PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
MAY 28, 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, May 28, 2009.

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

Work Session
4:00 p.m. Council questions/comments
4:15 p.m. Budget review: P. 5 - 35

- Water Fund – operation, capital, and fee changes
- Fees – business license and recreation
- HMBA Main Street lighting proposal
- Pay plan and benefits

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 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
(a) Public hearing
(b) Motion to continue to June 18, 2009

2. Public hearing on the issuance of general obligation bonds and the potential economic impact that the improvement, facility, or property for which the bonds pay all or part of the cost will have on the private sector, pursuant to Section 11-14-318 of the Utah Code Annotated 1953, as amended P. 36 - 38

3. 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

(b) Motion to continue public hearing to June 4, 2009

4. Consideration of an Ordinance approving the First Amended Treasure Hill Subdivision Phase 3, located at 445 King Road, Park City, Utah P. 39 - 50

(a) Public hearing
(b) Action

5. Consideration of an Ordinance approving the Lot G Prospector Square plat amendment, located at 1775 Prospector Avenue, Park City, Utah P. 51 - 61

(a) Public hearing
(b) Action

6. Consideration of a Professional Services Agreement in an amount not to exceed $80,000, in a form approved by the City Attorney, with Meter Maintenance Inc for meter testing and repair work P. 62 - 76

7. Construction of a Construction Agreement, in a form approved by the City Attorney, with Counterpoint Construction for the construction of the Promontory Raw Waterline for a lump sum amount of $1,147,569 P. 77 - 96

8. Consideration of a Settlement Agreement between HPC Development and Hotel Park City Condominium Association regarding the purchase of the Park City Golf Course Pro Shop and the incorporated Cross-Easement Agreement P. 97 - 103

V ADDITIONAL DISCUSSION – AGENDA ITEMS

VI 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: 05/26/09
See: www.parkcity.org

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

May 2009
28 **Candy gone**

June 2009
4 Budget – work/public hearing
- Racquet Club remodel

Public Art Advisory Board interviews
Economic development grant – High West Distillery
Adoption of resolution - tentative budget
Adoption of resolution - fee schedule – public hearing
Adoption of resolution – Comprehensive Emergency Management Plan update
Resolution adopting an interlocal agreement with the Snyderville Basin Special Recreation District - ice arena
Final GO bond resolution – public hearing/action
11 **Liza gone**
13 *125th Birthday Party – Main Street - Saturday*
18 Budget – work/public hearing
WALC traffic calming projects – HD (45 min)
Library Board appointments
Waiver of building-related fees for the Snow Creek Cottages Housing Project, located at 2060 Park Avenue, Park City, Utah
Waiver of building-related fees for the Fairway Hills Pump Station
MFL – Gallery Stroll amplified music
575 Park Ave – Plat [PL-09-00684] KS/JM
Ordinance approving the hotel and residences at Empire Canyon Resort Record of Survey Plat, located at 9100 Marsac Avenue, Park City, Utah BR
Sergio ice cream franchise – PM
Adoption of resolution - Personnel Policies & Procedures manual
Adoption of resolution – final budget
Appeals of Deer Crest Hotel CUP – St. Regis Resort – Powder Run and Jeri Rice
MBA and RDA resolutions - budget hearings and adoptions
25 LMC amendments and Historic District Design Guidelines – work
Final water bond resolution – public hearing/action
Public Art Advisory Board appointments

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
24 *Pioneer Day – City offices closed Friday*
30

Pending Items:
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:	**FY 2010 BUDGET:** **SPECIAL SERVICE CONTRACTS,** **WATER FUND, FEE CHANGES**
Author:	**Nate Rockwood, Bret Howser,** **Jed Briggs, & Kyle MacArthur**
Department:	**Budget, Debt, & Grants**
Date:	**May 28, 2009**
Type of Item:	**Discussion/Legislative**

Budget, Debt, & Grants

Summary Recommendations:
Hold a public hearing on the City Manager's Recommended Budget. Provide initial direction concerning special service contracts, fee changes, pay plan adjustments, health insurance costs, vacancy factor & fringe update, Council compensation, and lump merit pay.

Topic:
Operating Budget (FY 2009 Adjusted Budget, FY 2010 Budget, 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. At this time, 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 21st, 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.

Public hearings are currently scheduled for May 28, June 4, and June 18. Council work session on June 11 may be used for further budget discussion if the time is needed. Discussion/action is slated for these dates as follows, barring changes as needed:

May 28 – Special Service Contracts, Water Fund (Operating, Capital, Fee Changes), Fee Changes (Business License Admin Fee, Special Events Fees, Recreation Fees), Pay Plan Adjustments, Health Insurance Costs, Vacancy Factor & Fringe Update, Council Compensation, Lump Merit Pay, Outstanding Budget Issues.

June 4 – Budget Policies (Shortfall Policy), Personnel Policies and Procedures (P&P), Fee Resolution, Racquet Club Discussion, Outstanding Budget Issues, Adoption of Tentative Budget.

June 11 – Outstanding Budget Issues (if necessary)

June 18 – Presentation & Adoption of Final Budget

Analysis:

Special Service Contracts
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. According to City policy, up to one percent of the City's total budget is awarded. Payment may take the form of cash payment and/or rent contributions for the lease of City property in exchange for the value of in-kind services. Currently there is $383,973 ($767,946 for two years) budgeted for Special Service Contracts (SSC).

Special Service Contracts are awarded biennially through a competitive application process. A Request for Proposals was issued in February 2009 and announced through local media. Letters announcing the RFP were sent to previous awardees. Applications were accepted through March 31st and submitted to the Special Service Contract Subcommittee for review. This Subcommittee includes Council Members Erickson and Hier and City staff. A Youth Advisory Committee reviews the Youth Programming applications and makes recommendations to the Special Service Contract

Subcommittee. This year the Youth Advisory Committee included two students, Ben Portwood and Stephanie LoPiccolo; and two citizens with ties to the community, Jodi Lundmark and Tristin Easton.

The selection process for both committees involved an examination of each application to determine how well it fit the criteria outlined in the City's Public Service Contract Policy. The applications were then ranked based on the outcome of the criteria match. Using these rankings the committees allocated funding limited by the special service contract budget. In order to distribute funds to additional applications, the committees examined additional criteria to determine if funding for some applications should be redistributed. These criteria consisted of whether the total allocation was sufficiently distributed among the service contract categories, the number of beneficiaries, whether certain gaps in community service are filled, if City Council goals are advanced, and whether the service would be provided by the City in the absence of it being provided through a non-profit organization

Due to current economic conditions both SSC committee's adopted a strategy in evaluating applications that funding for each organization should not exceed that of the 2008-2009 SSC contract amount. This strategy was followed except in limited situations where past contracts called out specific program aspects which did not match current application programs. While this funding strategy suggested a limit to spending based on previous contracts, the committee evaluated each applicant individually and considered the needs of the City and of the applying organization.

A summary of the final recommendation is shown in the table below and a full summary with justifications from the Special Service Contract Subcommittee is found in *Attachment A*.

Organizations	Request	Pervious Award 2008 - 2009	Recommended Funding 2010 - 2011
Park City/Summit County Arts Council	$168,932	$59,138	$48,000
Mountainlands Community Housing Trust	$36,000	$30,000	$30,000
P.C. Adult ESL	$9,000	$14,000	$9,000
Park City Chamber/Bureau	$200,000	$160,000	$160,000
P.C. Historical Society and Museum	$80,000	$104,000	$60,000
Recycle Utah - Operating	$59,950	$45,846	$46,000
Recycle Utah - Rent Contribution	$19,154	$19,154	$19,154
People's Health Clinic	$81,692	$60,600	$64,500
Christian Center	$30,000	$20,000	$20,000
Mountain Mediation Center	$34,564	$23,508	$23,500
Peace House, Inc.	$52,700	$50,000	$50,000
Park City Community Outreach Center *	$20,000	$21,000	$20,000
KPCW	$59,400	N/A	$0
Summit Land Conservancy	$88,676	$15,000	$0
Total	**$940,068**	**$622,246**	**$550,154**
Youth Organizations	**Request**	**Pervious Award 2008 - 2009**	**Recommended Funding 2010 - 2011**
Children's Justice Center	$10,000	$10,000	$10,000
ArtsKids	$30,000	$20,000	$20,000
Boys and Girls Club of Greater SL - Operating	$50,000	$40,000	$20,000
Boys and Girls Club of Greater SL - Rent	$36,688	$0	$36,688
PC Education Foundation	$20,000	N/A	$10,000
Holy Cross Ministries	$50,000	$10,000	$10,000
PC Performing Arts Foundation	$10,000	N/A	$5,000
Youth WinterSports Alliance	$18,000	N/A	$15,000
McPolin Elementary School	$20,000	$20,000	$20,000
Valley Mental Health	$20,000	$10,700	$10,000
Big Brothers/Big Sisters of Utah *	$15,000	$15,000	$15,000
National Ability Center	$40,520	$0	$0
Total	**$320,208**	**$125,700**	**$171,688**
Grand Total	**$1,260,276**	**$747,946**	**$721,842**

* Applications were late and not reviewed by the SSC Subcommittee

Boys & Girls Club:
In 2008-2009, the Boys & Girls Club of Grater Salt Lake (B&GC) received a Special Service Contract (SSC) in the amount of $40,000 ($20,000 annually). They did not receive any rent contribution for the use of the Recreation building in City Park. In August 2008 the B&GC approached the City regarding hardships they were having due to a drop in federal funding. At that time (8-28-2008) City Council agreed to temporally waive the rental fee in order to allow the B&GC to open. Because of Councils direction, the B&GC was able to receive a private donation ($25,000) that was contingent on the rental contribution provided by the City. At that time City Council directed that an assessment of the services provided by the B&GC and continuing rental contribution should be evaluated by the Special Service Contract Subcommittee in the 2010-2011 process.

The Special Service Contract Subcommittee recommends providing the B&GC a SSC in the amount of $20,000 ($10,000 annually) and providing the rental contribution for the Recreation facility in City Park ($18,344 annually); which would result in a total SSC contribution of $56,668 ($28,344 annually). It is the Subcommittee's intention that by structuring the SSC in this manner will allow the B&GC to secure private donations that are dependant on receiving the rental contribution.

KPCW:
KCPW requested a SSC in the amount of $59,400 to cover services provided to the City in the form of public service announcements (PSA). These services are already provided by KCPW through the current rental agreement. It is anticipated that a PSA clause covering all cost associated with PSA will be included in the KCPW Real-estate Purchase Contract.

Summit Land Conservancy:
It has been recommended by the City Manager and the Special Service Contract Subcommittee that land management services provided by the Summit Land Conservancy be removed from the SSC process and be provided through a Contract for Services. Staff is currently preparing an RFP

Late Applications:
The Park City Community Outreach Center and the Big Brothers Big Sisters of Utah SSC applications were received after the Subcommittee had evaluated and recommended organizations. Both organizations have received contracts in the past.

Park City Community Outreach Center provides resource information and material on a social service level at no cost to members of the community who may not otherwise have access to these resources. The center is located in the Police Facility and also provides support services to City departments. The center is requesting $20,000 ($10,000 annually) to pay the salary of the coordinator.

Big Brothers Big Sisters of Utah (BBBSU) provides one-to-one mentoring relationships between disadvantaged Park City youth and BBBSU trained mentors. The organization is requesting $15,000 ($7,500 annually). The funds will supply the necessary administration cost including recruitment, screening, interviewing, training, and support for 20 mentor relationships in the Park City area.

Staff has reviewed both applications to determine that they meet all the criteria outlined in the Public Service Contract Policy.

Fees

Business License Administrative Fee:
The Municipal Code states that "a separate license must be obtained for each branch establishment."[1] When an attempt was made by staff to bring the practice in line with

[1] Park City Municipal Code 4- 2- 15. Branch Establishments. A separate license must be obtained for each branch establishment or separate location in which business is engaged in, within the City, as if such branch establishment or location were a separate business, and each license shall authorize the licensee to engage only in the business licensed thereby at the location or in the manner designated in such license, provided, that warehouses and distributing placed used in connection with or incident to a business licensed under this chapter shall no be deemed to be separate places of business or branch establishments.

the code in October 2008, Council determined that this might cause an undue hardship on many nightly rental businesses since they have many locations. The letter sent to nightly rental businesses stated, “Presently, all nightly rental locations for each licensee are on one business license. The problem with this process for licensees with multiple rental locations is if any one nightly rental location has not passed inspection, then the issuance of the business license is stalled for all locations until each and every location is approved for licensing.” Thus, in January 2009, Council directed staff to perform a study to establish the best way to distribute the administration fee associated with business licenses.

Business License Renewals

	Lodging/ Nightly Rental	Other	Net Gain/ (Loss)
*Old Rate**	*$46*	*$46*	***($11,453)***
Old Rate	$46	$46	$127,192
New Rate	$17	$22	$0

New Business Licenses/Inspections

Cost Recovery %	Lodging/ Nightly Rental	Other	Net Gain/ (Loss)
*Old Rate ($46 + $15)**	*$61*	*$61*	***($115,913)***
Old Rate ($46 + $15)	$61	$61	($101,913)
New Rate @ 100%	$218	$238	$0
90%	$196	$214	($13,955)
80%	$174	$190	($27,910)
70%	$153	$167	($41,865)
60%	$131	$143	($55,820)
50%	$109	$119	($69,775)
40%	$87	$95	($83,730)
30%	$65	$71	($97,685)
20%	$44	$48	($111,640)
10%	$22	$24	($125,595)

Staff Recommendation

Under old collection process

The study determined that in order to recoup regulation costs for administering business licenses (established by the state legislature), business licenses should be defined differently and broken down into two distinct categories: renewals and new licenses/inspections. The reason for this distinction is due to the varying amounts of time (expenditure costs) that go into new licenses versus renewals. Currently, every business in Park City pays a set rate of $46 per year for a business license, regardless of weather it’s new or a renewal. New businesses also pay a $15 fee for an inspection. The study determined that new business licenses were a lot more time-consuming than renewals, and therefore cost more for the City to administer. Furthermore, it was also determined that the inspection fee should be included with the new license administration fee since they take place simultaneously.

The study also affirmed that nightly rentals take up more time for staff to administer, and (as it was suggested by Council liaisons) should therefore have a separate fee. This would not be setting a precedent, since for-hire vehicles also pay a different amount for their administration fee.

The last time a study for the business license administration fee was performed was in 1998. Obviously, there were a lot less businesses back then and the administration costs were considerably less as well. Since the number of businesses increased dramatically, when compared to the old study, staff has recommended decreasing the cost of business license renewals from $46 to $17 for lodging/nightly rental businesses and $22 for all other businesses. This would recoup the total annual $84,500 cost to administer business license renewals if we were to collect as stated in the Municipal Code.

