or more public purposes. In order to accomplish such purposes, all or a portion of the Project may not lie within the limits of the City, as permitted in Section 11-14-103(2) of the Utah Code.]

Zions First National Bank, of Salt Lake City, Utah, is the initial bond registrar and paying agent of the Issuer with respect to the Bonds. This bond registrar and paying agent, together with any successor bond registrar or paying agent, are referred to herein, respectively, as the *"Bond Registrar"* and the *"Paying Agent."*

The Issuer covenants and is by law required to levy annually a sufficient tax to pay interest on this Bond as it falls due and also to constitute a sinking fund for the payment of the principal hereof as the same falls due.

This Bond is transferable, as provided in the Bond Resolution, only upon the books of the Issuer kept for that purpose at the principal corporate trust office of the Bond Registrar, by the registered owner hereof in person or by such owner's attorney duly authorized in writing. Such transfer shall be made upon surrender of this Bond, together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or such duly authorized attorney and upon the payment of the charges prescribed in the Bond Resolution, and thereupon the Issuer shall issue in the name of the transferee a new registered Bond or Bonds of authorized denominations of the same aggregate principal amount, series, designation, maturity and interest rate as the surrendered Bond, all as provided in the Bond Resolution. No transfer of this Bond shall be effective until entered on the registration books kept by the Bond Registrar. The Issuer, the Bond Registrar and the Paying Agent may treat and consider the person in whose name this Bond is registered on the registration books kept by the Bond Registrar as the holder and absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever, and neither the Issuer, the Bond Registrar nor the Paying Agent shall be affected by any notice to the contrary.

The Bonds are issuable solely in the form of registered Bonds in the denomination of $5,000 or any whole multiple thereof.

The Bonds maturing on or after May 1, ____, are subject to redemption prior to maturity, at the election of the Issuer, on _____________ 1, _____ (the *"First Redemption Date"*) and on any date thereafter, in whole or in part, from such maturities or parts thereof as shall be selected by the Issuer, upon notice given as provided below, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption. Bonds maturing on or prior to the First Redemption Date are not subject to optional redemption.

Notice of redemption shall be given by the Bond Registrar by registered or certified mail not less than thirty (30) nor more than forty-five (45) days prior to the redemption date, to the registered owner of each Bond that is subject to redemption, at the address of such registered owner as it appears on the registration books kept by the Bond Registrar, or at such other address as is furnished in writing by such registered owner to the Bond Registrar, all as provided in the Bond Resolution.

If notice of redemption shall have been given as aforesaid, the Bonds or portions thereof specified in that notice shall become due and payable at the applicable redemption price on the redemption date therein designated. If on the redemption date, moneys for the payment of the redemption price of all the Bonds to be redeemed, together with interest to the redemption date, shall be available for such payment on that date, then from and after the redemption date interest on such Bonds shall cease to accrue and become payable.

Less than all of a Bond in a denomination in excess of $5,000 may be so redeemed. In such case, upon the surrender of such Bond, there shall be issued to the registered owner thereof, without charge therefor, for the unredeemed balance of the principal amount of such Bond, registered Bonds of any of the authorized denominations, at the option of such owner, all as more fully set forth in the Bond Resolution. In selecting portions of any registered Bond that is of a denomination of more than $5,000 for redemption, the Bond Registrar will treat each such Bond as representing that number of Bonds of $5,000 denomination that is obtained by dividing the principal amount of such Bond by $5,000.

Except as otherwise provided herein and unless the context clearly indicates otherwise, words and phrases used herein shall have the same meanings as such words and phrases in the Bond Resolution.

This Bond and the issue of Bonds of which it is a part are issued in conformity with and after full compliance with the Constitution of the State of Utah and pursuant to the provisions of the Act and all other laws applicable thereto. It is hereby certified and recited that all conditions, acts and things required by the Constitution or laws of the State of Utah and by the Act and the Bond Resolution to exist, to have happened or to have been performed precedent to or in connection with the issuance of this Bond exist, have happened and have been performed and that the issue of Bonds, together with all other indebtedness of the Issuer, is within every debt and other limit prescribed by the Constitution and laws referenced above, and that the full faith and credit of the Issuer are hereby irrevocably pledged to the punctual payment of the principal of and interest on this Bond according to its terms.

The Issuer has designated the Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Bond shall not be valid until the Certificate of Authentication hereon shall have been manually signed by the Bond Registrar.

IN WITNESS WHEREOF, PARK CITY, UTAH, has caused this Bond to be signed in its name and on its behalf by its Mayor and countersigned and attested its the City Recorder, and has caused its official seal or a facsimile thereof to be impressed or imprinted hereon, all as of the Dated Date.

PARK CITY, UTAH

By (manual signature)
Mayor

[SEAL]

COUNTERSIGN AND ATTEST:

By (manual signature)
City Recorder

[FORM OF BOND REGISTRAR'S CERTIFICATE OF AUTHENTICATION]

This Bond is one of the Bonds described in the within-mentioned Bond Resolution and is one of the General Obligation and Refunding Bonds, Series 2009 of Park City, Utah.

ZIONS FIRST NATIONAL BANK, as Bond Registrar

By
Authorized Officer

Date of registration
and authentication: ________________, 2009.

Bond Registrar and Paying Agent:

Zions First National Bank
Corporate Trust Department
One South Main Street, 12th Floor
Salt Lake City, Utah 84133

[FORM OF ASSIGNMENT]

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM	—	as tenants in common	UNIF TRAN MIN ACT—
TEN ENT	—	as tenants by the entirety	_________ Custodian _________
JT TEN	—	as joint tenants with right of survivorship and not as tenants in common	(Cust) (Minor) under Uniform Transfers to Minors Act of ______________________ (State)

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

Insert Social Security or Other Identifying Number of Assignee

____

(Please Print or Typewrite Name and Address of Assignee)

the within Bond of PARK CITY, UTAH, and hereby irrevocably constitutes and appoints _______ ______________________________ attorney, to register the transfer of said Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: ______________________ SIGNATURE: ___________________________

SIGNATURE GUARANTEED:

____

NOTICE: Signature(s) must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Bond Registrar, which requirements include membership or participation in STAMP or such other "signature guarantee program" as may be determined by the Bond Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities and Exchange Act of 1934, as amended.

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

ARTICLE VII

MISCELLANEOUS

Section 701. Final Official Statement. The Final Official Statement of the Issuer in substantially the form presented at this meeting and in the form attached hereto as *Exhibit 3*, with such changes, omissions, insertions and revisions as the Mayor shall deem advisable, is hereby authorized. The Mayor shall sign and deliver such Final Official Statement to the Purchaser for distribution to prospective purchasers of the Bonds and other interested persons. The approval of the Mayor of any such changes, omissions, insertions and revisions shall be conclusively established by the Mayor's execution of the Final Official Statement.

Section 702. Official Statement Deemed Final. The Issuer has previously deemed, and does hereby deem, final the Preliminary Official Statement within the meaning and for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission, subject to completion thereof with the information established at the time of the sale of the Bonds. The Mayor and the City Recorder are, and each of them is, hereby authorized to do or perform all such acts and to execute all such certificates, documents and other instruments as may be necessary or advisable to provide for the issuance, sale and delivery of the Bonds, and any actions taken thereby for purposes of deeming the Official Statement to be final for purposes of Rule 15c2-12 of the Securities and Exchange Commission are hereby authorized, ratified and confirmed.