The new study also determined that total costs for new business licenses as well as inspections totals $139,500 annually, if we were to collect as stated in the Municipal Code. New business licenses and inspections take up a considerable amount of more time than renewals due to the number of staff involved with the process and can be broken down into three categories: administrative, code enforcement review, and inspection costs. The administrative costs of the new business licenses equates to $23,400 annually. This aspect affects the Finance Department, which takes payments, processes applications, distributes mailings, and administers customer service. The code enforcement/review costs of the new business licenses equates to $33,100 annually. The time associated with this cost includes the monitoring of compliance, status, and distribution of fines for businesses. The inspection costs of new businesses equates to $57,100 annually. Inspections costs include the time to check square footage, occupancy load, fire sprinklers, and safety violations. On average two visits are necessary. Nightly rentals usually take longer and can take three to four visits sometimes. Finally, there are other costs associated with the new business license/inspection fee including software and maintenance, materials and supplies, as well as indirect or overhead costs.

In order to recoup the costs associated with new business licenses as well as inspections a fee would need to be set at $218 for lodging/nightly rental businesses and $237 for other businesses. However, a 72% increase in business license and inspections fees could be considered unreasonable in a down economy. Therefore, staff recommends recovering 40% of the new business license and inspection fees. This would result in $87 fee for lodging/nightly rental businesses and $95 fee for all other new businesses. Only recovering a partial cost to the City would not be considered unprecedented; for example, the transit service enhancement fee currently recovers 21.85% of the cost of operating the transit system.

(See Attachment B for more Information)

Recreation Fees:

The Recreation Department recommends raising fees for Racquet Club use effective September 1, 2009. Many of the fees associated with the facility have not been raised since 2001. Staff recommends increasing fees an average of 11.2%. The increase is estimated to generate over $67,000 in additional revenue per fiscal year.

This past fall Council was supportive of maintaining a 70% cost recovery and no more than a $600,000 per year direct operating subsidy for recreation & tennis. In order to operate within these guidelines it is necessary to increase fees.

(See Attachment C for Proposed Changes to Racquet Club Fees)

Ice Arena Fees:

Ice Facility staff are recommending changes to the fee schedule to become effective July 1st, 2009. The majority of the price changes are in an effort to gain consistency in program fees to users. The proposed price changes to program admission would have little effect on the overall revenue generated at the ice arena if user numbers remained consistent with current year numbers. However, by lowering the price on certain programs, staff believes that attendance for these programs will increase, generating additional revenue.

In addition, staff proposes a $5.00 increase in the ice rental fees. Theses increases are estimated to generate an additional $4,500 in revenue. Family Season Passes, which include 4 family members, would also see an increase of $100 and an additional charge of $50 for each additional member. This increase is estimated to generate an additional $1,000. Staff also recommends removing the senior fee category in order to stay consistent with other recreational facilities (Racquet Club and Golf Course) within the City.

(See Attachment D for Proposed Ice Fee Schedule)

Other Fees:
The Finance department issues specialized stickers to identify for-hire vehicles which are registered with the City. Occasionally these stickers are lost or damaged and must be replaced. The Finance Department currently charges $3 per sticker to for-hire vehicle operators for replacement. Park City signs has increased the price of these replacement stickers to $4 per sticker. Staff proposes that the replacement sticker fee be raised to $4 to cover costs.

A governmental entity may charge a reasonable fee to cover the governmental entity's actual cost of providing a record. In conjunction with the recent GRAMA review and update, it is recommended the City's GRAMA fees be amended pursuant to Utah State Code section 63G-2-203 Fees. Fee changes will include cost associated with retrieving documents from State archives or other storage facilities and cost associated with compiling documents in formats other than that normally maintained by the City. A fee waiver for public benefit would also be added to the Fee Schedule. The methodology used in calculating individual rates is outlined in the Park City Fee Schedule (section 6) to be adopted June 4.

Staff is currently considering updates to the City's impact fee schedules as well as special event fees. Notices for a Capital Facilities Plan and Impact Fee Study update have already been issued for Water Impact Fees. It is likely that staff will return to Council with the results of this study as early as June. Studies for other impact fees and special event fees will likely be before Council in the fall.

Water Fund Budget

During last year's budget process, staff provided Council with a detailed plan for financing and constructing the Park City Water Infrastructure Project. This project is critical for overcoming water deficiencies identified in Water Supply and Demand Study, provide needed source redundancy, and addressing the projected demands of new growth. These projects will require significant bonding to complete. In order to meet the debt coverage ratios dictated in the water bond indenture, it was required that water rates be adjusted to provide sufficient operating revenues. Staff proposed, and Council adopted, a schedule for rate increases beginning in FY 2009. The first of these four successive rate changes, a 24% increase, was put in place in July 2008. The plan called for a second rate increase in July 2009 of 12%, as well as two rate increases of 6% in 2010 and 2011.

The Water Fund financial model is fluid and is regularly updated as new project cost estimates and operating budget changes occur. Currently the model shows that a 12% increase would be required in FY 2010, followed by two consecutive years of 8% increases. A summary of the Water Fund financial model is attached. The model also shows necessary bonding of $17 million (in addition to the $2.5 million from Division of Drinking Water) in FY 2010 and $8 million in FY 2012 to finance the Water Infrastructure Project.

(See Attachment E for July 2009 Proposed Water Rates)

Operating budget changes for the Water Department were discussed with Council in detail on May 21st. By way of review, the most significant budget option recommended is actually in the FY 2011 Plan, and would add $198,000 to the budget for operations of the proposed Quinn's Junction Water Treatment Plant. This option would cover utilities, maintenance, equipment replacement, and solids disposal. Any manpower expenses would be handled from contract services rather than bringing on a full-time regular employee. All other operating budget requests are offset with corresponding budget decreases.

The Rockport Pump Station upgrade was completed in late 2008. Projects impacting the CIP during this budget process include the Park City Water Infrastructure Project which includes the construction of the raw water pipeline from Signal Hill in Promontory to Quinn's Junction where a new water treatment plant is going to be built, and the construction of a new finished waterline from the water treatment plant to the Quinn's recreation complex. Also in the CIP is the meter reading technology project which has been in the planning process for the past year. Financial assistance has been sought through the Utah State Division of Drinking Water and Division of Water Resources in the form of low interest loans. The City will receive some assistance from the Divisions but additional market bond will need to be issued. The remainder of the CIP and the debt service will be funded primarily with water impact fees and water service fees.

In day-to-day operations, the Water Fund often requires the use of a dump truck. These trucks are used to haul away waste during emergency repairs, bring in fill material, and for occasional small construction projects. As the city does not have a dedicated dump truck, the Water Fund is usually compelled to hire a contract dump truck on an hourly basis. So far, during Fiscal Year 2009, the Water Fund has spent $31,092 on contract dump trucks necessary to operations.

The Streets Department is replacing two of its two wheel drive plow/dump trucks early this year in favor or four wheel drive for snowplowing. The original plan was to sell the two trucks, which are the units Water has borrowed in the past when available.

However, Water suggested that one of the trucks would make a suitable dump truck for hauling material in lieu of using contractors. A request to donate the truck from the Equipment Replacement Fund to the Water Fund was presented to the Fleet Procurement Committee and accepted. In addition to hauling and construction uses described above, this truck would also be used to tow the Department's tanker trailer to provide water to IHC in the event of a shortage, as the department currently has no vehicle capable of hauling the trailer. Water has agreed to provide that emergency service from the time of the hospital's opening in summer 2009 until fall 2010 when the Quinn's Treatment Plant will be online.

Such a donation would require Council approval. Staff recommends that Council approve the donation of the truck along with the adoption of the Final Budget.

The following items were included in the May 21st staff report but due to time constraints were not discussed by Council on that day: Pay Plan Adjustments, Health Insurance Costs, Vacancy Factor & Fringe Update, Council Compensation, Lump Merit Pay.

Pay Plan Adjustments

Park City implements a market pay philosophy in which positions in the City's pay plan are benchmarked against current market conditions in the first year of a budget biennium.[2] This involves conducting a study of similar positions (benchmarks) in other cities in the Wasatch Front and some Colorado ski towns. If a given position is found to be paid more than 5% below the average of the midpoints of the top five benchmarks (using total compensation value rather than merely wages) then the position is recommended to move to the next pay grade. These are referred to as market adjustments. Those positions without suitable benchmarks are sent to a committee to be evaluated and moved as necessary. In the second year of the budget, all pay grades (and therefore all positions) are increased by 2% to keep up with the market during the off year. Traditionally, market adjustments to the pay plan would increase the budget between $800,000 and $1 million, while a 2% adjustment in the second year may cost less than half that amount.

Due to current economic conditions and the need to reduce the operating budget overall, the City Manager is recommending an alternative approach to pay plan implementation during this budget cycle. Simply put, staff recommends that the City flip the two years of the pay plan, implementing a 2% across the board increase in the first year, and waiting until the second year to make market adjustments. This would result in a $229,000 increase in the General Fund personnel budget in FY 2010 and an additional $513,000 in FY 2011 ($342,000 in FY 10 and $744,000 in FY 11 citywide). Staff feels that it would not be prudent to make the larger increase associated with market adjustments to the pay plan in the upcoming fiscal year as economic recovery is still quite uncertain. However, it is still important to maintain and display the City's commitment to paying employees at market, and this could be accomplished by including market adjustments in the second year of the pay plan, when sales tax revenue is more likely to have some degree of rebound. These market adjustments in

[2] Park City Municipal Corporation Employee Policies & Procedures; Section Six (6); pp. 20-25.

the second year would, however, be adopted as a plan only, and should be reevaluated prior to FY 2011 in the context of updated revenue projections and market conditions.

Health Insurance Costs

Park City provides health insurance benefits for full-time regular employees. Traditionally, the City has covered the lion's share of the cost for monthly premium costs. In fact, the City currently pays 98% of the premium for employees receiving family health insurance, while single insurance recipients pay nothing out of pocket for their premium. Over time, this has become a unique practice as most other entities, even in the public sector, have drifted toward paying a smaller percentage of employee premiums as the cost of health insurance rises. Many cities pay closer to 80-85% of employee health premiums.

In recent years, the cost of Park City's health insurance has risen steadily and dramatically between 8-15% per year. To date, the City has picked up the entirety of the tab for these increases. This year, the City is currently negotiating health insurance prices with Regence Blue Cross Blue Shield, but preliminary discussions lead staff to believe that premiums are likely to increase between 10-15%. If the City were to handle the full cost of increase as usual, this could cost the City in excess of $400,000.

In light of the current recession and budget shortfall, staff conducted an employee survey soliciting ideas from the organization on methods of addressing the financial strain. One question on the survey addressed employee health premiums, and 68% of employees receiving benefits said that they would be willing to pay more than they're currently paying for their health insurance.

The City Manager's Recommended Budget includes a plan to pass on $50 of the monthly premium increase to employees. Employees with family insurance who used to pay $25 per month would now pay $75 per month. Under this scenario, the City would still be paying 94% of health premiums for employees, but the increase would only cost the City $210,000 ($131,000 in the General Fund). The City Manager met with employees on April 30, 2009, to communicate this plan and the news seemed to be well-received.

Vacancy Factor & Fringe Update

Park City budgets for full-time regular positions at the maximum wage each position could earn for a full 40 hours per week for 52 weeks. However, due to vacant positions and some employees being paid below the maximum allowed for a position at any given time during the year, the City spends approximately 7% less than is budgeted for personnel. This is referred to as a vacancy factor. For several years now, the City has recognized this vacancy factor in the budget by subtracting 7% of all position budgets out of each department's personnel lines.

However, while the 7% vacancy factor is typically realized for the City as a whole, it does not necessarily materialize on a department by department basis. Some may have smaller vacancy factors and others larger in any given year. For some departments, particularly smaller departments, subtracting 7% from the personnel lines has been major impediment for managing the budget.

This year, staff is proposing to remove those vacancy factor decreases from departmental budgets. Instead, the anticipated 7% vacancy factor will be recognized in a single non-departmental account which will be redistributed at the end of the fiscal year as part of the adjusted budget based on actual or observed vacancies.

While this adjustment is more technical than substantial in nature, it does have a visible impact on the City's personnel budget. In order to bring this change about properly, it is necessary to update the way the City budgets for payroll taxes and benefits. The goal is to make sure that each position is budgeted for the maximum cost which could be incurred for the position. The Budget Department reevaluated position budgeting and made adjustments related to worker's comp percentages, the FICA cap, single versus family health/dental premiums, housing and other allowances, and overtime time budgets. The overall net effect was a $310,000 technical adjustment to increase position budgets. This was offset with a reduction in a citywide personnel contingency account which was previously used to supplement departmental budgets which did not realize a 7% vacancy factor. However, the City's contingency accounts are grouped with Materials, Supplies & Services, so the personnel budget seems to increase while there is a corresponding decrease on the materials side. For the General Fund and Quinn's Ice Facility Fund, then, the net impact of this technical option is zero-sum.

Council Compensation

Compensation levels for Mayor and Council are typically reviewed during the first year of a budget biennium, along with market data for the City's pay plan. The process is similar to that of reviewing compensation levels for other City positions in the pay plan process. Benchmark data is gathered to show total compensation values in a peer group of cities which include selected cities from the Wasatch Comp Group. The average of the midpoint of the top 5 is calculated and Park City Council Compensation levels are set within 5 percent of that "market" level.

This year staff performed the same study of benchmarked data as described above. The same peer group was used as was settled upon during the budget process in 2007 *(see Attachment C)*. The data would suggest that Council members be given a $3,183 annual compensation increase and the Mayor a $534 annual increase to be in line with the market.

However, if Council approves the current recommendation for implementing market pay plan moves in the second year of the biennium for City staff, staff recommends that compensation increases for Council and Mayor be handled similarly. Thus, the Recommended Budget reflects a 2% increase for Council and Mayor in FY 2010 and the previously-mentioned market adjustment in FY 2011.

(See Attachment F – Council Compensation Memo)

Lump Merit Pay

Full-time regular City employees are eligible for lump merit pay each six months based on performance. As this pay is not guaranteed, and therefore discretionary, it could factor into the City's strategy for budgeting and shortfall coverage. However, it is also strongly linked to employee engagement and therefore levels of service both in the short-term and long-term. Staff is convinced the City and its residents have historically benefitted from incentive structure and accountability fostered by the lump merit pay system.

In January, staff presented a shortfall recovery plan to Council at Visioning. This plan outlined a strategy to reduce the shortfall through capital expense reductions, 5% operating reduction plans, contingency restriction, and redirection of Resort Sales Tax. Staff approached the topic of lump merit pay restriction as a strategy for shortfall recovery, but only if projections worsened or if the other branches of the strategy proved unfruitful. Council directed staff to move forward with the proposed strategy.