Section 703. Payments Due on Non-Business Days. If a payment date is not a business day, then payment may be made on the next business day, and no interest shall accrue for the intervening period.

Section 704. Ratification. All proceedings, resolutions and actions of the Issuer and its officers taken in connection with the sale and issuance of the Bonds are hereby ratified, confirmed and approved, including, without limitation, the publication of the notice of sale for the Bonds as set out in the preambles hereto.

Section 705. Severability. It is hereby declared that all parts of this Bond Resolution are severable, and if any section, paragraph, clause or provision of this Bond Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause or provision shall not affect the remaining sections, paragraphs, clauses or provisions of this Bond Resolution.

Section 706. Conflict. All resolutions, orders and regulations or parts thereof heretofore adopted or passed that are in conflict with any of the provisions of this Bond Resolution are, to the extent of such conflict, hereby repealed.

Section 707. Captions. The table of contents and captions or headings herein are for convenience of reference only and in no way define, limit or describe the scope or intent of any provisions or sections of this Bond Resolution.

Section 708. Effective Date. This Bond Resolution shall take effect immediately.

ADOPTED AND APPROVED this 4th day of June, 2009.

PARK CITY, UTAH

By
Mayor

[SEAL]

ATTEST AND COUNTERSIGN:

By ________________________________
City Recorder

APPROVED AS TO FORM:

By
City Attorney

EXHIBIT 1

[ATTACH FORM OF CONTINUING DISCLOSURE UNDERTAKING]

EXHIBIT 2

[ATTACH FORM OF DISSEMINATION AGENCY AGREEMENT]

EXHIBIT 3

[FINAL OFFICIAL STATEMENT]

City Council
Staff Report

Author:	**Jonathan Weidenhamer**
Subject:	**Third Amended Lease of Unit 200 of the Marsac-Swede Condominium (aka Shell Space)**
Date:	**June 4, 2009**
Type of Item:	**Lease and Purchase of Property**

Summary Recommendations:
Approve a third addendum to the KPCW lease extending the date KPCW's monthly rental payments go towards purchase price until September 30, 2009; and continue the monthly carrying cost of $1,237. The $1,237 will not apply toward the purchase price.

Background:
On June 19th Council entered into a short term lease that allowed KPCW's rental of the space in the Shell Building until November 30, 2009 and allowed the monthly rental payments of $4,100 to go towards the purchase price through the end of November 2008.

On October 30, 2008 Council approved a second addendum to the KPCW lease which extended the term of the lease until June 30, 2009. Additionally, it allowed the monthly rental payments from August 1, 2008 until May 31, 2009 to be applied to the purchase price. The June 2009 rent payment would not go towards purchase price. KPCW also agreed to pay $1,237 per month in carrying cost which does not go towards the purchase price.

The PCCW Board intends to use funds from the sale of their AM 1010 asset towards funding the purchase of Unit 200 of the Shell space. However, they believe they will not be able to close until September 2009, and on May 18, 2009 requested another extension (Exhibit A). They are under contract with the same buyer as before and have begun the circuitous FCC approval process required for this type of transaction (Exhibit B – Press Release). In short they've requested extension of the existing terms through the end of September 2009, which include:

- $4,100 monthly rent (including June) continuing to go to purchase price until closing
- Monthly carrying cost of $1,237 that does not go towards purchase price

KCPW has executed the attached REPC that recognizes a closing date of September 30, 2009. On May 18, 2009 KPCW submitted their required May rent payment. This payment is not calculated in the attached payment calculations.

Analysis
On November 1, 2007 the City Council authorized an agreement with KPCW to purchase Unit 200 of the Marsac-Swede Condominiums (Shell Space, which included the following costs:

COSTS	Total Costs	KPCW's Proportionate Share
Construction Costs	$1,321,523	$594,685
Architect Fees	$131,979	$59,391
KPCW Tenant Improvements		$270,600
KPCW Change Orders		$40,000
Total KPCW Cost		**$964,676**

On June 5, 2008, in anticipation of entering into the second amended Lease, KPCW provided a check in the amount of $488,928, which included the amounts identified below plus an additional $18,937 in earnest money (not due until signing REPC). Additionally they have paid $12,300 in rent for August, September, and October 2008 @ $4,100/month; and $ 24,600 in a lump sum for rent from November '08 through April '09 @ $4,100/month. Therefore their total balance owed as of today would be $438,848:

Payments		
Purchase Agreement Deposit		118937
Purchase agreement payment		369991
check submitted on 6.5.08	subtotal	**488928**
Lease addendum rent payments	subtotal	**36900**
total payments		**525,828**

unpaid balance $438,848

Section 3(c)(iv) will be added and the REPC will be updated to recognize the terms of the 3rd Addendum.

Alternatives

A. Approve the Lease and Purchase Agreement:

Approve the third amended lease. **This is staff's recommendation**.

B. Modify the Request:

Modify the terms and approve the Lease.

C. Deny the Request:

Deny the lease.

D. Continue the Item:

The City Council may continue the item for more information and discussion.

Significant Impacts:

Extension of the agreement for 3 months (July, August, and September, plus allowing June rent to go to purchase could result in $16,400 in forgone rental revenue. The closing on the property wouldn't occur until September, as opposed to June. If KPCW isn't given the extension to close, then we would have to enforce the Purchase Agreement.

Recommendation:
Approve a third addendum to the KPCW lease extending the date KPCW's monthly rental payments go towards purchase price until September 30, 2009; and continue the monthly carrying cost of $1,237. The $1,237 will not apply toward the purchase price.

Exhibits
Exhibit A – 3rd Addendum
Exhibit B – Signed REPC

THIRD ADDENDUM TO PARK CITY MUNICIPAL CORPORATION AND PARK CITY COMMUNITY WIRELESS SUBLEASE AGREEMENT

WITNESSETH:

WHEREAS, the parties entered into a Lease Agreement on August 5, 2003 (hereinafter “Original Agreement”) for certain property located within Marsac Municipal Building, 445 Marsac Avenue, Park City, Utah; and

WHEREAS, the parties agreed to terminate the Original Agreement in order to allow a seismic upgrade to the Marsac Building; and

WHEREAS, the parties entered into a first amended lease and Agreement to Purchase on June 19, 2008, and a second amended Lease on October 30, 2008 agreeing that the Landlord would sell Unit 200 of the Marsac-Swede Condominium to the tenant by June 30, 2009 and identifying the terms until closing on said property; and

WHEREAS, PCCW entered into a Real Estate Purchase Contract for the purchase of Unit 200 of the Marsac Swede Condominiums will on May 21, 2009 agreeing to close on the sale no later than September 30, 2009. This third addendum is meant to provide tenant space to Park City Community Wireless until the closing on the Unit takes place or September 30, 2009 whichever is first.

NOW, THEREFORE, in consideration of the mutual promises made herein and other valuable consideration, the parties hereto now amend the Original Agreement as follows:

THIS THIRD ADDENDUM is made and entered into in duplicate this ____ day of _____, 2009, by and between PARK CITY REDEVELOPMENT AUTHORITY, a Utah municipal corporation and political subdivision of the State of Utah (“Landlord”), and PARK CITY COMMUNITY WIRELESS, (“Tenant”) to amend the terms and conditions under which Tenant will pay rent and Close on the sale of the Marsac-Swede Condominium (hereinafter referred to as the “Shell Space”) subject to the Original Agreement, as amended and the First and Second Addendums. The parties agree to amend the Second Addendum as follows:

3. Rent. The annual base rental payable by Tenant to Landlord for the 2,000 square feet of retail space shall be $4,100 per month. The rent paid from June 1, 2009 through **September 30, 2009** shall be applied toward the purchase price of the Unit due at closing. **The Tenant further agrees to pay the Landlord an additional $1,237 in monthly carrying cost until such time as close on the purchase of the leased property or Tenant vacates the property. This payment is to begin on June 1, 2009 and will not be applied toward the purchase price.** These payment shall be paid no later than the first of the month for that month.

Effective Date. The terms of this Third Addendum shall be effective upon execution of this Third Addendum.

DATED this ___ day of June, 2009.

IN WITNESS WHEREOF the parties hereto have caused this Third Addendum to be executed the day and year first herein above written.

PARK CITY REDEVELOPMENT AUTHORITY

____
Dana Williams

Attest:

____
Janet M. Scott, City Recorder

Approved as to form:

____
City Attorney's Office

Assignment Acknowledged:

PARK CITY MUNICIPAL CORPORATION

____
Tom Bakaly, City Manager

PARK CITY COMMUNITY WIRELESS

____
By:______________________________

ACKNOWLEDGMENT

STATE OF UTAH)

: ss.
COUNTY OF SUMMIT)

On this ___ day of __________, 2009, personally appeared before me ___________________________, who being duly sworn, did say that he/she is the ____________________for the Park City Community Wireless, and acknowledged to me that the preceding First Addendum was signed on behalf of said Park City Community Wireless, and he/she acknowledged that the Park City Community Wireless did execute the same for its stated purpose.

____
Notary Public

MARSAC –SWEDE CONDOMINIUMS

UNIT 200

REAL ESTATE PURCHASE CONTRACT

This Real Estate Purchase Contract (this "REPC" or, when referring to escrow instructions set forth herein, these "Escrow Instructions") is made as of this ____ day of ______________, 2009, by and between PARK CITY REDEVELOPMENT AUTHORITY, a Utah municipal corporation and political subdivision of the State of Utah ("Seller" or "City"), whose mailing address is: 445 Marsac Avenue P. O. Box 1480, Park City, Utah 84060-1480 Attn: City Attorney, and the following Buyer ("Buyer" or "PCCW"): Community Wireless of Park City, Inc., a Utah non-profit corporation whose mailing address is: P. O. Box 1372 Park City, Utah 84060.

1. **Definitions**. Unless otherwise defined herein, capitalized terms shall have the meaning ascribed thereto in the Declaration of Condominium for the Marsac-Swede Condominiums attached hereto as Exhibit A and incorporated herein by reference (the "Declaration").

2. **Agreement to Buy and Sell and Description of Buyer's Unit**.

(a) Description of the Building. Seller has constructed a two-story commercial building, which will be located at 460 Swede Alley, Park City, Utah 84060 (the "Building").

(b) Agreement to Buy and Sell Condominium Unit – As Is Sale and Assumption of Liability. For the consideration and subject to the terms and conditions set forth herein, Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer Condominium Unit 200 in the Building ("Buyer's Unit").

(i) Seller and Buyer acknowledge and agree that Buyer's Unit shall legally consist of (i) a fee simple estate in and to (and, subject to the terms and conditions of the Declaration, the exclusive right to use and occupy) the airspace within and the other interior elements of Buyer's Unit, all as more specifically described as a "Unit" in the Declaration, and (ii) an undivided interest in the non-exclusive perpetual easement rights over the Common Areas and Facilities and such Limited Common Areas and Facilities appurtenant to such Owner's Unit, as designated on the Condominium Plat.

(ii) Subject to and in accordance with the terms and conditions of this REPC, Buyer, by execution of this REPC, acknowledges that the sale of Buyer's Unit shall be on an "AS IS/WHERE IS" basis without any warranties from Seller to Buyer whatsoever except as may be otherwise expressly provided herein.

(iii) Buyer agrees to execute and record at Closing the following instruments in a form approved by the City Attorney to restrict subsequent sale or use of the Unit 200.

(i) A deed restriction limiting use of Unit 200 to a Quasi-Public Use or Non-Profit Use unless otherwise approved by the City

(ii) First right of refusal to the City at a price that does not exceed appreciation per year based upon the Consumer Price Index for the Western Region as calculated per year of PCCW's ownership of Unit 200.

(iv) PCCW agrees to provide unlimited public safety information, public service announcements and emergency information for the residents and guests of Park City at no cost to the City.

(v) City agrees to allow PCCW intellectual naming rights of Unit 200– i.e. "Eccles KPCW Studios on Swede Alley" during on-air broadcasts or other correspondence; however, PCCW shall not have naming rights to the actual physical building.

(vi) Any and all signs on or around the building must comply with the Park City Sign Code. PCCW is responsible for obtaining all sign permits to place a sign upon Unit 200 or the building. A final master sign plan must be approved and individual sign permits are required prior to installing any signs on the site.

(vii) The city agrees to a 20 year lease at no additional cost to allow the existing satellite dish located to the north of the Marsac Building to remain in its present location; and additionally allows the necessary connections of said dish to Unit 200.

(viii) The City also agrees to make an easement available, at no additional cost, on China Bridge Parking Garage for PCCW to locate their telecommunications equipment provided the City approves the location. Such approval shall not be reasonably withheld. PCCW is responsible for obtaining all permits and is responsible for all costs associated with the placement of said equipment, or any other associated necessary mechanical

(c) Manner of Title. Title to Buyer's Unit(s) shall be vested in Buyer as a Non-Profit Corporation.

3. Purchase Price and Other Payments.

(a) The purchase price of Buyer's Unit is $594,685 (the "Purchase Price"). The Purchase Price is based on the following:

(i) Buyer's Unit: $594,685

(b) Other payments due in conjunction with the sale of the Unit are $369,991. These other payments are based on the following

(i) Tenant Improvements for Buyer's Unit $270,600

(ii) Architect Fees $59,391

(iii) Change Orders $40,000

(c) Buyer shall pay the Purchase Price and Other Payments as follows:

(i) Purchase Agreement Deposit. Prior to $ 118,937 entering into this REPC, Buyer deposited with Seller a deposit (the “ Deposit”) pursuant to the terms of that certain June 19, 2008 Purchase Agreement by and between Seller and Buyer (the “Purchase Agreement”), whereby Buyer agreed to enter into this REPC for the purchase of Buyer’s Unit. This Deposit is equal to equal to twenty percent (20%) of the Purchase Price. Buyer will be credited toward payment of the Purchase Price at the Closing with the total amount of the Purchase Agreement Deposit. No interest shall accrue on any deposited funds.

(ii) Purchase Agreement Payment. Prior to entering into this REPC, Buyer deposited with Seller a payment (the “ Payment”) pursuant to the terms of that certain June 19, 2008 Purchase Agreement by and between Seller and Buyer (the “Purchase Agreement”), whereby Buyer agreed pay for its portion of architect costs, tenant improvements and change orders. The Purchase Agreement Payment is non-refundable. No interest shall accrue on any deposited funds.	$ 369,991
(iii) Second Addendum to Sublease Agreement Payment. Prior to entering into this REPC, Buyer deposited with Seller rent for the use of the Unit which shall be applied to the Purchase Price pursuant to the terms of that certain December 1, 2008 Second Addendum to Sublease Agreement by and between Seller and Buyer. The Rent Payment is non-refundable. No interest shall accrue on any deposited funds. This payment included monthly payments of $4,100 for August, September and October of 2008 as well as a lump sum payment of rent from November 1, 2008 through April 30, 2009.	$ 36,900
(iii) Unpaid Balance. Buyer agrees to deposit with Escrow Holder, on or before the Closing, the balance of the Purchase Price, excluding Closing costs, in cash, by wire transfer or in certified funds.	$ 438,848

The Purchase Agreement Deposit shall be non-refundable to Buyer, unless Seller is unable to close the transaction in accordance with the terms hereof, as the same may be modified by the parties hereto in writing. The Purchase Agreement Payment is for improvements and construction costs on behalf of Buyer and is non-refundable. The Rent Payment is for use by the Buyer of the Unit from August 1, 2008- April 30, 2009 and is non-refundable.