Since January, projections have not worsened, and operating departments are on track to accomplish 5% savings over the second half of the fiscal year. Capital cuts were identified in excess of the $1.7 million outlined in the strategy. All of this has been accomplished with little to no noticeable impact on level of service. City staff carried out performance reviews in November 2008, at which time City employees laid out goals for the following review period. In some cases, these goals were associated with 5% operating expense reduction plans. The scheduled lump merits associated with the successful accomplishment of these goals would be due in after the review period, which closes on May 31, 2009.

At this time, the City Manager recommends that lump merit pay be awarded based on merit as normal for employees in non-executive levels of the pay plan (i.e., grades Exempt 6 and below). This is in accordance with the strategy previously outlined as well as Council direction on shortfall recovery received in January. In the Recommended Budget, non-executive levels of the pay plan would be eligible for lump merit pay in FY 2010 as well.

For executive levels of the pay plan (i.e., grades Exempt 7 and above), staff recommends that employees be eligible for lump merit pay only if the City achieves the goals laid out in the shortfall recovery strategy. Reviews would be performed as scheduled in May, but lump merit pay for employees in the executive level of the pay plan would be withheld until the completion of the fiscal year. If operating expense reduction targets are met, then these lump merits would be awarded. Otherwise, lump merits would not be issued, but employees would be eligible for increases in vacation balances at an amount pro-rated to their lump merit. This plan was presented to the management team and generally well-received.

The FY 2010 Budget, however, does not anticipate eligibility for lump merit pay at the executive level. If a turn in the economy were realized, this decision could be revisited. But given current projections, staff believes it prudent to clarify expectations that the current economic situation will not allow for lump merit pay to be associated with the goals set by executive staff during the upcoming performance reviews.

Department Review:
This report has been reviewed by the Budget, Water, Legal, and City Manager departments.

Alternatives:

A. Hold a Public Hearing on the FY 2008 Adjusted Budget and FY 2009 Budget requests and provide direction about budget issues.

B. Continue the Item: Time will be available in future budget meetings to address any outstanding issues. Council could choose to give additional direction at that time.

C. Do Nothing

Significant Impacts:
The City's budget must be balanced. Staff recommends that Council provide policy direction on budget issues. Any unresolved issues should be discussed by June 11 so that the Final Budget can be prepared for adoption on June 18.

Recommendation:
The City Council should follow the budget presentation schedule described above and provide direction as necessary.

Attachments:

Attachment A
Special Service Contract Subcommittee Justification Table

Attachment B
Business License Administrative Fee Information

Attachment C
Proposed Changes to Racquet Club Fees

Attachment D
Proposed Ice Fee Schedule

Attachment E
July 2009 - Proposed Water Rates

Attachment F
Council Compensation Tables

Special Service Contract Subcommittee Recommendation

Organization	Funding Request	Previous Award	Recommended Funding	% Change from Previous Award	Justification
People's Health Clinic	$81,692	$60,600	$64,500	6%	The People's Health Clinic estimates that it costs $105.34 per patient for treatment. The Subcommittee based PHC's allocation on the amount required to provide care to Park City's non-benefitted employees: 153 Part-time Non-benefited City Employees budgeted in FY 2009 x $105.34 per visit (PHC's cost/visit) x 2 annual visits per Employee x 2 years = $64,468
Park City Chamber/Bureau	$200,000	$160,000	$160,000	0%	Funding allocation for the Chamber includes the 4th of July activities and approximately 1/2 visitor information cost as reported in the budget (value in-kind not included) This was funded at the same level as the 2008 SSC.
Recycle Utah	$59,950	$45,846	$46,000	0%	The committee recommended allocation at the same level as the 2008 SSC. In 2008 the committee recommended funding requests for the Wind Power, Business Recycling, and Hazardous Waste programs. The committee decided to also fund roughly 1/4 of the Director's annual salary.
Recycle Utah - Rent	$19,154	$19,154	$19,154	0%	Rent for old bus barns
P.C. Adult ESL	$9,000	$14,000	$9,000	-36%	Funding allocation for the Adult ESL program and after school tutoring for children of adults in ESL program. The organization asked for $9,000 to fund the program.
Christian Center	$30,000	$20,000	$20,000	0%	Pantry staffing costs covered by funding allocation.
P.C. Historical Society and Museum	$80,000	$104,000	$60,000	-42%	This will help keep the research library open 5 days a week and provide a professionally trained Archivist and costs associated with historic preservation. The committee decided to fund the position for 1,200 hours at $25 which equals $30,000 a year.
Peace House, Inc.	$52,700	$50,000	$50,000	0%	Recommendation includes funding for the Peace House Women's Shelter and Education Services. The committee recommends funding at the 2008 SSC level.
Mountainlands Community Housing Trust	$36,000	$30,000	$30,000	0%	Funding allocation for the Housing Resource Center. This was funded at the same level as the 2008 SSC.
Park City/Summit County Arts Council	$168,932	$59,138	$48,000	-19%	The recommended allocation funds the costs associated with the August Artsravaganza, and the roughly half of the Director's salary associated with Cultural Tourism ($8,000 per year). The amount also includes $12,000 per year to administer the Public Art Advisory Board (as set forth in the Public Art Policy).
Mountain Mediation Center	$34,564	$23,508	$23,500	0%	The recommendation is to fund the Executive Director salary. This organization has been funded at levels equivalent to 2008 funding.
Park City Community Outreach Center	$20,000	$21,000	$20,000*	-5%	Funding allocation to assist in covering operating costs for community outreach programs.
Sub Total:	**$791,992**	**$607,246**	**$550,154**		

Youth Organizations	Funding Request	Previous Award	Recommended Funding	% Change from Previous Award	Justification
Children's Justice Center	$10,000	$10,000	$10,000	0%	The recommendation was to fund the director and office manager salary as well as utilities and communication expenses.
Holy Cross Ministries	$50,000	$10,000	$10,000	0%	allocated for supplementing stipends to staff to teach reading and math in the summer program.
Boys and Girls Club of Greater SL	$50,000	$40,000	$20,000	-50%	The recommendation consisted of funding for salaries for Club staff positions.
Boys and Girls Club of Greater SL - Rent	$36,688	$0	$36,688	100%	The committee recommends providing rent contribution in the full amount of the past rental fees. It is anticipated that providing full
PC Education Foundation	$20,000	$0	$10,000	New	The subcommittee recommend allocating a $10,000 stipend to teaching staff
ArtsKids	$30,000	$20,000	$20,000	0%	The recommendation is to fund program costs consisting of stipends for artists, facilitators, and supplies.
McPolin Elementary School	$20,000	$20,000	$20,000	0%	The funding allocation is for the salary of the art specialist and supplies.
Valley Mental Health	$20,000	$10,700	$10,000	-7%	This organization provides limited services directly to the City. The Youth committee recommended funding one half the requested amount which would cover services provided to Park City.
Youth WinterSports Alliance	$18,000	$0	$15,000	New	The recommendation consists of funding $15,000 of expenses related to the McPolin Get Out and Play Program.
National Ability Center	$40,520	$0	$0	0%	The request (to provide funding for adult sledge hockey and Aquatic programs) did not meet Criterion 2 - the program would serve only a limited population (20% from Summit County) and is not a service the City would likely provide. The NAC is currently working with the PC Ice Arena to obtain additional ice time.
PC Performing Arts Foundation	$10,000	$0	$5,000	New	This application rated high with members of the youth committee because it seemed like an innovative project. The committee recommended partial funding in the amount of $2,500 per year. This would allow the City to set performance measures to further
Big Brothers/Big Sisters of Utah	$15,000	$15,000	$15,000*	0%	The funds would supply administration cost including recruitment, screening, interviewing, training, and support for 20 mentor relationships in the Park City area.
Sub Total:	**$320,208**	**$125,700**	**$171,688**		

Grand Total:	**$1,112,200**	**$732,946**	**$721,842**

* These applications were not reviewed by the SSC subcommittee

Business License Study

The Park City Municipal Code states:

> A separate license must be obtained for each branch establishment or separate location in which business is engaged in, within the City, as if such branch establishment or location were a separate business, and each license shall authorize the licensee to engage only in the business licensed thereby at the location or in the manner designated in such license, provided, that warehouses and distributing places used in connection with or incident to a business licensed under this chapter shall not be deemed to be separate places of business or branch establishments (Park City Municipal Code – Title 4 Licensing; 4-2-15 Branch Establishments).

When an attempt was made by staff to bring the practice in line with the code in October 2008, Council determined that this might cause an undue hardship on many nightly rental businesses since they have many locations. The letter sent to nightly rental businesses stated:

> The Park City Business License Department is changing the process of nightly rental business license billing, issuance and printing. Presently, all nightly rental locations for each licensee are on one business license. The problem with this process for licensees with multiple rental locations is if any one nightly rental location has not passed an inspection, then the issuance of the business license is stalled for all locations until each and every location is approved for licensing. Beginning with the 2009 license period, in order to eliminate this issue each nightly rental location will be issued an individual business license (Excerpt taken from letter sent to Park City Nightly Rental Businesses Licensees; October 2, 2008).

Thus, in January 2009, Council directed staff to perform a study to establish the best way to distribute the administration fee associated with business licenses.

The study determined that in order to recoup regulation costs for administering business licenses (established by the state legislature), business licenses should be defined differently and broken down into two distinct categories: renewals and new licenses/inspections. The reason for this distinction is due to the varying amounts of time (expenditure costs) that is spent administering new licenses versus renewals. Currently, every business in Park City pays a set rate of $46 per year for a business license, regardless of weather it's new or a renewal. New businesses also pay a $15 fee for an inspection (Figure 1). The study determined that new business licenses were a lot more time-consuming than renewals, and therefore cost more for the City to administer (Figures 3 & 5). Furthermore, it was also determined that the inspection fee should be included with the new license administration fee since they take place simultaneously.

The study also affirmed that nightly rentals take up more time for staff to administer, and (as it was suggested by Council liaisons) should therefore have a separate fee (Figures 3 & 5). This would not be setting a precedent, since for-hire vehicles also pay a different amount for their administration fee (Figure 2).

The last time a study for the business license administration fee was performed was in 1998. Obviously, there were a lot less businesses back then and the administration costs were considerably less as well. Since the number of businesses increased dramatically, when compared to the old study, staff has recommended decreasing the cost of business license renewals from $46 to $17 for lodging/nightly rental businesses and $22 for all other businesses (Figures 1 & 4). This would recoup the total annual $84,500 cost to administer business license renewals if we were to collect as stated in the Municipal Code.

The new study also determined that total costs for new business licenses as well as inspections totals $139,500 annually, if the City collected as stated in the Municipal Code. New business licenses and inspections take up a considerable amount of more time than renewals due to the number of staff involved with the process, which can be broken down into three categories: administrative, code enforcement review, and inspection costs (Figure 5). The administrative costs of the new business licenses equates to $23,400 annually. This aspect affects the Finance Department, which takes payments, processes applications, distributes mailings, and administers customer service. The code enforcement/review costs of the new business licenses equates to $33,100 annually. The time associated with this cost includes the monitoring of compliance, status, and distribution of fines for businesses. The inspection costs of new businesses equates to $57,100 annually. Inspections costs include the time to check square footage, occupancy load, fire sprinklers, and safety violations. On average two visits are necessary. Nightly rentals usually take longer and can take three to four visits sometimes (*Business License Expense Explanations; last page of study*). Finally, there are other costs associated with the new business license/inspection fee including software and maintenance, materials and supplies, as well as indirect or overhead costs (Figure 4).

Business License Renewals

	Lodging/ Nightly Rental	Other	Net Gain/ (Loss)
*Old Rate**	*$46*	*$46*	*($11,453)*
Old Rate	$46	$46	$127,192
New Rate	$17	$22	$0

New Business Licenses/Inspections

Cost Recovery %	Lodging/ Nightly Rental	Other	Net Gain/ (Loss)
*Old Rate ($46 + $15)**	*$61*	*$61*	*($115,913)*
Old Rate ($46 + $15)	$61	$61	($101,913)
New Rate @ 100%	$218	$238	$0
90%	$196	$214	($13,955)
80%	$174	$190	($27,910)
70%	$153	$167	($41,865)
60%	$131	$143	($55,820)
50%	$109	$119	($69,775)
40%	$87	$95	($83,730)
30%	$65	$71	($97,685)
20%	$44	$48	($111,640)
10%	$22	$24	($125,595)

Staff Recommendation

**Under old collection process*

Figure 1

Attachment B

In order to recoup the costs associated with new business licenses as well as inspections a fee would need to be set at $218 for lodging/nightly rental businesses and $237 for other businesses (Figure 6). However, a 72% increase in business license and inspections fees could be considered unreasonable in a down economy. Therefore, staff recommends recovering 40% of the new business license and inspection fees. This would result in $87 fee for lodging/nightly rental businesses and $95 fee for all other new businesses (Figure 1). Only recovering a partial cost to the City would not be considered unprecedented; for example, the transit service enhancement fee currently recovers 21.85% of the cost of operating the transit system (Figure 2).