EXCEPT AS OTHERWISE AGREED IN WRITING, NEITHER THIS REPC NOR BUYER'S OBLIGATIONS HEREUNDER ARE CONTINGENT ON BUYER OBTAINING FINANCING OR UPON APPRAISAL OF BUYER'S UNIT AT OR ABOVE ANY PARTICULAR AMOUNT. BUYER UNDERSTANDS THAT BUYER MUST PAY "ALL CASH" AT THE CLOSING. SELLER WILL COOPERATE WITH BUYER'S LENDER SO LONG AS SUCH LENDER MEETS SELLER'S CLOSING SCHEDULE AND PAYS THE PROCEEDS OF ITS LOAN AT THE CLOSING.

4. The Unit.

(a) Square Footage. The actual square footage comprising the Buyer's Unit(s) is approximately 1922 square feet. Buyer understands and agrees that there are various methods for calculating the square footage of a Unit and, depending on the method of calculation, the quoted square footage of Buyer's Unit may vary by more than a nominal amount. For example, architects often measure square footage from the outside edge of the exterior walls to the mid-point of the interior walls. Another method, typically used in condominium plats, measures square footage from the inside edge of the exterior walls to the inside edge of the interior walls. Accordingly, at the pre-Closing inspection, Buyer should review the size and dimensions of Buyer's Unit. At Closing, Buyer shall be deemed to have conclusively agreed to accept the size and dimensions of Buyer's Unit, regardless of any variances in the square footage from that which may have been disclosed to Buyer at any time prior to Closing. Seller does not make any representation or warranty as to the actual size, dimensions or square footage of Buyer's Unit, and Buyer hereby waives and expressly releases any such warranty and claim for loss or damage resulting from any variances between any represented or otherwise disclosed square footage and the actual square footage. The provisions of this Section 4(b) shall survive the Closing.

(b) Buyer shall promptly pay all contractors, subcontractors, material suppliers and laborers (under the direction and approval of Seller's general contractor) for all work requested by Buyer. Buyer shall not permit any mechanics or materialmans' liens to be filed against any portion of the Building, and shall indemnify and hold Seller harmless of and from all claims, losses, damages, costs and other liabilities of any type or nature incurred in connection with any additional work or change order requested by Buyer. In the event that a lien is threatened or filed against any portion of the Building as a result of Buyer's work or change orders, Seller may, but shall not be obligated to, pay any amounts necessary to obtain a discharge of such lien, and any amounts so advanced shall be repaid by Buyer to Seller upon demand, together with interest at the rate of eighteen percent (18%) per annum from date of disbursement by Seller. In addition, Buyer acknowledges and agrees that Seller shall not be responsible for the quality of, or defects in, any such change in the work or for insuring same against loss or casualty prior to Closing. Buyer is advised to confirm with Seller's general contractor that its insurance will cover any such loss, and Buyer acknowledges that the cost of such insurance may be included in the cost of any such work. Buyer acknowledges that Seller shall have no liability for any losses or damages to Buyer's Unit(s) or from any actions or inaction performed by or caused by Seller's general contractor or any other person or company that may perform work on Buyer's Unit(s) pursuant to this Section 4(d).

(c) Punch List and Inspection of Buyer's Unit. Seller will schedule a time within five (5) days of Closing for Buyer to walk through Buyer's Unit and, at Buyer's option, to prepare a list (the "Punch List") of any incomplete items within Buyer's Unit. Seller shall have sixty (60) working days after Closing to correct any reasonably required Punch List items identified in the notice from Buyer, which sixty (60) day period may, at the option of Seller, may be extended if Seller is delayed for reasons beyond Seller's control. Buyer understands that Punch List items cannot include completion of the Tenant Improvements or HVAC, electrical or interior finish within Buyer's Unit. Buyer's refusal to close this transaction due to the need for reasonable further work (to be noted on the Punch List) shall constitute a default by Buyer under this REPC. If Buyer fails to take advantage of the walk through inspection on the date and time scheduled, Seller will not be obligated to reschedule a walk through prior to Closing and Buyer shall be deemed to have accepted Buyer's Unit in "AS-IS" condition. From and after the Closing, Buyer grants Seller and its agents access to Buyer's Unit at reasonable times during normal business hours to complete Punch List items. If Buyer cannot be present at the time such work is to be performed, Buyer hereby authorizes Seller, its agents, employees and contractors to enter Buyer's Unit for such purposes using a master key. If Buyer cannot or elects not to be present at the time that Seller performs any Punch List work, Buyer hereby waives and releases Seller (its partners, contractors, subcontractors, employees, agents, designees and assigns) from any and all claims that Buyer may have against Seller (its partners, contractors, subcontractors, employees, agents designees and assigns) relating to damage to or theft of property from Buyer's Unit that is not due to the negligence or intentional act of Seller or its partners, contractors, subcontractors, employees, agents, designees and/or assigns. Seller shall have no further obligation to complete Punch List items if Seller has submitted three (3) written requests to Buyer for entry over a thirty (30) day period after Closing, and access to Buyer's Unit has been denied for any reason. The provisions of this Section shall survive the Closing.

5. Payments to the Condominium Association. Buyer agrees to pay the Common Assessment and, to the extent property taxes levied on Buyer's Unit are sent to the Condominium Association or Seller, the tax assessment and all other applicable taxes for each fiscal year to the Condominium Association in accordance with the Declaration. The Common Assessment is currently payable in advance on a quarterly basis. The Common Assessment may be increased only as provided in the Declaration. At the Closing, Buyer shall reimburse Seller or the Condominium Association, as applicable, for Buyer's pro rata share of any portion of the taxes prepaid for periods after the Closing by Seller or the Condominium Association. Buyer shall also pay at the Closing the prorated amount of the Common Assessment for the Condominium Association's current quarter; provided, however, if the Closing occurs during the last month of the Condominium Association's current quarter, then Buyer shall pay the prorated amount of the Common Assessment for the Condominium Association's current quarter and the Common Assessment due for the Condominium Association's next succeeding quarter.

6. Offer to Purchase. Buyer's signature hereon constitutes an offer to Seller to purchase Buyer's Unit. Unless acceptance hereof is signed by Seller and a signed copy delivered to Buyer, either in person or by mail to the address shown below, within thirty (30) days after the date hereof, this offer shall, at the option of Seller (as evidenced by written notice to Buyer), be deemed rejected in which case any Deposits made by Buyer shall be returned to Buyer.

7. Closing.

(a) Closing Date. Subject to the requirements and conditions set forth in Section 7(b) below, the completion of the purchase and sale of Buyer's Unit (the "Closing"), shall be conducted by Escrow Holder. Seller shall send Buyer and Escrow Holder notice setting forth the closing date (the "Closing Date") designated by Seller. The notice shall further state the place of Closing, which shall be determined by Seller. Buyer must satisfy the requirements and conditions set forth in Section 7(b) that are applicable to Buyer no later than the Closing Date and otherwise must be ready, willing and able to close on the Closing Date. The Closing will take place on or before June 30, 2009 or this REPC is null and void and Seller may retain all Deposits.

(b) Conditions to Closing. The Closing shall occur subject to the provisions of Section 17 and subject to the satisfaction or completion of the following:

(i) Escrow Holder is prepared to issue the Title Policy described in Section 11(b);

(ii) Buyer and Seller have signed and delivered to each other (or to Escrow Holder) all documents required by this REPC and, if different, by applicable law;

(iii) Escrow Holder has received the monies required to be paid under this REPC in the form of collected funds or such other form acceptable to Escrow Holder and Seller;

(iv) Escrow Holder has received notice from Seller to close escrow hereunder;

(v) Escrow Holder has not received a notice or demand for termination as provided in Section 17;

(vi) Escrow Holder has obtained a partial lien release under any and all mortgages and deeds of trust then recorded against Buyer's Unit(s); and

(vii) If Buyer wishes to take title to Buyer's Unit in the name of Buyer's trust, and has elected to submit a certification of trust to Escrow Holder for purposes of identifying the grantee in Buyer's Special Warranty Deed, Escrow Holder has inserted the trust name, date and trustee identified in the certification of trust delivered by Buyer in Buyer's Special Warranty Deed.

(c) The Closing shall take place in person or by mail at the office of Escrow Holder (or such other place as designated by Seller in writing to Buyer).

8. Costs. Seller shall pay one hundred percent (100%) of the cost of the title insurance premiums for an owner's title insurance policy for Buyer's Unit(s), Buyer shall pay one hundred percent (100%) of the cost of the title insurance premiums for any lender's title insurance policy and Seller and Buyer shall each pay fifty percent (50%) of all other customary charges, Closing costs and fees including, without limitation, Escrow Holder's fees and costs, all documentary or similar transfer taxes (unless applicable law dictates otherwise). An estimate of the actual Closing costs to be paid by Buyer will be specified on the "Estimated Settlement Statement", which document will be provided to Buyer before Closing. Closing costs shall be paid by Buyer at the Closing and shall be in addition to the Purchase Price and to any amounts paid by Buyer at Closing pursuant to Section 5. Buyer is responsible for paying the costs associated with any financing that Buyer may obtain.

9. Disbursement and Use of Deposits.

(a) All amounts deposited by Buyer under the Purchase Agreement of Buyer's Unit, or as rent pursuant to the First Addendum to the Park City Municipal Corporation and Park City Wireless Corporation Sublease Agreement for rent for months August through October 2008, if any, shall automatically, and without any action necessary by Escrow Holder, Seller or Buyer, become Deposits under this REPC, upon the execution of this REPC by Buyer and Seller.

(b) Escrow Holder is hereby authorized to deposit any funds or documents delivered to it under these Escrow Instructions (including any Deposits described in Section 9(a)), or cause the same to be deposited, with any sub-agent, subject to Escrow Holder's order at or prior to the Closing, in the event such deposit shall be necessary or convenient for the consummation of this escrow. On the date of Closing, all funds remaining in escrow (including any interest earned thereon, if any), except funds deposited pursuant to Section 5 for payment to the Condominium Association and funds payable to Escrow Holder pursuant to Section 8, shall be delivered to Seller.

(c) Notwithstanding the foregoing, the Deposits shall be delivered to Seller, which Seller may use to fund the construction of the Building or to pay debt obligations related to the construction of the Building.

10. Destruction. If Buyer's Unit are materially destroyed or materially damaged prior to the Closing, then Seller shall have the option to repair such damage and to extend the Closing for up to three (3) months to complete such repairs or not. If Seller chooses not to repair such damage or if such damage is not repaired prior to the Closing, then on demand by Seller or Buyer, all amounts paid by Buyer pursuant to this REPC, including any interest earned thereon, if any, shall be returned to Buyer within fifteen (15) calendar days after the date of such demand, without deduction other than monies paid as Purchase Agreement Payment and unless such destruction or damage was caused by Buyer's act or omission, in which event Seller may retain all amounts paid by Buyer, including any interest earned thereon, if any, until Seller has collected from Buyer all damages due and owing from Buyer to Seller (as determined by the judgment of a court of competent jurisdiction) in connection therewith, and this REPC shall be null and void.

11. Title Insurance.

(a) Title Exceptions. Attached hereto as Exhibit E is a list of the exceptions (together with any standard exclusions from coverage in the Title Policy, the "Title Exceptions"), that will appear on the Title Policy (defined in Section 11(b)), such Title Policy being subject to the removal of certain exceptions and/or the addition of new exceptions as provided for in Section 11(b). Buyer acknowledges and agrees that copies of documents relating to the Title Exceptions have been delivered to Buyer prior to Buyer's execution of this REPC.

(b) Title Policy. Within sixty (60) calendar days following the Closing and recording of the Special Warranty Deed, Seller shall cause Escrow Holder to deliver to Buyer a standard form ALTA Owner's Policy of Title Insurance (the "Title Policy") in the full amount of the Purchase Price showing title in Buyer's Unit(s) vested, as of the Closing, in Buyer, subject only to (i) the Title Exceptions (excluding any exceptions that have been removed from the list of Title Exceptions prior to the Closing) and any other exceptions to title that may arise in the ordinary course of developing the Building prior to the Closing (none of which will materially and adversely affect the rights or privileges of Buyer to use and occupy Buyer's Unit), (ii) any financing obtained by Buyer to finance the purchase of Buyer's Unit, (iii) any other exceptions to title or encumbrances created or caused to be created by Buyer, and (iv) other liens or encumbrances, so long as Seller has provided Buyer with an endorsement insuring Buyer from any losses incurred from such liens or encumbrances.

12. Buyer's Acknowledgment of Documents.

(a) Received Documents. Buyer's signature on this REPC constitutes Buyer's acknowledgment that Buyer has received the documents listed below (collectively, the "Seller Disclosures"):

(i) Declaration, Condominium Articles and Condominium Bylaws; and

(ii) Building Rules and Regulations.

(b) Buyer's Due Diligence Review. Buyer shall have five (5) days from Buyer's receipt of this REPC to review the documents set forth above (the "Due Diligence Period"). Buyer may provide written notice to Seller at any time prior to the expiration of such 5-day period that Buyer desires to withdraw its offer to purchase Buyer's Unit and to receive a return of the Reservation Deposit. Upon Seller's receipt of Buyer's written termination request, Seller shall instruct the Escrow Holder to return the Reservation Deposit to Buyer, and Buyer shall have no further obligations under this REPC. If Seller does not receive a written termination request by the end of the Due Diligence Period, Buyer shall be deemed to have received, read and understood the Seller Disclosures. At that time, the REPC cannot be terminated by Buyer, and the Deposits shall be non-refundable.

(c) Modifications to Documents. Buyer hereby acknowledges and agrees that Seller reserves the right to make such modifications, additions, or deletions in or to the documents described in this Section 12 as may be deemed necessary, and to provide copies of any amendments of such documents at or before the Closing, provided that none of the same shall materially and adversely affect the rights or privileges of Buyer to use and occupy such Buyer's Unit and/or the lien of Buyer's lender.