Attachment B

PARK CITY BUSINESS LICENSE FEE SCHEDULE								
	Transit Service Enhancement Fee		Festival Facilitation, Service Enhancement Fee		Enhanced Enforcement Fee		Administrative Fee	
	Rate	Unit of Measure	Rate	Unit of Measure	Rate	Unit of Measure	Rate	Unit of Measure
Ski Resort	$0.263	Skier Day	$0.013	Skier Day	-	-	$46.00	License
Lodging	$19.250	Per Bedroom	$9.488	Per Bedroom	-	-	$46.00	License
Restaurant	$0.231	Per Sq. Ft.	$0.103	Per Sq. Ft.	-	-	$46.00	License
Outdoor Dining	$0.063	Per Sq. Ft.	$0.029	Per Sq. Ft.	-	-	$46.00	License
Retail	$0.231	Per Sq. Ft.	$0.103	Per Sq. Ft.	-	-	$46.00	License
Large Retail (>12,000 sq. ft.)	$0.161	Per Sq. Ft.	$0.072	Per Sq. Ft.	-	-	$46.00	License
Office, Service, Other	$0.206	Per Sq. Ft.	$0.013	Per Sq. Ft.	-	-	$46.00	License
Warehouse	$0.059	Per Sq. Ft.	$0.002	Per Sq. Ft.	-	-	$46.00	License
Resort and Amusement	$1.035	Per User	$0.048	Per User	-	-	$46.00	License
For-Hire Vehicles	$37.500	Per Vehicle	$1.751	Per Vehicle	$45.58	Per Vehicle	$71.83	License
Other Commercial Vehicles and Trailers	$7.500	Per Vehicle	$0.292	Per Vehicle	-	-	$46.00	License
Employee Based	$3.750	Per Employee	$0.146	Per Employee	-	-	$46.00	License
Commercial Vending, Game and Laundry Machines	$18.750	Per Machine	$0.730	Per Machine	-	-	$46.00	License
Escort Services	$3.750	Per Employee	$0.150	Per Employee	$46.19	Per Employee	$46.00	License

Figure 2

Attachment B

Renewals	Employees	1 % Percent of time spent on new business licenses per week	2 Percentage per Business Type Ski Resort	Lodging/Nightly Rental	Restaurant/ Retail	Office /Other	Miscelaneous	Total Percentage (Must equal 100%)!
Administration	Analyst II	40.0%	1%	45%	5%	5%	44%	100%
	Accounting Clerk III	40.0%	0%	80%	0%	10%	10%	100%
	Accounting Clerk III	30.0%	0%	60%	5%	5%	30%	100%
Code Enforcement/Review	Senior Code Enforcement Officer	4.0%	1%	50%	15%	25%	9%	100%
	Code Enforcement Officer	4.0%	1%	50%	15%	25%	9%	100%

Renewals	Employees	1 $ Dollar amt of time spent on business license renewals per week	2 Cost per Business Type Ski Resort	Lodging/Nightly Rental	Restaurant/ Retail	Office /Other	Miscelaneous	Other Total
Administration	Analyst II	$22,364.00	$223.64	$10,063.80	$1,118.20	$1,118.20	$9,840.16	$12,300.20
	Accounting Clerk III	$20,101.20	$0.00	$16,080.96	$0.00	$2,010.12	$2,010.12	$4,020.24
	Accounting Clerk III	$8,007.00	$0.00	$4,804.20	$400.35	$400.35	$2,402.10	$3,202.80
		$50,472.20	$223.64	$30,948.96	$1,518.55	$3,528.67	$14,252.38	$19,523.24
			4.60%	636.03%	31.21%	72.52%	292.90%	401.22%
Code Enforcement/Review	Senior Code Enforcement Officer	$2,602.44	$26.02	$1,301.22	$390.37	$650.61	$234.22	$1,301.22
	Code Enforcement Officer	$2,263.52	$22.64	$1,131.76	$339.53	$565.88	$203.72	$1,131.76
	Total	$4,865.96	$48.66	$2,432.98	$729.89	$1,216.49	$437.94	$2,432.98
			1.00%	50.00%	15.00%	25.00%	9.00%	50.00%

Figure 3 - Costs Associated with Business License Renewals

Attachment B

Business License Renewal	Total Cost	Useful Life	Annual Cost			Lodging/ Nightly Rental	Other	Total
					Rate by Category			
EDEN Licensing Module								
Software	$ 28,250.00	5	$6,706.45	Amortized at 6%		$4,611.91	$2,094.54	
Support			$ 1,840.00			$1,265.34	$574.66	
Annual Operations								
Administrative			$50,472.20			$30,948.96	$19,523.24	
Enforcement/Review			$4,865.96			$2,432.98	$2,432.98	
Materials and Supplies			$3,252.00			$2,236.34	$1,015.66	
Sub-Total Operations			**$67,136.61**			**$41,495.53**	**$25,641.08**	
Indirect Costs (overhead)			$ 17,320.80			$11,911.21	$5,409.58	
Annual Total Administrative Expense			**$ 84,457.40**			**$53,406.74**	**$31,050.66**	**$84,457.40**
					Percent	**63.23%**	**36.76%**	**100%**
Cost per License								
Total Licenses			4601		**# of Lic.**	**3,164**	**1,437**	
Cost per License		**Constant rate**	**$ 18.36**		**Rates by cat**	**$16.88**	**$21.61**	**Total**
					Projected Revenues	**$53,406.74**	**$31,050.66**	**$84,457.40**
					Percent	**63.24%**	**36.76%**	**100%**

Figure 4 - Business License Renewals @ 100% Cost Recovery

Attachment B

New Licenses/ Inspection	Employees	% Percent of time spent on new business licenses per week	Ski Resort	Lodging/Nightly Rental	Restaurant/ Retail	Office /Other	Miscelaneous	Total Percentage (Must equal 100%)!
Administration	Analyst II	35.0%	0%	60%	20%	19%	1%	100%
	Accounting Clerk III	5.0%	0%	90%	0%	9%	1%	100%
	Accounting Clerk III	5.0%	0%	85%	8%	6%	1%	100%
Code Enforcement/Review	Senior Code Enforcement Officer	16.0%	0%	55%	20%	24%	1%	100%
	Code Enforcement Officer	16.0%	0%	55%	20%	24%	1%	100%
	Planner I	10.0%	0%	55%	20%	24%	1%	100%
	Police Captain	4.0%	0%	50%	25%	24%	1%	100%
Inspections	4 Senior Building Inspectors	15.0%	0%	44%	30%	25%	1%	100%
	Office Assistant II	20.0%	0%	70%	15%	14%	1%	100%

New Licenses/ Inspections	Employees	$ Dollar amt of time spent on business license renewals per week	Ski Resort	Lodging/Nightly Rental	Restaurant/ Retail	Office /Other	Miscelaneous	Other Total
Administration	Analyst II	$19,568.50	$0.00	$11,741.10	$3,913.70	$3,718.02	$195.69	$7,827.40
	Accounting Clerk III	$2,512.65	$0.00	$2,261.39	$0.00	$226.14	$25.13	$251.27
	Accounting Clerk III	$1,334.50	$0.00	$1,134.33	$106.76	$80.07	$13.35	$200.18
	Total	$23,415.65	$0.00	$21,251.17	$5,330.68	$5,247.10	$321.50	$8,278.84
			0%	66%	17%	16%	1%	34%
Code Enforcement/Review	Senior Code Enforcement Officer	$10,409.76	$0.00	$5,725.37	$2,081.95	$2,498.34	$104.10	$4,684.39
	Code Enforcement Officer	$9,054.08	$0.00	$4,979.74	$1,810.82	$2,172.98	$90.54	$4,074.34
	Planner I	$9,258.10	$0.00	$5,091.96	$1,851.62	$2,221.94	$92.58	$4,166.15
	Police Captain	$4,411.72	$0.00	$2,205.86	$1,102.93	$1,058.81	$44.12	$2,205.86
	Total	$33,133.66	$0.00	$18,002.93	$6,847.32	$7,952.08	$331.34	$15,130.74
			0.00%	54.33%	20.67%	24.00%	1.00%	45.67%
Inspections	4 Senior Building Inspectors	$48,397.80	$0.00	$21,295.03	$14,519.34	$12,099.45	$483.98	$27,102.77
	Office Assistant II	$8,734.80	$0.00	$6,114.36	$1,310.22	$1,222.87	$87.35	$2,620.44
	Total	$57,132.60	$0.00	$27,409.39	$15,829.56	$13,322.32	$571.33	$29,723.21
			0.00%	47.98%	27.71%	23.32%	1.00%	52%

Figure 5 - Costs Associated with New Business Licenses & Inspections

Attachment B

New Business Licenses/Inspections — **Rate by Category**

	Total Cost	Useful Life	Annual Cost			Lodging/ Nightly Rental	Other	Total
EDEN Licensing Module								
Software	$ 29,212.00	5	$6,934.82	Amortized at 6%		$3,869.88	$3,067.11	
Annual Support			$ 2,015.00			$1,124.44	$891.19	
		subtotal	$8,949.82			$4,994.32	$3,958.30	
Annual Operations								
Administrative			$23,415.65			$21,251.17	$8,278.84	
Enforcement/Review			$33,133.66			$18,002.93	$15,130.73	
Inspections			$57,132.60			$27,409.39	$29,723.21	
Materials and Supplies			$ 100.00			$55.80	$44.23	
Sub-Total Operations			**$122,731.73**			**$65,599.25**	**$57,135.30**	
Indirect Costs (overhead)			$ 16,803.68			$9,377.06	$7,431.87	
Annual Total Administrative Expense			**$ 139,535.42**			**$0.00**	**$64,567.18**	**$139,543.49**
					Percent	**53.73%**	**46.27%**	**100%**
Cost per License								
Total Licenses			615		**# of Lic.**	**343**	**272**	
Cost per License		**Constant rate**	**$ 226.89**		**Rates by cat**	**$218.47**	**$237.38**	**Total**
					Projected Revenues	**$74,976.31**	**$64,567.18**	**$139,543.49**
					Percent	**53.73%**	**46.27%**	**100%**

Figure 6 – New Business Licenses & Inspections @ 100% Cost Recovery

Attachment B

Business License Expense Explanations

Administrative

Analyst II – Renewals: *Starting in October I will start preparing for the Renewal process. This entails making the changes that are needed on a business license that are made thru out the year (i.e., change sq footage, ski resorts new #s for skiers, closing out business). Once the changes have been made to system I will print out all business license renewals. At this point I will go thru all of the business license renewals to make sure that all of them are correct. I have informational letters that goes out with the renewals including having the local radio station and local new paper run adds. On or before December 1 of each year, I will mail out the renewal notices for each liquor, office, restaurant, nightly rental, or For Hire business. From this point forward the business license will start coming in with payments that need to be posted to accounts, some will need changes, and some just closed out. The process of the renewals Start in October and is very time consuming up until February.*

New Business license applications: *Applications for Business licenses shall be made in a correct written form. Each application shall state the business, name and address of the business agent residing in Park City who is authorized to receive service of process and any communication regarding applicant's, and any additional information as may be needed to process the application. The process to enter the business license takes around 10 min. per business. Once the license is entered I will e-mail the information to Building, Planning, and Police to be approved. After all departments have approved the license, the license will be printed and mail it out. If the department has denied the license a refund for the amount paid excess of $25.00 shall be retained to offset application processing costs.*

Accounting Clerk III: *My responsibility for business licensing is to back up Shelley (Analyst II). This requires me to know as much as I can about the licenses available and their requirements. Most of the year I am helping only when Shelley is not available, but during renewals and Sundance I am there to help with the pile up of customers that come in. This year there were new changes to the nightly rentals which took up quite a bit of our time. I enter new licenses into Eden, if they are a for hire license I am able to gather the proper paperwork to do the vehicle inspection and take the proper amount of money for the license. I am also able to help take phone calls that come in with questions about fees, regulations and many other things people aren't sure about.*

Accounting Clerk III: *During the week, the percentage of my time working on business license renewals is based on payment entry of sporadic business licenses that have not paid on or before January 15, 2009. Once receipt of payment is received the actual business license is printed out and giving to business owner or mailed.*

Attachment B

The majority of my time that is spent on business license renewals is around the 15th of November through January 31. This consists of payment entry, licensing taxis, data entry, printing business licenses, etc. Overall, I took my time and divided it over a 52 week time period to get the weekly average.

Code Enforcement/Review

Senior Code Enforcement Officer: *During regular procedures, I do not review or inspect business license applications or renewals. However, I become involved when we find or receive a complaint regarding a business operating without a valid or accurate license. I then have to determine the license status, (active license, inactive, no application, etc) and then contact the responsible party as necessary to address the lack of licensing. During that contact, I take a 3 step approach. First I ask for them to comply, then I require and then I fine the responsible party for the violation. Fines are usually implemented administratively through the ACE Program and fees are assessed at a rate of $25 per day per violation.*

Planner I: *The Park City Planning Department reviews each new business license for compliance with each use within each zoning district. This review includes: Identifying the zoning district; Checking the Land Management Code and verifying that the proposed use is allowed in the identified zoning district; Making sure all supplemental regulations for a use are adhered to. If a use is further regulated it may need a Conditional Use Permit. It is the Planning Department's responsibility to educate the applicant on the necessary steps to move forward; and Updating Eden for approval or denial.*

Police Captain: *As a general practice the business license comes to me from finance through the Eden program. I review the business license and either approve or reject it and send it back to finance. If there is a question on a license particularly a liquor license I will discuss those questions or concerns with finance. However, overall I review, approve and push send.*

Inspections

Office Assistant III: *I do not process renewal licenses. New business licenses can be processed immediately if they are out of the city limits. If the location is with in the city I must contact the applicant to a schedule inspection to verify health and safety codes. This typically requires multiple phone calls and inspections. If no action is achieved by phone certified letters are mailed to give notice that license will be denied. If no action follows another letter is sent notifying them of denial and the right to appeal the decision.*

Senior Building Inspectors: (Taken from phone interview) Inspections costs include the time to check square footage, occupancy load, fire sprinklers, and safety violations. On average two visits are necessary. Nightly rentals usually take longer and can take three to four visits sometimes.