13. Covenants, Representations, Warranties and Understandings of Buyer.

(a) Buyer covenants, represents and warrants to Seller as follows:

(i) Buyer is purchasing Buyer's Unit and the rights and privileges evidenced thereby for Buyer's own personal use and account and not for any other purpose and does not anticipate or expect that Buyer will make a profit from ownership of Buyer's Unit. Buyer understands that the purchase of Buyer's Unit(s) should be based solely upon its personal use by Buyer and not for its potential liquidity or as an appreciating investment (including potential for rental income or for resale at a profit).

(ii) Buyer hereby agrees to indemnify, defend and hold Seller harmless from and against any and all loss, threat of loss, suits, claims, actions, liabilities, damages, obligations, demands, costs and expenses (including attorneys' fees) arising out of or in connection with any breach by Buyer of any covenant, representation or warranty contained in this Section 13 or any untrue statement made by Buyer in this Section 13.

(iii) Buyer has full authority and capacity to enter into this REPC.

(iv) The agreements, representations and warranties of Buyer set forth in this Section 13 shall survive the delivery and recordation of the Special Warranty Deed to Buyer.

(b) Buyer acknowledges and agrees to the following:

(i) All of the information called for in the blank spaces of this REPC was filled in and read and understood by Buyer prior to the date of this REPC.

(ii) Buyer's fee simple ownership interest being sold hereunder is in the interior airspace of Buyer's Unit only and, as a result thereof, Buyer will not acquire a fee simple ownership interest (undivided or otherwise) in the balance of the Building of any kind.

(iii) As Owner of Buyer's Unit, Buyer will automatically become a member of the Condominium Association and subject to and must comply with the Declaration, the Condominium Articles and the Condominium Bylaws. The Condominium Association shall be governed by a Condominium Management Committee that will consist of three persons.

(iv) Buyer's Unit does not include ownership of any parking spaces

(v) If required by Escrow Holder, Buyer, if an organization other than a natural person, shall deliver to Seller at or prior to Closing a copy of a resolution of Buyer, duly adopted and certified by an authorized representative of Buyer as required by the laws of the state of Buyer's organization, authorizing the purchase of Buyer's Unit, together with all certificates of organization, certificates of authority, trade name affidavits and other documents required by Utah law to enable Buyer to hold title to Buyer's Unit. Buyer represents that at Closing Buyer will be in good standing and authorized, as necessary, to conduct its business in Utah.

(vi) If Buyer is comprised of two or more parties, each party shall be jointly and severally obligated under this REPC.

(vii) Neither Seller, nor any representative or affiliate of Seller, has offered Buyer's Unit(s) with emphasis on the tax or other economic benefits to be derived from the managerial efforts of Seller or any third party from rental of Buyer's Unit.

(viii) Buyer is responsible for paying taxes and any other applicable assessments that may be assessed on Buyer's Unit(s). If the bill for such taxes is sent directly to Buyer by Summit County, then Buyer shall pay the bill directly to Summit County. If the bill for such taxes is sent to the Condominium Association or Seller, Buyer shall reimburse the Condominium Association or Seller through a tax assessment levied by the Condominium Association.

(ix) Regardless of any existing view or view potential from Buyer's Unit and regardless of the pricing of Buyer's Unit, Buyer acknowledges that there are no express or implied easements for views. Seller does not guarantee or make any representation whatsoever concerning the view, if any, from Buyer's Unit(s). Buyer further acknowledges that any view which Buyer's Unit may currently enjoy may be impaired or obstructed by further construction or landscaping on property near the Building.

(x) In accordance with the Declaration, under certain circumstances, two or more Units may be combined into one Unit.

(xi) Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Utah. Additional information regarding radon and radon testing may be obtained from the applicable county public health unit.

(xii) Mold, mildew, fungi bacteria and microbiologic organisms (collectively, "Molds") are present in soil, air and elsewhere in the environment. Molds can proliferate in various environments, including, without limitation, damp areas such as crawl spaces, attics, bathrooms, within walls and partitions and in basements. Certain parties have expressed concerns about the possible adverse effects on human health from exposure to Molds. Due to various reasons, including the varying sensitivities of different individuals to various types of Molds, there currently exist no state or federal standards regarding acceptable levels of exposure to Molds. Buyer is advised to perform his or her own investigation regarding the presence of Molds in Buyer's Unit and acknowledges that Seller will not be responsible for damage caused by Mold.

(xiii) Restrictions on Sale or Transfer. Under the terms of the Declaration, the Condominium Association shall have the authority to restrict the types of business that may occupy the Buyer's Unit. Buyer agrees to be bound by such terms of the Declaration. Furthermore, a deed restriction will be signed at closing which restricts to whom the Unit can be sold or leased or rented to and which gives Seller the right of first refusal to buy if the Unit is being sold.

14. Seller/Broker Relationship. Seller is not represented by a real estate broker in this transaction. If Seller elects to engage a real estate broker, Seller's obligation to pay such broker shall be set forth in a separate written agreement and Seller shall defend, indemnify and hold Buyer harmless from and against any claims made by such broker. Seller shall not owe a commission to any other broker including brokers that are introduced by Buyer to the transactions contemplated herein (and Buyer shall be exclusively obligated to pay any such broker and shall defend, indemnify and hold Seller harmless from and against any claims made by such broker).

15. Default and Termination.

(a) Termination for Buyer's Default. If Buyer (i) fails to complete the purchase of Buyer's Unit(s) by reason of any default of Buyer, or (ii) otherwise fails to perform any of Buyer's obligations hereunder within the time or in the manner required under any of the provisions of this REPC, then Seller shall be entitled to any available remedy at law or equity against Buyer and, in addition, Seller may elect to terminate this REPC by giving written notice of cancellation (the "Termination Notice") in duplicate to Buyer and to Escrow Holder. Within five (5) calendar days after receipt of the Termination Notice, Escrow Holder shall mail one copy to Buyer by postage prepaid certified mail, return receipt requested. The Termination Notice shall contain a statement that Seller has determined that Buyer is in default hereunder and that if no written objection is received by Escrow Holder from Buyer within five (5) calendar days of receipt of the Termination Notice, Seller is canceling this REPC and, if Seller so chooses, electing to retain the amount of the liquidated damages provided in Section 19 below. Unless written notice (the "Objection Notice") of Buyer's objection to Seller's determination of default is received by Escrow Holder within five (5) calendar days following the date on which the Termination Notice is received by Buyer, if Seller has elected the remedy of liquidated damages, Escrow Holder shall deliver to Seller the amount of liquidated damages set forth in Section 19 below; Seller shall be deemed to be released and discharged of any and all further obligation to Buyer, including the obligation to sell Buyer's Unit(s) to Buyer. In the event that Buyer timely delivers to Escrow Holder the Objection Notice, the dispute regarding the disposition of Buyer's funds deposited with Seller, and every other cause of action which has arisen between Seller and Buyer under this REPC, shall be settled by arbitration in accordance with Section 16.

(b) Seller's Default. If Seller defaults under this REPC, Buyer will provide Seller with five (5) days notice of such default and if Seller has not cured the default within such period or if such default is not capable of being remedied within such period, if Seller has commenced the cure of such default and is diligently prosecuting the same to completion, Buyer will have such rights as may be available in equity and/or under applicable law, provided, however, that absent an intentional and willful default of Seller, Buyer shall not be permitted to seek to specifically enforce this REPC.

16. Arbitration of Disputes.

(a) Arbitration. Any dispute, claim or controversy of any kind or description arising out of, or in any way relating to, the validity, construction, enforceability or performance of this REPC, or any other agreement, whether oral or written, which relates or refers to this REPC ("Related Agreements"), or the breach of this REPC or any such Related Agreements (collectively, "Disputes"), shall be settled by binding arbitration pursuant to the JAMS Comprehensive Arbitration Rules and Procedures, as these rules may be amended from time to time on and subject to the terms of this Section 18.