Attachment C

Proposed Changes to Raquet Club Fees				
Facility Fees	**Current Fee**	**Proposed Fee**	**Percentage Increase**	**Projected Revenue Increase**
Recreation Card	$6.50	$7.00	7.7%	$927
County Card	$6.50	$7.00	7.7%	$390
Resident Drop-in Facility	$5.50	$6.00	9.1%	$3,449
Visitor Drop-in Facility	$7.00	$8.00	14.3%	$3,178
Resident Drop-in Class	$7.00	$8.00	14.3%	$455
Visitor Drop-in Class	$9.00	$10.00	11.1%	$233
Resident Child Under 16	$2.00	$2.50	25.0%	$2,607
Visitor Child Under 16	$4.00	$4.50	12.5%	$611
Children Under 3	$0.00	$0.00		$0
Resident 10 Punch Card	$55.00	$60.00	9.1%	$3,148
Visitor 10 Punch Card	$70.00	$80.00	14.3%	$190
I Month Visitor Pass	$70.00	$80.00	14.3%	$125
1 Month Single	$49.00	$54.00	10.2%	$2,547
1 Month Couple	$88.00	$97.00	10.2%	$746
3 Month Single	$132.00	$145.00	9.8%	$2,231
3 Month Couple	$235.00	$259.00	10.2%	$1,311
6 Month Single	$235.00	$259.00	10.2%	$3,926
6 Month Couple	$425.00	$468.00	10.1%	$1,775
12 Month Single	$410.00	$455.00	11.0%	$2,722
12 Month Couple	$730.00	$810.00	11.0%	$2,998
Family Swim Pass	$225.00	$247.50	10.0%	$609
Child Care Per Hr	$3.00	$3.50	16.7%	$683
Personal Training Punch Card	$399.96	$480.00	20.0%	$1,641
Tennis Fees	**Current Fee**	**Proposed Fee**	**Percentage Increase**	**Projected Revenue Increase**
Resident Indoor Court Hr	$20.00	$22.00	10.0%	$7,282
Visitor Indoor Court Hr	$25.00	$28.00	12.0%	$520
Resident Outdoor Court Hr	$6.00	$7.00	16.7%	$1,138
Visitor Outdoor Court Hr	$9.00	$10.00	11.1%	$115
Private Lesson 1 Hr	$55.00	$61.00	10.9%	$4,606
Private Lesson 1/2 Hr	$29.25	$32.00	9.4%	$247
Semi Private Lesson 1 Hr	$58.50	$64.00	9.4%	$699
Group of 3	$60.00	$66.00	10.0%	$444
Group of 4	$64.00	$70.00	9.4%	$299
Hitting Lesson	$45.00	$50.00	11.1%	$1,678
Single Annual Tennis Pass	$895.00	$985.00	10.1%	$1,431
Couple Annual Tennis Pass	$1,600.00	$1,760.00	10.0%	$288
Family Annual Tennis Pass	$1,785.00	$1,964.00	10.0%	$501
Single Winter Tennis Pass	$630.00	$693.00	10.0%	$63
Couple Winter Tennis Pass	$1,135.00	$1,249.00	10.0%	$114
Family Winter Tennis Pass	$1,260.00	$1,386.00	10.0%	$378
Single Summer Tennis Pass	$315.00	$347.00	10.2%	$96
Couple Summer Tennis Pass	$565.00	$621.50	10.0%	$66
Family Summer Tennis Pass	$660.00	$726.00	10.0%	$63
Clinic Drop-in Fee	$18.00	$20.00	11.1%	$3,650
Ball Machine	$8.00	$9.00	12.5%	$318
Lesson Punch Card	$250.00	$275.00	10.0%	$8,352
Court Time Punch Card	$202.50	$223.00	10.1%	$756
		Tennis & Facility Total	**11.4%**	**$69,609**

Attachment D

Ice Arena Fee Schedule

Admission Fees	Resident		Non-Resident	
Youth = 6-17, adult = 18~~-54~~ and over, ~~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 (includes rental skates)	6.00		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	10.00	
Drop-in hockey – adult	9.50		12.50	
Stick & Puck – Youth	7.00		10.00	
- Adult	9.50		12.50	
Skills & Drills - Youth (new program)	10.00		13.00	
- Adult	12.50		15.50	
Drop-in Speed Skating – Youth	~~8.00~~	7.00	10.00	
Drop-in Speed Skating – Adult	~~9.00~~	9.50	12.50	
Freestyle – all	~~9.00~~	7.00	11.00	
Drop-in Curling (new fee)		11.00		14.00

Admissions Passes (10 admissions)		
Public Skate – Youth~~/Senior~~	~~50.00~~	45.00
Pubic Skate – Adult	~~55.00~~	50.00
Drop In Hockey – Youth	~~80.00~~	60.00
Drop In Hockey – Adult	~~90.00~~	85.00
Stick and Puck – Youth	60.00	
Stick and Puck – Adult	~~90.00~~	85.00
Skills and Drills – Youth (new fee)		90.00
Skills and Drills – Adult (new fee)		115.00
Freestyle	~~80.00~~	60.00
Drop In Speedskating – Youth	~~75.00~~	60.00
Drop In Speedskating – Adult	~~80.00~~	85.00
Off-ice Conditioning – 5 punch (new program)		55.00
Off-ice Conditioning – 10 punch (new program)		100.00

*10 Session Punch Cards will be sold to residents only - $1.00 off each session or $10 off in total.

Hourly Ice		
User Groups*/Employees	~~170.00~~	175.00
Locals / Non-Profit Groups	~~190.00~~	195.00
Non-resident/For-profit Groups	~~250.00~~	255.00

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

Season Passes (12 month season)		
Family (4)	~~$400.00~~	$500.00

Attachment D

Additional Family Member	~~Included~~	$50.00
Adult	$250.00	
Youth~~/Senior~~ (Youth = 6-17 year olds~~, senior = 55+~~)	$180.00	

Equipment (per hour)	
Broomball	$25.00
Curling (2 hr minimum)	$50.00

Skate Services

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 Replacement	$2.00 each
Blade Holder Replacement	varies with skate and blade type
Figure Skate Blade Mounting	$10.00

Room Rental	
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 advance.

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

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

Advertising and Sponsorship Fees		
Dasher Board Ads	West Wall	$1,500 (136.36/mo.)
	East Wall	$725 (65.91/mo.)
In Ice Ads (flat fee)		$2,000 (182.82/mo.)
Speed Skating Pad Pockets		$150 (13.64/mo.)
North Wall Banners		$1100 (100/mo.)
Score Clock Banner		$2,500 (227.27/mo.)
Glass Decals		$400 (36.36/mo.)
Program Sponsorship		$1,000
Informational Screen	(new fee)	$150.00/month
Scoreboard Screen	(new fee)	$150.00/month

* All user groups will receive a free dasher board ad on the east side of the rink. They can sell the ad, acknowledge their sponsors or promote their program.

Attachment E

PROPOSED WATER RATES JULY 2009				
Type	**Block 1**	**Block 2**	**Block 3**	**Block 4**
	$2.91 per 1,000 gals	**$4.63 per 1,000 gals**	**$7.58 per 1,000 gals**	**$11.68 per 1,000 gals**
Single Family	**5= $14.56**	**25= $116.76**	**50=$379.12**	Over 80,000
	0-5,000	**5,001-30,000**	**30,001-80,000**	
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		**$4.09 per 1,000 gals**	**$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	$4.09 per 1,000 Gals			
Construction Water	$135.77 Monthly Base Rate	$5.38 per 1,000 gals		

Attachment F

CITY COUNCILOR											
Entity	Population Estimate	Annual Salary	Ret	Health*	Dental*	Life*	401	457	Total Ben $	Total Ben %	Total Comp. Value
WEST VALLEY	126,000	$18,820.00	20.00%	$708.80	$80.58	$6.65	X	X	$ 9,552.36	20.00%	$32,136.36
STEAMBOAT SPRINGS, CO	11,100	$17,592.00	0.00%	$1,172.00	0	0		x	$ 14,064.00	0.00%	$31,656.00
OREM	92,000	$13,200.00	23.90%	$899.31	$108.52	$8.80	X	X	$ 12,199.56	23.90%	$28,554.36
ASPEN, CO	5,914	$20,400.00		$471.00	0				$ 5,652.00	0.00%	$26,052.00
BRECKENRIDGE, CO	3,500	$9,600.00		$1,326.00	$0				$ 15,912.00	0.00%	$25,512.00
ST. GEORGE**	75,000	$12,000.00	0.00%	$671.66	0	0		X	$ 8,059.92	0.00%	$20,059.92
CLEARFIELD	29,902	$8,880.00	13.00%	$669.74	$87.55	$16.50	X		$ 9,285.48	13.00%	$19,319.88
MOAB		$6,000.00		$1,100.00	0	$5.70			$ 13,268.40	0.00%	$19,268.40
BOUNTIFUL	42,534	$7,800.00		$805.60	0	$22.00			$ 9,931.20	0.00%	$17,731.20
SOUTH JORDAN	53,971	$10,600.00	13.61%	$391.98	44.65		X	X	$ 5,239.56	13.61%	$17,282.22
ROY	35000	$8,118.78	18.57%	$554.74	0	$10.00	X	X	$ 6,776.88	18.57%	$16,403.32
TELLURIDE, CO	2,352	$9,600.00		$406.00					$ 4,872.00	0.00%	$14,472.00
LAYTON	64,000	$13,130.00							$ -	0.00%	$13,130.00
DRAPER	38,000	$10,700.00	11.62%			9.4	X		$ 112.80	11.62%	$12,056.14
SPANISH FORK	30,500	$9,180.00	17.90%		$75.00			X	$ 900.00	17.90%	$11,723.22
DURANGO, CO	15,213	$5,999.76		$333.33	0	0		X	$ 3,999.96	0.00%	$9,999.72
KAYSVILLE	26,000	$6,000.00	18.00%						$ -	18.00%	$7,080.00
HEBER CITY		$6,000.00							$ -	0.00%	$6,000.00
GUNNISON, CO		$6,000.00						X	$ -	0.00%	$6,000.00
GLENWOOD SPRINGS, CO	8,887	$6,000.00							$ -	0.00%	$6,000.00
FRISCO, CO	2,621	$6,000.00							$ -	0.00%	$6,000.00
HURRICANE		$5,400.00							$ -	0.00%	$5,400.00
WASHINGTON TERRACE	8,600	$4,800.00							$ -	0.00%	$4,800.00
Current Comparison to Market											
Average of top 5		$15,922.40	14.63%	$915.42	$37.82	$5.15			$ 11,475.98	8.78%	$28,782.14
Park City		$11,405.00	0.00%	$978.00	$85.00	$0.00			$ 12,756.00	0.00%	$24,161.00
Difference		-$4,517.40	-14.63%	$62.58	$47.18	-$5.15			$ 1,280.02	-8.78%	-$4,621.14
		-39.61%	0.00%	6.40%	55.51%	0.00%			$ 0.10	0.00%	**-16.06%**
Proposed Market Adjustment											
Average of top 5		$8,670.00	6.50%	$811.75	$21.89	$11.05			$ 10,136.25	3.25%	$28,782.14
Park City		***$14,588.00***	***0.00%***	***$978.00***	***$85.00***	***$0.00***			***$ 12,756.00***	***0.00%***	***$27,344.00***
Difference		$5,918.00	-6.50%	$166.25	$63.11	-$11.05			$ 2,619.75	-3.25%	-$1,438.14
		40.57%	0.00%	17.00%	74.25%	0.00%			$ 0.21	0.00%	**-5.00%**

*Health, Dental and Life insurance are reported as monthly premiums
Dental, Health and Life premiums are in some cases paid together. When this occurs dental and life are reported as $0.
Aspen provides single health coverage only.
Breckenridge health includes $500 yearly for recreation

MAYOR											
Entity	Population Estimate	Annual Salary	Ret	Health*	Dental*	Life*	401	457	Total Ben $	Total Ben %	Total Comp. Value
OREM	92,000	$26,400.00	23.90%	$899.31	$108.52	$8.80	X	X	$ 12,199.56	23.90%	$44,909.16
WEST VALLEY	126,000	$23,909.00	20.00%	$708.80	$80.58	$6.65	X	X	$ 9,552.36	20.00%	$38,243.16
STEAMBOAT, CO**	11,100	$23,436.00		$1,172.00	0	0			$ 14,064.00	0.00%	$37,500.00
ST. GEORGE	75,000	$30,000.00		$371.66	0	0		X	$ 4,459.92	0.00%	$34,459.92
ASPEN, CO	5,914	$27,900.00		$471.00	0				$ 5,652.00	0.00%	$33,552.00
BRECKENRIDGE, CO	3,500	$14,400.00		$1,326.00	$0				$ 15,912.00	0.00%	$30,312.00
BOUNTIFUL	42,534	$15,600.00	11.59%	$821.28	0	$77.81			$ 10,789.08	11.59%	$28,197.12
MOAB		$12,000.00	17.05%	$1,100.00	0	$5.70			$ 13,268.40	17.05%	$27,314.40
SOUTH JORDAN	53,971	$15,898.47	13.61%	$391.98	44.65		X	X	$ 5,239.56	13.61%	$23,301.81
TELLURIDE, CO	2,352	$18,000.00		$406.00					$ 4,872.00	0.00%	$22,872.00
CLEARFIELD	29,902	$11,640.00	13.00%	$669.74	$87.55	$16.50	X		$ 9,285.48	13.00%	$22,438.68
LAYTON	64,000	$21,800.00							$ -	0.00%	$21,800.00
DRAPER	38,000	$19,394.00	11.62%	$0.00	0	$9.40			$ 112.80	11.62%	$21,760.38
ROY	35,000	$10,053.58	18.57%	$554.74	0	$10.00	X	X	$ 6,776.88	18.57%	$18,697.41
SPANISH FORK	30,500	$14,100.00	17.90%		$75.00			X	$ 900.00	17.90%	$17,523.90
KAYSVILLE	26,000	$12,300.00	18.00%						$ -	18.00%	$14,514.00
HEBER CITY		$10,200.00	12.00%	$150.00					$ 1,800.00	12.00%	$13,224.00
DURANGO, CO	15,213	$8,999.00		$333.33	0	0			$ 3,999.96	0.00%	$12,998.96
FRISCO, CO	2,621	$11,400.00							$ -	0.00%	$11,400.00
WASHINGTON TERRACE	8,600	$9,600.00							$ -	0.00%	$9,600.00
GLENWOOD SPRINGS, CO	8,887	$8,400.00							$ -	0.00%	$8,400.00
HURRICANE		$7,200.00							$ -	0.00%	$7,200.00
GUNNISON, CO		$7,200.00						X	$ -	0.00%	$7,200.00
Current Comparison to Market											
Average of top 5		$26,329.00	21.95%	$724.55	$37.82	$3.86			$ 9,185.57	8.78%	$37,732.85
Park City		$22,556.00	0.00%	$978.00	$85.00	$0.00			$ 12,756.00	0.00%	$35,312.00
Difference		-$3,773.00	-21.95%	$253.45	$47.18	-$3.86			$ 3,570.43	-8.78%	-$2,420.85
		-16.73%	0.00%	25.91%	55.51%	0.00%			$ 0.28	0.00%	**-6.42%**
Proposed Market Adjustment											
Average of top 5		$26,329.00	21.95%	$724.55	$37.82	$3.86			$ 9,185.57	8.78%	$37,732.85
Park City		***$23,090.00***	***0.00%***	***$978.00***	***$85.00***	***$0.00***			***$ 12,756.00***	***0.00%***	***$35,846.00***
Difference		-$3,239.00	-21.95%	$253.45	$47.18	-$3.86			$ 3,570.43	-8.78%	-$1,886.85
		-14.03%	0.00%	25.91%	55.51%	0.00%			$ 0.28	0.00%	**-5.00%**

Tables E4 - Mayor/City Council Compensation

City Council Staff Report

Subject: 2009 GO Bond Public Hearing
Author: Bret Howser
Department: Budget, Debt, & Grants
Date: May 28, 2009
Type of Item: Legislative

Summary Recommendations:
Staff recommends that Council hold and conduct a public hearing to receive input from the public with respect to the issuance of general obligation bonds and the potential economic impact that the improvement, facility, or property for which the bonds pay all or part of the cost will have on the private sector, pursuant to Section 11-14-318 of the Utah Code Annotated 1953, as amended.

Topic/Description:
Open Space GO Bond Public Hearing

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.

Analysis:
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. The resolution set the maximum issuance amount at $15 million and defined the project as follows:

> The City intends to issue general obligation bonds for the purpose of (1) 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 manmade improvements, and make limited improvements for public access, parking and use (the "Open Space Project"), (2) acquiring, constructing, improving and modifying pathways, roads and related improvements for use by pedestrians and cyclists (the "Walkability Project") and (3) paying the costs incurred in connection with the issuance and sale of the general obligation bonds.

The resolution also established the format for public notice, which was published in the Park Record on May 9, 2009. The public notice announced a public hearing to be held on May 28, 2009, and initiated a 30 day period in which interested parties may contest the legality of the resolution or the bonds.

The resolution also established maximum terms of 6% interest, 16 years, and 1% discount from par. Currently, the average coupon rate on a municipal bond with a AA rating could be less than 4%. Staff anticipates that the actual interest rate of the bond would be closer to the current rate than the 6% maximum. The parameters allow for a maximum 1% discount from par, which would be necessary if interest rates were higher than the coupon rate on the bond. However, staff plans to do a competitive sale with this bond and does not expect to sell the bonds for less than the face value.

Staff anticipates bringing a final bond resolution before Council on June 4, 2009. In the event that Council passes the final bond resolution on that date, staff would proceed with the bond closing on or after June 8, 2009. It is important that the issuance proceed during the current fiscal year in order to have proceeds available for expenses which have already transpired and which are likely to transpire during fiscal year 2009.

It is not anticipated that the open space purchases or walkability projects funded by the proceeds of this bond would have any tangible direct impact on the private sector. Staff believes that there could be a positive indirect benefit to private sector activity through the enhancement of the resort town character.

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

Alternatives:

A. **Approve:**

Staff recommends holding a public hearing to receive input from the public with respect to the issuance of general obligation bonds and the potential economic impact that the project for which the bonds pay the cost will have on the private sector.

B. Deny:

So doing could impact the timing and funding of related projects and purchases

C. Modify:

D. Continue the Item:

This may impact the timing of projects and purchases.

E. Do Nothing:

This would have a similar impact as B.

Significant Impacts:

The public hearing is the second step in a bond issuance. This bond issuance is 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 construction on walkability projects could be delayed until Council decides to move forward with the bond issuance.

Recommendation:

Staff recommends that Council hold and conduct a public hearing to receive input from the public with respect to the issuance of general obligation bonds and the potential economic impact that the improvement, facility, or property for which the bonds pay all or part of the cost will have on the private sector, pursuant to Section 11-14-318 of the Utah Code Annotated 1953, as amended.

City Council
Staff Report

PARK CITY 1884 PLANNING DEPARTMENT

Subject: **First Amended Treasure Hill Subdivision Plat Phase 3**
Author: **Brooks T. Robinson**
Date: **May 28, 2009**
Type of Item: **Administrative – Plat Amendment**

Summary Recommendations
Staff recommends the City Council hold a public hearing for the First Amended Treasure Hill Subdivision Phase 3 plat and consider approving the amended plat based on the findings of fact, conclusions of law and conditions of approval as found in the draft ordinance.

Topic

Applicant	Pat Sweeney, owner
Location	445 King Road (lot 8, Treasure Hill subdivision)
Zoning	Estate (E) as part of the Treasure Hill Master Planned Development (MPD)
Adjacent Land Uses	Park City Mountain Resort, King Road Estate lot.

Background
On October 16, 1986 the Sweeney Master Planned Development was approved by the City. The Treasure Hill Phase I subdivision consisting of four building lots (two off of Upper Norfolk and two off of King Road) and one open space lot was recorded in April of 1996.

The Sweeney Master Plan Approval document of 1986 identifies Miscellaneous Properties including, "...a third lot to be situated up on top of Treasure Mountain (possible future access predicated on United Park City Mines Company's plans for development off of King Road). Development would be restricted to single-family homes with no greater than 3500 square foot footprints and maximum building heights of 25 feet." Final house designs are required to be reviewed as Conditional Use Permits in accordance with the Sweeney Properties Master Plan.

The City Council approved the subdivision plat on July 31, 2003 to create one lot of record for this 11.9 acre metes and bounds parcel. On August 12, 2004 the Council approved a six-month extension to record the plat. The plat has subsequently been recorded.

On June 22, 2005, the Planning Commission held a public hearing and approved a Conditional Use Permit (CUP) for construction of a single family house on this lot in accordance with the Sweeney Properties Master Plan. The CUP had an expiration of one year from the date of approval to institute the use. Although utility installation and some grading have occurred, no building permit or construction of the house has taken place and the CUP for the house has expired.

On March 4, 2009, the City received a completed application for an amendment to the approved plat to shift the platted Building Zone, while maintaining the same square footage. A Conditional Use Permit for construction of a single family home in accordance with the Sweeney Properties Master Plan is being heard concurrently with this application.

The Planning Commission heard this application at its regular meeting on May 13, 2009, and forwards a positive recommendation. There was no public input. At the same meeting, the Planning Commission approved a Conditional Use Permit (CUP) for construction of a single family house for 445 King Road. A CUP for each single family house is required by the Sweeney Properties Master Plan Development.

Analysis

The approved plat shows a Building Zone of 29,083.9 square feet. The proposed amended plat has the same square footage but shifts the Building Zone in several areas while keeping the bulk of the existing Building Zone intact. The current Building Zone is "L" shaped with the long side running east to west and the short side on the west end running north. The proposed shift maintains the east and most of the north lines while angling the south line further to the south by approximately 40 feet at its western point. The northwest corner remains the same. No significant vegetation or changes in grade are affected by the proposed change in the building pad location.

Note 2 on the plat states that all improvements, including fences and formal landscaping (unless otherwise permitted under easements or agreements of record or as shown on the plat or as consistent with construction drawings approved by the City for the driveway and utilities) shall be limited to the Building Zone noted on the plat.

The approved plat has 12 Notes that address Building Footprint, Height, Limits of Disturbance, Visibility, and Massing among others. These Notes are substantially the same as were approved on Treasure Hill Phase II (the four lots on Upper Norfolk and King Road). A plat note on lighting was added to the amended plat that requires all interior and exterior lighting to be shielded from all viewpoints in the City with an exception for seasonal lighting from December 1 to January 15. Otherwise, there was no change to the Plat Notes.

The zoning for the subdivision is Estate subject to the following criteria:

	Permitted/Existing Plat	Proposed
Building Pad	29,083.9 square feet	29,083.9 square feet
Footprint	3,500 square feet plus 1,500 for a Guest house	3,500 square feet plus 1,500 for a Guest house

Height	25 feet for ridges parallel to the existing contours and 30 feet for ridges perpendicular to the existing contours. These perpendicular ridges cannot comprise more than 20% of the total roof plan	Same as Permitted/Existing
House size	Limited by Footprint and Height requirements	Unknown at this time
Front setback	25' on all sides	Building Pad is 80 feet from closest property line.
Parking	Two spaces required	2 required for the single family house

Staff finds good cause for this subdivision amendment as the Building Pad remains the same size and substantially in the same location. No other changes are proposed to the approved plat.

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

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

Public Input
No public input has been received at the time of this report or at the Planning Commission public hearing.

Future Process
The approval of this subdivision application by the City Council constitutes Final Action that may be appealed following the procedures found in LMC 1-18. Staff review of a Building Permit is not publicly noticed nor subject to review by the Planning Commission unless appealed. Final house designs are required to be reviewed as Conditional Use Permits in accordance with the Sweeney Properties Master Plan.

Alternatives
- The City Council may approve the First Amended Treasure Hill Subdivision Phase 3 plat as conditioned or amended, or
- The City Council may deny the First Amended Treasure Hill Subdivision Phase 3 plat and direct staff to make Findings for this decision, or
- The City Council may continue the discussion on the First Amended Treasure Hill

Subdivision Phase 3 plat and provide Staff and the Applicant with specific direction regarding additional information that is necessary to find compliance with the review criteria.

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

Consequences of not taking the Suggested Recommendation
The property would remain as platted with the existing Building Zone.

Recommendation
Staff recommends the City Council hold a public hearing for the First Amended Treasure Hill Subdivision Phase 3 plat and consider approving the amended plat based on the findings of fact, conclusions of law and conditions of approval as found in the draft ordinance.

Exhibits
Exhibit A – Ordinance with plat
Exhibit B – Excerpt from Sweeney Master Plan
Exhibit C – Copy of prior plat approval ordinance.

AN ORDINANCE APPROVING THE FIRST AMENDED TREASURE HILL SUBDIVISION PHASE 3, LOCATED AT 445 KING ROAD, PARK CITY, UTAH

WHEREAS, the owners of the property known as 445 King Road, have petitioned the City Council for approval of the First Amended Treasure Hill Subdivision Phase 3; and

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

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

WHEREAS, the Planning Commission held a public hearing on May 13, 2009, to receive input on the First Amended Treasure Hill Subdivision Phase 3;

WHEREAS, the Planning Commission, on May 13, 2009, forwarded a positive recommendation to the City Council; and,

WHEREAS, on May 28, 2009, the City Council held a public hearing on the First Amended Treasure Hill Subdivision Phase 3; and

WHEREAS, it is in the best interest of Park City, Utah to approve the First Amended Treasure Hill Subdivision Phase 3.

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

SECTION 1. APPROVAL. The above recitals are hereby incorporated as findings of fact. The First Amended Treasure Hill Subdivision Phase 3 as shown in Exhibit A is approved subject to the following Findings of Facts, Conclusions of Law, and Conditions of Approval:

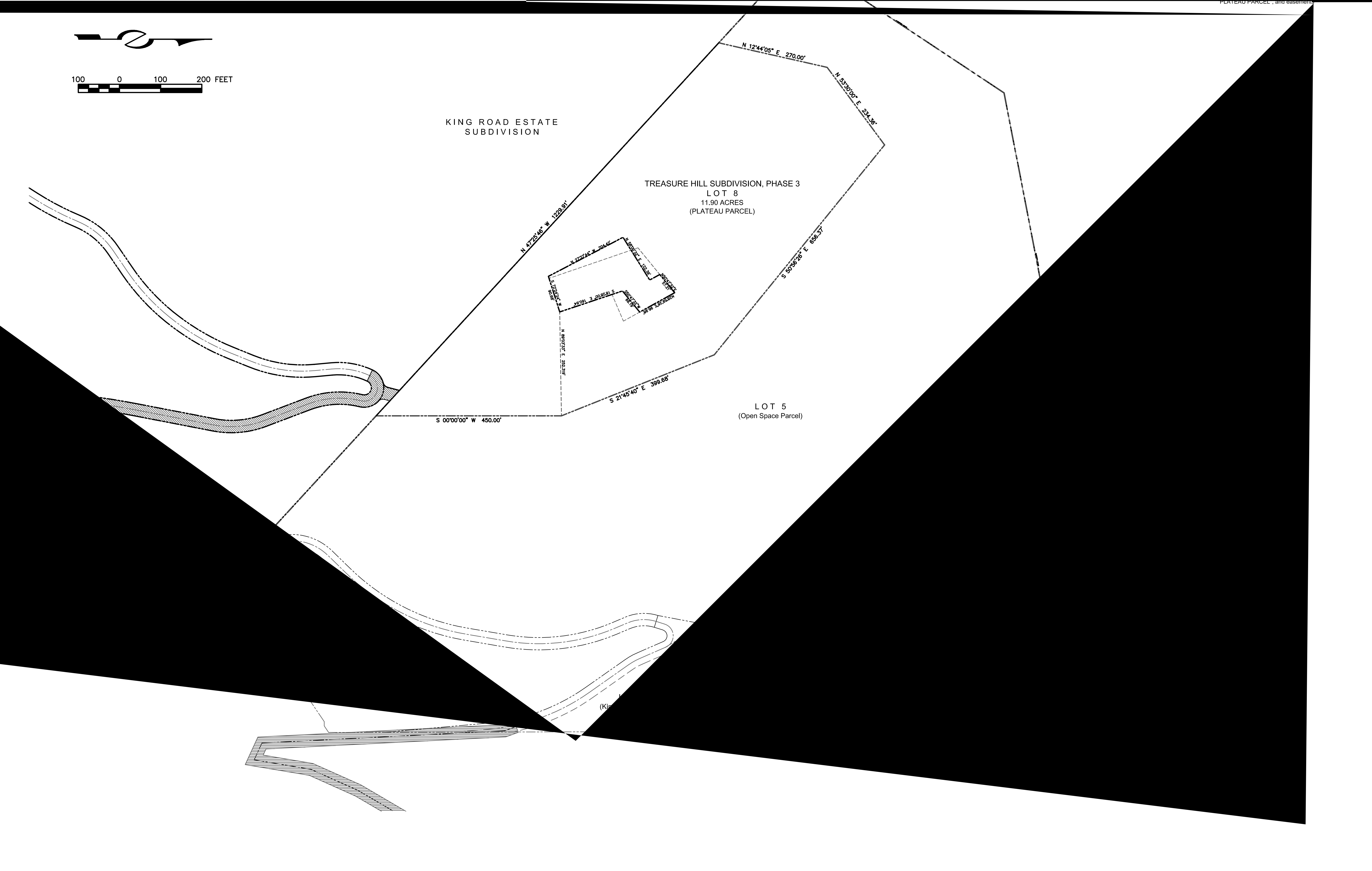
Findings of Fact:
1. The proposed house is located in the E-MPD zoning district.
2. The City approved the Sweeney Master Planned Development on October 16, 1986.
3. The Sweeney Master Plan Approval document of 1986 identifies Miscellaneous Properties including, "...a third lot to be situated up on top of Treasure Mountain (possible future access predicated on United Park City Mines Company's plans for development off of King Road). Development would be restricted to single-family homes with no greater than 3500 square foot footprints and maximum building heights of 25 feet." Final house designs are required to be reviewed as Conditional Use Permits in accordance with the Sweeney Properties Master Plan.
4. The City Council approved the subdivision plat on July 31, 2003 to create one lot of record for this 11.9 acre metes and bounds parcel. On August 12, 2004 the Council approved a six-month extension to record the plat. The plat has subsequently been recorded.

5. The City received a complete application on March 4, 2009, to amend the platted Building Zone for the Treasure Hill Subdivision Phase 3 plat.
6. The Building Zone remains 29, 083.9 square feet.
7. The Building Footprint for the Main House can be up to 3,500 square feet with a Guest House an additional 1,500 square feet.
8. The Height restrictions for the Main House are 25 feet for ridges parallel to the existing contours and 30 feet for ridges perpendicular to the existing contours. These perpendicular ridges cannot comprise more than 20% of the total roof plan.
9. The property is located in a heavily wooded, remote environment that is prone to wildfire.
10. The Findings in the Analysis are incorporated herein.