(b) Location. The place of arbitration shall be Summit County, Utah.

(c) Acknowledgements. The parties to an arbitration proceeding hereunder shall be entitled to discovery, including depositions, in the manner, and to the full extent permitted by, Federal Rules of Civil Procedure, as if the matter were pending in a United States District Court.

(d) Arbitrators. No arbitrator shall be in the employ of, or otherwise affiliated with, Buyer or Seller.

(e) Decision. The arbitrator's decision shall be rendered within ninety (90) days after the arbitrator is appointed.

(f) Jurisdiction. Upon the application of any party to any arbitration proceeding, and whether or not an arbitration proceeding has yet been initiated, the United States District Court for the District of Utah and the District Court for Fourth District of Utah, and no other courts, shall have in personam jurisdiction and hereby are authorized: (i) to issue and enforce in any lawful manner such temporary restraining orders, preliminary injunctions and other interim measures of relief as may be necessary to prevent harm to the interests of a party, or as otherwise may be appropriate, pending the conclusion of arbitration proceedings pursuant to this Section 16, (ii) to enter into and enforce in any lawful manner such judgments for permanent equitable relief as may be necessary to prevent harm to the interests of a party, or as otherwise may be appropriate, following the issuance of an arbitration award pursuant to this Section 18, and (iii) to enter a final award rendered pursuant to the arbitration proceeding as a final judgment in a court specified in this Section 16 and to enforce such judgment.

(g) Waiver. Except as provided in Section 16(f), Buyer waives and relinquishes any and all rights to institute a proceeding in any federal, state or local court (and, without limiting the foregoing, further waives any and all rights to a trial by jury) with respect to any Dispute.

(h) Attorneys' Fees and Costs. Any arbitration award shall include an award of costs and attorneys' fees (including the arbitrator's reasonable compensation and reimbursement of expenses and any collection costs) to the prevailing party from the non-prevailing party, as determined pursuant to the arbitration proceeding. Pending an award of costs and fees hereunder, each party shall pay (i) its own expenses in connection therewith, and (ii) fifty percent (50%) of the arbitrator's fees and costs. On and subject to the terms of Section 16(i), a party to the arbitration that fails to timely pay its fifty percent (50%) share of the arbitrator's fees and costs shall be deemed to be in default and shall not be allowed to participate in the proceedings.

(i) Appearance. Notwithstanding any provision of rules or statutes to the contrary, the refusal or failure of any party to the arbitration to appear at, or participate in, any hearing or other portion of any arbitration shall not prevent any such hearing or proceeding from going forward, and the arbitrators are empowered to make their decision and/or render an award ex parte, which shall be binding on the non-appearing party as fully as though that party had participated in the hearing or proceeding.

YOU HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT ALL DISPUTES TO NEUTRAL ARBITRATION.

Buyer's Initials _____ Buyer's Initials _____ Seller's Initials _____

17. **LIQUIDATED DAMAGES**. BUYER UNDERSTANDS THAT AT THE EXECUTION OF THIS REPC, SELLER WILL BE DEPRIVED OF AN OPPORTUNITY TO SELL BUYER'S UNIT SUBJECT HERETO FROM AND AFTER THE DATE HEREOF. SELLER WILL ALSO HAVE INCURRED COSTS INVOLVED WITH BUYER'S FAILURE TO PERFORM THIS REPC, INCLUDING, BUT NOT LIMITED TO, LEGAL FEES. IT IS THEREFORE AGREED BY THE PARTIES THAT IT IS IMPRACTICAL AND EXTREMELY DIFFICULT TO FIX THE DAMAGES WHICH MAY RESULT FROM ANY FAILURE ON THE PART OF BUYER TO PERFORM THIS REPC. ACCORDINGLY, SHOULD BUYER FAIL TO COMPLETE THE PURCHASE OF BUYER'S UNIT BY REASON OF ANY DEFAULT OF BUYER HEREUNDER, SELLER SHALL BE RELEASED FROM ITS OBLIGATION TO SELL BUYER'S UNIT TO BUYER AND SELLER MAY PROCEED AGAINST BUYER UPON ANY CLAIM OR REMEDY WHICH SELLER MAY HAVE IN LAW OR EQUITY. BUYER AND SELLER AGREE THAT SELLER MAY, IN ADDITION TO ANY OTHER REMEDIES TO WHICH SELLER MAY BE ENTITLED, RETAIN A SUM EQUAL TO THE AMOUNT OF THE DEPOSITS AND RENT HEREUNDER, INCLUDING ANY INTEREST EARNED THEREON,

IF ANY, AS SELLER'S LIQUIDATED DAMAGES AND NOT AS A PENALTY, WHICH AMOUNT SUBSTANTIALLY COMPENSATES SELLER FOR ANY DAMAGES SUSTAINED BY SELLER.

YOU HAVE READ AND UNDERSTAND THE FOREGOING LIQUIDATED DAMAGES PROVISION.

Buyer's Initials _____ Buyer's Initials _____ Seller's Initials _____

18. **Notice**. All notices, demands, statements, requests, consents approvals and other communications required or permitted to be given hereunder, or which are to be given with respect to this REPC, shall be in writing and either personally delivered to any duly authorized representative of the party receiving such notice or sent by facsimile transmission (with original to follow by one of the following acceptable delivery methods), registered or certified mail with a return receipt requested, or by a nationally recognized courier service, return receipt requested. All notices shall be effective for all purposes upon personal delivery thereof or, if sent by facsimile transmission, shall be effective on the date of transmission duly shown on the confirmation slip (provided that any facsimile delivered after 5:00 p.m. local time or on a day other than a business day shall be deemed to have been delivered on the next business day), or, if sent by mail or air freight or courier service, shall be effective on the date of delivery duly shown on the return receipt or courier records. All notices shall be delivered to the respective addresses and fax numbers for Buyer and Seller set forth on the first page of this REPC. The addresses for purposes of this Section 20 may be changed by giving written notice of such change in the manner herein provided for giving notice. Unless and until such written notice is given, the last addressee and address as stated by written notice or as provided herein, if no written notice of change has been sent or received, shall be deemed to continue in effect for all purposes hereunder.

19. **Foreign National Status**. Buyer's Representations and Covenants as to Foreign National Status. The United States Department of the Treasury, Office of Foreign Assets Control ("OFAC"), prohibits Seller from engaging, directly or indirectly, in transactions with individuals or entities on OFAC's list, as updated from to time to time, of Specially Designated Nationals and Blocked Persons (the "SDN List"). OFAC also administers, from time to time, sanction and embargo programs involving certain designated countries (each an "Embargoed Country").

(a) By signing below, Buyer represents and warrants to Seller as follows:

(i) Buyer is not included on the SDN List, and is not owned or controlled by, or acting for or on behalf of, any individual, organization or other entity included on the SDN List.

(ii) Buyer is not a resident or national of any Embargoed Country.

(iii) Buyer is not affiliated with, and does not give support to or receive support from, any terrorist, terrorist organization, narcotics trafficker or person engaged in activities related to the proliferation of weapons of mass destruction.

(iv) Buyer is not an individual, organization or other entity with whom Seller or its affiliates are prohibited from transacting business, or with whom they may transact business only subject to the imposition of significant fines or penalties.