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

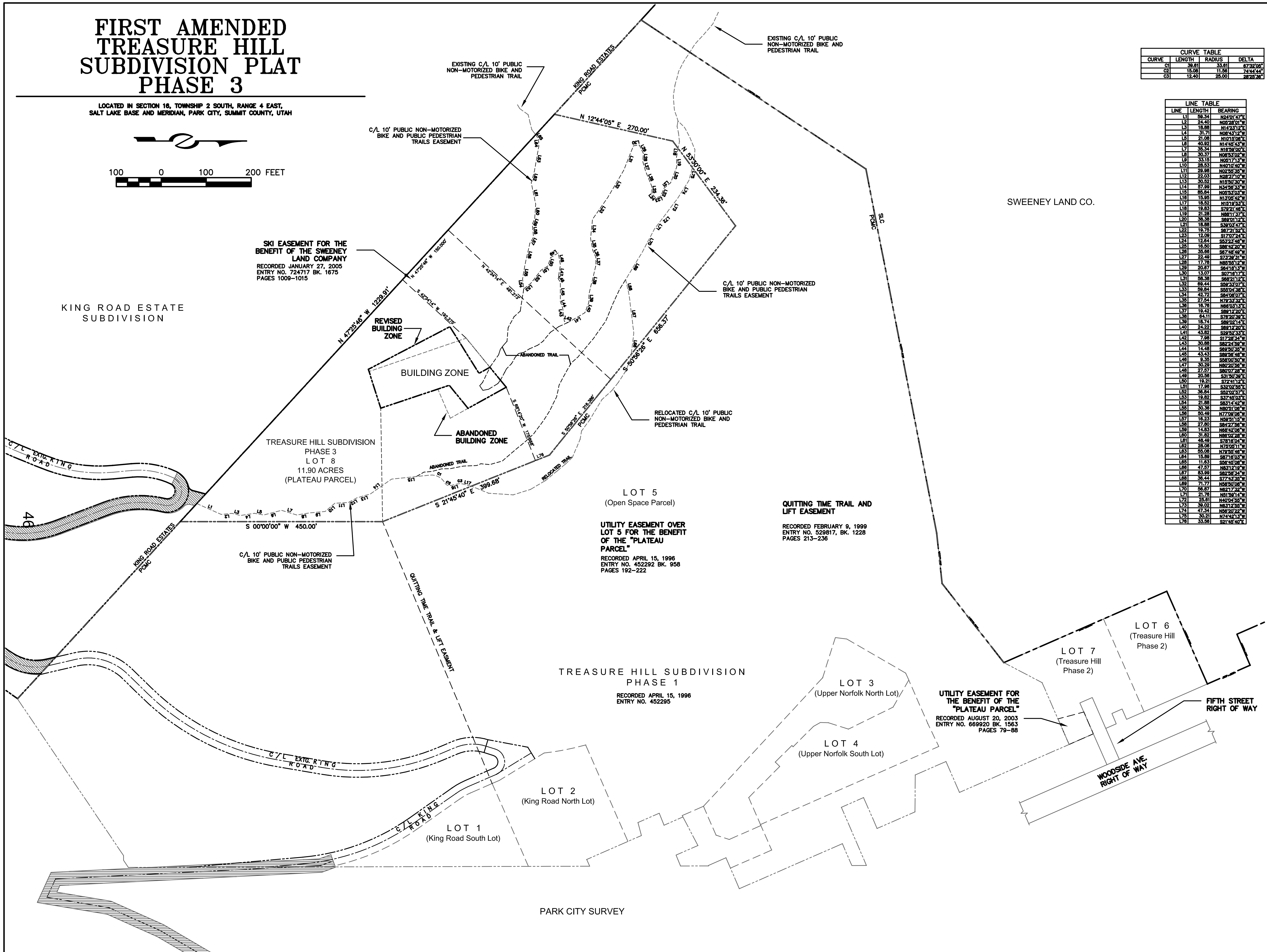
Conditions of Approval:
1. The City Attorney and City Engineer will review and approve the final form and content of the subdivision for compliance with State law, the Land Management Code, and the conditions of approval, prior to recordation of the plat.
2. The applicant will record the subdivision at the County within one year from the date of City Council approval. If recordation has not occurred within one year's time, this approval for the plat will be void.
3. All previous Conditions of Approval of the Sweeney Properties Master Plan (Treasure Hill) continue to apply.
4. All previous Conditions of Approval of the 2003 plat approval continue to apply other than the location of the building zone.
5. Final house designs are required to be reviewed as Conditional Use Permits in accordance with the Sweeney Properties Master Plan.

Exhibits
Exhibit A – Amended Plat


100 0 100 200 FEET
KING ROAD ESTATE SUBDIVISION
TREASURE HILL SUBDIVISION, PHASE 3
LOT 8
11.90 ACRES
(PLATEAU PARCEL)
N 12°44'05" E 270.00'
N 53°30'00" E 234.36'
S 50°56'26" E 656.37'
S 21°45'40" E 399.68'
S 00°00'00" W 450.00'
N 47°25'46" W 1229.91'
LOT 5
(Open Space Parcel)

FIRST AMENDED TREASURE HILL SUBDIVISION PLAT PHASE 3

LOCATED IN SECTION 16, TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN, PARK CITY, SUMMIT COUNTY, UTAH



CURVE TABLE			
CURVE	LENGTH	RADIUS	DELTA
C1	39.61	33.61	67°32'05"
C2	15.08	11.56	74°44'44"
C3	12.40	25.00	28°25'36"

LINE TABLE		
LINE	LENGTH	BEARING
L1	59.34	N24°01'47"E
L2	24.40	N05°28'01"W
L3	18.88	N14°23'12"E
L4	31.71	N08°43'12"W
L5	21.08	N10°15'06"E
L6	40.92	N14°45'43"W
L7	35.34	N16°59'00"E
L8	30.37	N08°53'02"W
L9	33.15	N05°17'13"W
L10	28.53	N40°10'40"W
L11	29.98	N02°55'35"W
L12	22.03	N28°37'10"W
L13	30.52	N15°50'30"W
L14	57.99	N34°56'33"W
L15	85.84	N05°53'03"W
L16	15.95	N13°05'42"W
L17	18.52	N15°19'53"E
L18	19.83	S79°21'46"E
L19	21.28	N88°11'37"E
L20	38.38	S69°01'12"E
L21	18.88	S39°03'47"E
L22	19.75	S67°31'52"E
L23	12.09	S17°07'24"E
L24	12.64	S53°23'48"W
L25	16.50	S86°42'20"W
L26	35.66	S67°48'49"W
L27	22.49	S73°39'31"W
L28	17.78	N85°55'12"W
L29	20.67	S64°18'13"W
L30	13.07	S07°16'17"E
L31	58.38	S68°21'12"E
L32	69.44	S59°33'07"E
L33	59.84	S55°04'38"E
L34	42.72	S84°08'07"E
L35	27.54	N79°33'32"E
L36	16.76	N66°03'13"E
L37	19.42	S89°12'20"E
L38	64.11	S76°20'39"E
L39	18.74	S89°02'14"E
L40	24.22	S69°12'20"E
L41	43.82	S29°52'33"E
L42	7.98	S17°28'34"W
L43	30.88	S82°24'59"W
L44	14.48	S69°50'35"W
L45	43.43	S89°56'48"W
L46	9.35	S58°00'50"W
L47	30.29	N80°20'56"W
L48	27.57	S80°07'28"W
L49	20.56	S31°50'39"E
L50	19.21	S72°41'12"E
L51	17.96	S32°02'55"E
L52	36.84	S52°02'57"E
L53	19.82	S37°45'03"E
L54	21.88	S83°14'42"W
L55	30.36	N80°51'06"W
L56	50.49	N77°09'06"W
L57	16.23	N59°51'15"W
L58	27.80	S84°27'56"W
L59	14.83	N68°42'06"W
L60	31.82	N86°02'28"W
L61	46.49	S78°16'04"W
L62	28.06	N75°05'11"W
L63	55.08	N79°55'46"W
L64	15.89	S87°16'03"W
L65	11.63	S56°45'08"W
L66	47.57	N83°12'19"W
L67	83.99	S82°58'34"W
L68	36.44	S77°43'35"W
L69	71.77	N58°50'08"W
L70	56.87	N62°17'32"W
L71	21.76	N51°59'14"W
L72	25.61	N40°04'55"W
L73	39.02	N63°12'55"W
L74	47.34	N56°20'22"W
L75	30.21	N74°42'13"W
L76	33.56	S21°45'40"E

PLAT NOTES

1. *FOOTPRINT*. The residential footprint of the dwelling ("Main House"), to be located on Lot 8, Phase IV, Treasure Hill Subdivision (the "Lot"), shall be calculated from the outside face of walls, subject to the massing requirements of Note 6, and a maximum of three thousand five hundred (3,500) square feet footprint including garages. The following shall not count toward the foot print calculations:

(a) Deck which is open on at least two sides, but which may have railings as required, covered or uncovered, and that does not have above-existing-natural-grade garage or living space located below or above it;
(b) Exterior walkways:
(c) Exterior stairs;
(d) Driveway; and
(e) That Portion of any garage, carport, mechanical space, or living space that is located below existing natural grade and which has landscaping or deck (as provided in 1(a)) located above it.
(f) The footprint for up to fifteen hundred (1,500) square feet for an additional attached or detached residence, further provided such residential space is used only for a caretaker's house or guest house, (not to be sold or leased separate from the Main House) and provided that the height of such additional structure from existing natural grade shall not exceed twenty (20) feet, measured from existing natural grade, including all elements other than chimneys, mechanical exhausts, and sanitary sewer vents.

2. *VISIBILITY.* The Main House and Caretaker/ Guest House shall be located and screened by existing vegetation. If necessary, they shall be screened by new vegetation so as to be substantially out of sight from the Historic District as determined solely by the Park City Planning Department.

3. *BUILDING AREA Zone*. Improvements, including fences and formal landscaping (unless otherwise permitted under easements or agreements of record or as shown on this Plat or as consistent with construction drawings approved by the Park City Municipal Corporation ("City") for the driveway and utilities ("Drawings")) shall be limited to the Building Zone noted on this Plat.

4. *BUILDING AREA CONSTRUCTION DISTURBANCE*. Temporary construction disturbance associated with construction of the residence, excluding the driveway and utilities, as shown on construction drawings and the deposit on the Lot of excess excavated material placed in accordance with an approved construction mitigation plan, shall be limited to twenty (20) feet outside the Building Area Zone shown herein subject to Note 2 above. Such disturbed area shall be revegetated with native landscaping, and a guarantee for the cost of revegetation shall be posted with the City at the time of building permit issuance. The adjacent ski trails may be used for construction staging subject to the Town Lift Easements referenced in Note 10 below.

5. *HEIGHT*. The Main House height shall be measured from existing natural grade. The maximum height shall be twenty-five (25) feet for roofs and roof elements that generally are parallel to existing natural grade and thirty (30) feet for roof ridges that are generally oriented (in the horizontal plane) perpendicular to existing contour lines, for example, dormers. Such perpendicularly oriented roof portions located above twenty five (25) feet in height shall comprise less than 20 percent of the roof plan. Planning Commission may, during the Conditional Use approval process, grant height exceptions up to a maximum height of thirty-three (33) feet for pitched roofs for the expressed purpose of accommodating access, i.e. stairwells and/or elevators between floor levels.

6. *MASSING*. Designs may he comprised of one or more connected or unconnected building masses. No one building mass within the 3,500 square foot footprint (referred to in Note 1 above) shall have a footprint that exceeds 2,000 square feet. Massing elements shall be separated by horizontal and/or vertical facade breaks. This requirement shall be interpreted to mean that there will be significant variation of roof heights and wall faces for the different building elements.

7. *ACCESS*. The Lot shall be accessed by a minimum of a twelve foot (12) wide driveway as shown on the Drawings. The maximum width shall be 20 feet except for turn around areas approved by the Park City Planning Department.

8. *UTILITIES*. Utilities (water, sewer, phone, cable, and power) shall be extended from from Woodside Avenue with the exception that power may come from the North. The water supply lift station and other utilities will be initially installed and perpetually maintained at the owner's expense.

The waste water lateral stub for the "Plateau Parcel" has been provided on Lot 7 of the Treasure Hill Phase 2 Plat (within the Utility Easement for the benefit of the Plateau Parcel). This lateral passes under a reinforced concrete tunnel. Maintenance and replacement of the waste water lateral shall be the responsibility of the owner of the "Plateau Parcel" and not that of the Snyderville Basin Water Reclamation District ("SBWRD").

9. *FIRE PROTECTION PLAN*. Residential fire sprinkling and other safety features shall comply with the Fire Protection Plan on file with the Chief Building Official at the time of plat recordation. Wood roofing materials shall be prohibited.

10. *EASEMENTS AND AGREEMENTS.* This Lot is subject to the following easements and agreements:

Special Warranty Deed with Possibility of Reverter with certain rights as recorded April 15, 1996, Entry No. 452292, Book 958, Pages 192-222, in the office of the Summit County Recorder, Summit County, Utah.

The Plateau Agreement with covenants and understandings between the Greater Park City Company and Patrick J. Sweeney executed February 1, 1999.

Ski and Pedestrian Easements as described in Section 4.4 of the Sweeney Properties Master Plan ("SPMP") summary and as shown on sheets 1, 2, and 4 through 9 of the SPMP.

Combined Amended Grant of Easements to the Greater Park City Company as recorded February 9, 1999, Entry No. 529817, Book 1228, Pages 213-236, in the office of the Summit County Recorder, Summit County, Utah.

Access Easement Agreement as recorded May 14, 2003, Entry No. 658445, Book 1534, Pages 1407-1420, in the office of the Summit County Recorder, Summit County, Utah.

Utility and Construction Access Easement Agreement as recorded August 20, 2003, Entry No. 669920, Book 1563, Pages 79-88, in the office of the Summit Country Recorder, Summit County, Utah.

11. Lighting on the lot including the interior and exterior of all structures shall be shielded from direct view from all viewpoints within the City Limits with the exception of "seasonal lighting" allowed December 1 through January 15.

12. *PRECEDENCE*. The above special restrictions are covenants of and consistent with the SPMP approved by the Park City Council on October 16, 1986, and as subsequently amended on October 14, 1987; December 30, 1992; and November 7, 1996. Final house design shall be reviewed under the Conditional Use process in accordance with the SPMP. This property shall not be further subdivided.

ALTA ENGINEERING INC.
CIVIL ENGINEERING • LAND PLANNING
SURVEYING • PROJECT MANAGEMENT
PO BOX 2864 PARK CITY, UTAH 84060 435-649-8191

PAGE 2 OF 2

RECORDED

STATE OF UTAH COUNTY OF SUMMIT AND FILED
AT THE REQUEST OF ____________________
DATE ________ TIME ______ BOOK ______ PAGE ______

________ ________________
FEE RECORDER

is envisioned. The average building height for the Town Lift site is less than 25' with over 85% of the building volume fitting within a 35' height envelope. Parking will be provided within enclosed structures, accessed via a private road originating from the Empire-Lowell switchback. The closest neighboring residence is currently located in excess of 200 feet away.