(v) Buyer hereby represents its compliance with all applicable anti-money laundering laws, including, without limitation, the USA Patriot Act, and the laws administered by OFAC, including, without limitation, Executive Order 13224.

(vi) None of Buyer's employees, directors, officers, or others with a controlling interest in Buyer, nor any of its affiliates or the funding sources of either is on the SDN List.

(vii) Neither Buyer nor any of its affiliates is directly or indirectly controlled by the government of any country or person that is subject to an embargo by the United States government that prohibits Seller from conducting the business activities contemplated by this REPC with Buyer.

(viii) Neither Buyer nor any of its affiliates is acting on behalf of an Embargoed Country.

Buyer agrees that it will notify Seller in writing immediately upon the occurrence of any event which would render the foregoing representations and warranties of this Section 21(a) incorrect.

(b) If at any time Buyer becomes, or is discovered to be, an individual, organization or other entity described by any of Sections 21(a)(i) through 21(a)(viii) above (a "Prohibited Buyer"), Buyer shall, immediately and without further action or notice on behalf of Seller, forfeit any use, voting and other rights attached to the property purchased hereby and shall not be entitled to a refund of any deposits, fees or other monies paid with respect to such property. Upon the occurrence of such an event, Buyer shall waive any claims it may have against Seller and its parent and sister companies, affiliates, subsidiaries, employees, agents, officers and directors as a result of such forfeiture and will indemnify Seller and its parent and sister companies, affiliates, subsidiaries, employees, agents, officers and directors for any losses incurred by them arising from Buyer's status as a Prohibited Buyer, including any breach of Buyer's representations and warranties set forth herein.

(c) Buyer shall not transfer or attempt to transfer Buyer's interest in the property purchased hereby to any individual, organization or other entity which would be considered a Prohibited Buyer under the terms of this REPC (a "Prohibited Transferee"). Any such transfer or attempted transfer may subject Buyer to fines or other liabilities, and such transaction may be declared null and void. Buyer hereby agrees to indemnify and hold harmless Seller and its parent and sister companies, affiliates, subsidiaries, employees, agents, officers and directors from any losses incurred by them arising from Buyer's transfer or attempted transfer of Buyer's interest in the property purchased hereby to any Prohibited Transferee.

20. Miscellaneous.

(a) Inurement. The provisions of this REPC shall extend to, bind and inure to the benefit of the parties hereto and their respective personal representatives, heirs, successors, and assigns.

(b) Assignment. Buyer may not assign this REPC without the prior written consent of Seller, which consent may be withheld in Seller's sole discretion. Any purported assignment made without obtaining Seller's prior written consent may be voided at the option of Seller, in its sole discretion. Seller may assign this REPC in its sole discretion.

(c) Merger of Agreement. The only representations, agreements and warranties made by Seller are those set forth in writing in this REPC and in the documents named in Section 12. No representations, agreements or warranties, express or implied, not expressly set forth in writing in this REPC or in the documents named in Section 12 are made by Seller to or with Buyer.

(d) Further Assurances. Buyer agrees to execute and deliver any further instruments or documents and perform any additional acts which are or may become necessary to effectuate the Closing.

(e) No Additional Obligations; Irrevocability and Waiver of Right. Seller shall have no obligation to inspect, repair or replace any item or Alleged Defect (defined below) for which Seller is not otherwise obligated to do under applicable law or under the Declaration. The right of Seller to enter, inspect, repair, and/or replace, reserved under the Condominium Declaration, shall be irrevocable and may not be waived or otherwise terminated except by a writing, in recordable form, executed and recorded by Seller in the Office of the County Recorder. "Alleged Defects" means any portion of the Condominium Property, including Buyer's Unit(s), and/or improvements constructed on the Condominium Property, that Buyer claims, contends or alleges are defective or that Buyer claims, contends or alleges that Seller or its agents, consultants, contractors or subcontractors were negligent in planning, designing, engineering, grading or constructing. The provisions of this Section 22(e) shall survive the Closing.

(f) Waiver. Seller hereby disclaims any representations and warranties in respect of, shall have no continuing liability to Buyer for, any design or construction defects (whether known or unknown) relating to the Building, including latent defects. Further, to the maximum extent permitted by law, Seller hereby disclaims any and all and each and every express or implied warranties, whether established by statutory, common case law or otherwise, as to the design, construction, sound and/or odor transmission, existence and/or development of molds, mildew, toxins or fungi, furnishing and equipping of the Condominium Property, including, without limitation, any implied warranties of habitability, fitness for a particular purpose or merchantability, compliance with plans, all warranties imposed by statute and all other express and implied warranties of any kind or character. Seller has not given and Buyer has not bargained for any such warranties. As to any implied warranty which cannot be disclaimed entirely, all secondary, incidental and consequential damages are specifically excluded and disclaimed (claims for such secondary, incidental and consequential damages being clearly unavailable in the case of implied warranties which are disclaimed entirely above. The provisions of this Section 22(f) shall survive the Closing.

(g) No Presumption. This REPC shall be construed without regard to any presumption or other rule requiring construction against the party causing this REPC to be drafted.

(h) Gender. All terms and words used in this REPC, regardless of the number or gender in which they are used, shall be deemed to include any other number and any other gender as the context may require.

(i) Litigation Expenses. In the event of any litigation between Seller and Buyer concerning the subject matter of this REPC, the breaching party shall pay all of the non-breaching party's costs and expenses, including, without limitation, reasonable attorneys' fees and reasonable costs incurred incident to such litigation.

(j) Counterparts. This REPC may be executed in more than one counterpart, each of which shall be deemed an original, but all together shall be only one document. Signatures to this REPC may be delivered by facsimile transmission which transmission copy shall be considered an original and shall be binding and enforceable against the parties.

(k) Captions. The captions of this REPC are inserted for convenience of reference only and do not define, describe or limit the scope or intent of this REPC or any term hereof.

(l) Time of the Essence. Time is of the essence hereof. If the time period for the performance of any act called for under this REPC expires on a Saturday, Sunday or any other day on which banking institutions in Utah are authorized by law or executive order to close (a "Legal Holiday"), the act in question may be performed on the next succeeding day that is not a Saturday, Sunday, or Legal Holiday.

(m) Legally Binding Contract. THIS IS A LEGALLY BINDING CONTRACT. IF YOU DO NOT UNDERSTAND THE TERMS AND CONDITIONS, PLEASE CONSULT A LEGAL OR OTHER COUNSEL BEFORE SIGNING.

EXECUTED as of the day and year first above written.

PARK CITY COMMUNITY WIRELESS

By: JONATHAN KLEIN, GENERAL MGR

ACKNOWLEDGMENT

STATE OF UTAH)
: ss.
COUNTY OF SUMMIT)

On this 20 day of MAY, 2009, personally appeared before me JONATHAN KLEIN, who being duly sworn, did say that he/she is the GENERAL MGR. for the Park City Community Wireless, and acknowledged to me that the preceding First Addendum was signed on behalf of said Park City Community Wireless, and he/she acknowledged that the Park City Community Wireless did execute the same for its stated purpose.

Notary Public
JANET M. SCOTT
445 Marsac Ave, P.O. Box 1480
Park City, Utah 84060
My Commission Expires March 11, 2012
State of Utah

Notary Public

SELLER:

SELLER:

PARK CITY REDEVELOPMENT AUTHORITY

____
Dana Williams

Attest:

____
Janet M. Scott, City Recorder

Approved as to form:

____
City Attorney's Office