The Creole Gulch site is comprised of 7.75 acres and situated basically south of the Empire-Lowell switchback at approximately 8th Street. The majority of the property is currently zoned Estate (E). A total of 161.5 residential unit equivalents are proposed. In addition, 15.5 unit equivalents of support commercial space is included as part of the Master Plan. Average building heights are proposed to be less than 45' with a maximum of 95' for the highest point. As conceptually proposed, in excess of 80% of the building volume is within a 75' height envelope measured from existing grade. It is expected that the Creole Gulch site will be subdivided into specific development parcels at some future date. Parking is accessed directly from the Empire-Lowell switchback and will be provided within multi-level enclosed structures. Depending upon the character of development and unit configuration/mix proposed at conditional use approval, the actual numbers of parking spaces necessary could vary substantially. Buildings have been set back from the adjacent road approximately 100' and a comparable distance to the nearest adjoining residence.

Miscellaneous Properties

In addition to the development areas described above, the proposed Master Plan identifies three distinct single-family lots; one of which is located above Woodside Avenue adjacent to and north of platted 5th Street, a second to be accessed from Upper Norfolk, and a third lot to be situated up on top of Treasure Mountain (possible future access predicated on United Park City Mines Company's plans for development off of King Road). Development would be restricted to single-family homes with no greater than 3500 square foot footprints and maximum building heights of 25 feet.

VI. MAJOR ISSUES

Many concerns were raised and issues identified through the review process. A project of this scale and complexity would pose similar and considerable consternation no matter where it was proposed to be built. Because this particular site is located both within and adjacent to the Historic District, many of the concerns expressed related to the more subjective kinds of considerations. The Master Planned Development procedure attempts to deal with the general concept of the proposed development and defer or relegate the very detailed project review elements to the conditional use stage of review. At conditional use review, the following issues will be examined in considerable detail with technical solutions sought.

Comprehensive Plan - The city's Comprehensive Master Plan identifies the Hillside property as a key scenic area and recommends that development be limited to the lower portions of the mountain. The existing HR-1 ground included in the Sweeney Master Plan is shown as being retained for residential use similar to the existing pattern of development. The Coalition West site is also recommended for Historic Residential use with the East parcels included within a Historic Commercial area. The proposed Sweeney

Ordinance No.

AN ORDINANCE APPROVING A SINGLE LOT SUBDIVISION AT 445 KING ROAD, PARK CITY, UTAH.

WHEREAS, the owners of the property located at 445 King Road have petitioned the City Council for approval of the Subdivision plat; and

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

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

WHEREAS, the Planning Commission held a public hearing on July 23, 2003, to receive input on the subdivision;

WHEREAS, the Planning Commission, on July 23, 2003, forwarded a positive recommendation to the City Council; and,

WHEREAS, on July 31, 2003, the City Council held a public hearing and approved the subdivision; and

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

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

SECTION 1. APPROVAL. The subdivision as shown in Exhibit A is approved subject to the following Findings of Facts, Conclusions of Law, and Conditions of Approval:

Findings of Fact:

1. The property is located at 445 King Road and is known as lot 12 of the Treasure Hill Subdivision Phase 4, part of the Sweeney Properties Master Plan. The property is currently zoned Recreation Open Space - RD-MPD with a request for zone change pending. The property is vacant.
2. The Sweeney Properties Master Plan (SPMP) was approved by the City Council on October 16, 1986 and amended on October 14, 1987, December 30, 1992, and November 7, 1996.
3. One lot of record will be created with the subdivision.
4. The Treasure Hill Subdivision Phase 4 plat includes plat notes regarding building footprint, heights, setbacks, massing, building pad footprints, limits of disturbance, access, re-vegetation, utilities, and fire protection.
5. Utilities are available to sustain the anticipated property uses. Utilities will generally tie into Woodside Avenue, follow the Quittin' Time ski run in its lower extent and connect to the Building Pad along a future ski run to the Payday area.

6. The Chief Fire Marshall has reviewed the Fire Protection Plan and has conceptually approved it.
7. A financial guarantee for all public improvements is necessary to ensure completion of these improvements and to protect the public from liability and physical harm if these improvements are not completed by the developer or owner.
8. The Planning Commission held a public hearing on July 23, 2003 and forwarded a positive recommendation to the City Council.

Conclusions of Law:

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

Conditions of Approval:

1. The Conditions of Approval for the Sweeney Properties Master Planned Development remain in full force and effect.
2. The design of the Main House and any Guest House will follow the Conditional Use Permit process in accordance with the Sweeney Properties Master Plan (SPMP).
3. All standard project conditions shall apply.
4. The Building Pad is 29,084 square feet in which all construction activity must take place, excepting the driveway and utility construction.
5. The Main House footprint is limited to 3500 square feet. A single caretaker's or guest house may have a footprint up to 1500 square feet.
6. The Height of the Main House is 25 feet measured from natural grade for ridges that run parallel to the natural contours and 30 feet from natural grade for ridges perpendicular to the existing contours. Such perpendicular ridges may not comprise more than 20 percent of the roof plan. The Guest House may not exceed 20 feet from natural grade in height.
7. All trails, as indicated on the Treasure Hill subdivision plat, which have not yet been constructed and approved, shall be completed prior to issuance of a certificate of occupancy for the residences. Relocation of said trails shall be reviewed and approved by City Staff.
8. The applicant must record an Open Space Easement, or other instrument of record, for that area outside of the Building Pad to forever preserve the natural state. Ski runs and those public trails dedicated on this plat may be allowed in this open space.
9. The City Engineer shall review and approve appropriate grading, utility, public improvements and drainage plans for compliance with City standards as a condition precedent to permit issuance.
10. Final details of the Fire Protection plan are required to be approved prior to plat

recordation.

11. The Snyderville Basin Water Reclamation District shall review and approve the sewer plans.
12. A financial guarantee, for the value of all public improvements, landscaping, re-vegetation, and trails to be completed, shall be provided to the City prior to building permit issuance. All public improvements shall be completed according to City standards and accepted by the City Engineer prior to release of this guarantee.
13. Re-vegetation of the disturbed areas, including utility installation areas, shall be done with native species acceptable to the Planning Department Landscape Architect.
14. The applicant will record the plat at the County within one year from the date of City Council approval. If recordation has not occurred within one year's time, this approval and the plat will be void.

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

PASSED AND ADOPTED this 31st day of July, 2003.

PARK CITY MUNICIPAL CORPORATION

____

Dana Williams, MAYOR

ATTEST:

____

Jan Scott, City Recorder

APPROVED AS TO FORM:

____

Mark Harrington, City Attorney

City Council
Staff Report

Subject:	**Lot G Prospector Square**
Author:	**Francisco Astorga**
Date:	**May 28, 2009**
Type of Item:	**Administrative – Plat Amendment**

PARK CITY 1884
PLANNING DEPARTMENT

Summary Recommendations
Staff recommends the City Council hold a public hearing and consider approving the Lot G Prospector Square Plat Amendment based on the findings of fact, conclusions of law and conditions of approval as found in the draft ordinance.

Description

Applicant:	Henry Sigg and the Prospector Square Property Owner's Association, represented by Don Bloxom
Location:	1775 Prospector Avenue
Zoning:	General Commercial (GC)
Adjacent Land Uses:	General commercial
Reason for Review:	Plat amendments require Planning Commission review and City Council approval

Background
On May 14, 2008, the City received a completed application for the Lot G Prospector Square Plat Amendment. The property is located at 1775 Prospector Avenue in the General Commercial (GC) zoning district. Currently the entire lot is being utilized as a private parking lot for the Prospector Square Property Owners Association. The proposed plat reconfigures Parking Lot G of the Prospector Square Supplemental Amended Plat.

The proposed plat amendment combines Lot 48A and Lot 48B into one lot of record. It converts Lot 48C into part of Parking Lot G. Lot 48C currently has access to the Rail Trail across the lot. It also reconfigures Lot 48D and 48E into bigger lots. The plat amendment reconfigures a total of five lots into three lots. The total square footage of the lots decreases from 14,338.41 square feet to 13,374.44 square feet, a total of 963.97 square feet, which would then become part of Parking Lot G.

The Planning Commission reviewed this application during their July 9, 2008, meeting (See Exhibit D). A motion was passed to continue this item to the July 23, 2008, Planning Commission meeting to allow the applicant to meet with Sun Creek Condominium Home Owner's Association to discuss their proposal. The courtesy mailing list that was provided by the applicant to the City compiled by their title company did not include Sun Creek Condominiums.

During the July 23, 2008 Planning Commission meeting a motion was passed to continue this item to a date uncertain (see Exhibit E). At that time the City had not received written notification from Prospector Square Property Owner's Association (PSPOA), who has a property interest in this property, consenting to this plat amendment.

On March 17, 2009 PSPOA submitted a letter to the City indicating their consent to this plat amendment application (Exhibit G).

During the May 13, 2009 Planning Commission meeting, a public hearing was held as the plat amendment application was reviewed. The Commission forwarded a positive recommendation to the City Council.

Analysis

Staff finds good cause for this plat amendment as Lot 48C will no longer be a platted lot and that area will become part of Parking Lot G. There will be Rail Trail access though Parking Lot G instead of though a platted lot of record. The reduction in lot area will yield a reduced building mass as buildings in the Prospector Overlay have a maximum floor area ratio of 2.0. Also a common problem found in Prospector Square concerning street frontage will be fixed in this area. Section 15-2.18.3 states the following:

Except as may otherwise be provided in this Code, no Building Permit shall be issued for a Lot unless such Lot has the Area, width, and depth as required, and Frontage on a Street shown as a private or Public Street on the Streets Master Plan, or on a private easement connecting the Lot to a Street shown on the Streets Master Plan.

According to this LMC provision, four of the five lots do not have the ability to receive building permits because these lots do not have any frontage on a street nor a private easement connecting the lots to a street. This is a typical problem throughout all of Prospector Square and has not been addressed in the past. After meeting with the applicant several times throughout the review stage, the applicant agreed to modify the non-exclusive public utility easements to also be access easements throughout this plat. This would allow all the lots to have the ability of receiving building permits at the time of application. Under the LMC the following site requirements would be allowed on the proposed lots:

	Allowed per LMC
Height	35 feet (plus 5 feet for pitched roofs)
Front/Rear/Side Setback	0 feet
Floor Area Ratio (FAR)	2.0

There are various shared parking lots throughout Prospector Square Subdivision owned and maintained by the Property Owner's Association.

Process

The approval of this application by the City Council constitutes Final Action that may be appealed following the procedures found in LMC 1-18. Staff review of a Building Permit is not publicly noticed nor subject to review by the Planning Commission unless appealed.

Department Review

This project has gone through an interdepartmental review. The Building Dept. was concerned with the access as mentioned in the Analysis portion of the staff report.

Notice

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

Public Input

A letter of opposition was received by the City last October (Exhibit D). Public Input was also received during the July 9, 2008 and May 13, 2009 Planning Commission public hearings. According to letter submitted by PSPOA (Exhibit E) the membership approved by an affirmative vote of 98% the request to amend parking Lot G in conjunction with the adjacent lots.

Alternatives

- The City Council may approve the Lot G Prospector Square Plat Amendment as conditioned or amended; or
- The City Council may deny the Lot G Prospector Square Plat Amendment and direct staff to make Findings for this decision; or
- The City Council may continue the discussion on Lot G Prospector Square Plat Amendment.
- The City Council may remand the item back to the Planning Commission for specific discussion on topics and/or findings.

Significant Impacts

There are no significant fiscal or environmental impacts from this application. At the time of construction, the soils will be required to be characterized for regulated materials and disposed of in compliance with the Soils Ordinance, if necessary.

Consequences of not taking the Suggested Recommendation

The lots would remain as is.

Recommendation

Staff recommends the City Council hold a public hearing and consider approving the Lot G Prospector Square Plat Amendment based on the findings of fact, conclusions of law and conditions of approval as found in the draft ordinance.

Exhibits

Exhibit A – Draft Ordinance with Proposed Plat
Exhibit B – Prospector Square Supplemental Amended Plat
Exhibit C – Survey of the Property
Exhibit D – Opposition letter date September 26, 2008
Exhibit E – Consent letter from PSPOA

Exhibit A
Ordinance No. 08-

AN ORDINANCE APPROVING THE LOT G PROSPECTOR SQUARE PLAT AMENDMENT LOCATED AT 1775 PROSPECTOR AVENUE, PARK CITY, UTAH.

WHEREAS, the owners of the property located at 1775 Prospector Avenue have petitioned the City Council for approval of the Lot G Prospector Square Plat Amendment; and

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

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

WHEREAS, the Planning Commission held public hearings on July 09, 2008, July 23, 2008 and May 13, 2009 to receive input on the Lot G Prospector Square Plat Amendment;

WHEREAS, the Planning Commission, on May 13, 2009, forwarded a positive recommendation to the City Council; and,

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

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

SECTION 1. APPROVAL. The above recitals are hereby incorporated as findings of fact. The Lot G Prospector Square Plat Amendment as shown in Attachment 1 is approved subject to the following Findings of Facts, Conclusions of Law, and Conditions of Approval:

Findings of Fact:
1. The property is located in the General Commercial (GC) zoning district.
2. Proposed lot sizes are 3,825.0 square feet for Lot 48A, 4,775.0 square feet for Lot 48D and 4,774.44 for Lot 48E. This is a decrease of 963.97 square feet of total lot size from what currently exists.
3. Lots 48B, 48C., 48D, and 48E do not have frontage on a street or a private easement
4. All of the lots will have frontage on a street or a private easement connecting the lots to a street.
5. Currently there is no legal access from Parking Lot G to the Rail Trail.
6. All of the Lots meet the requirements of the code in order to receive building permits.
7. A common problem of Lots without any frontage on a street nor a private easement connecting the lots to a street, which is found throughout Prospector Square parking lots, will be solved by amending the plat to indicate private access easements connecting the lots to a public right-of-way.

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

Conditions of Approval:

1. The City Attorney and City Engineer will review and approve the final form and content of the plat amendment for compliance with State law, the Land Management Code, and the conditions of approval, prior to recordation of the plat.
2. The applicant will record the plat amendment at the County within one year from the date of City Council approval. If recordation has not occurred within one year's time, this approval for the plat will be void.
3. The plat will reflect access easements where non-exclusive public utility easements have been labeled.
4. The plat will reflect a non-motorized public access easement to the Rail Trail.

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

PASSED AND ADOPTED this __ day of May, 2009.

PARK CITY MUNICIPAL CORPORATION

____
Dana Williams, MAYOR

ATTEST:

____
Janet M. Scott, City Recorder

APPROVED AS TO FORM:

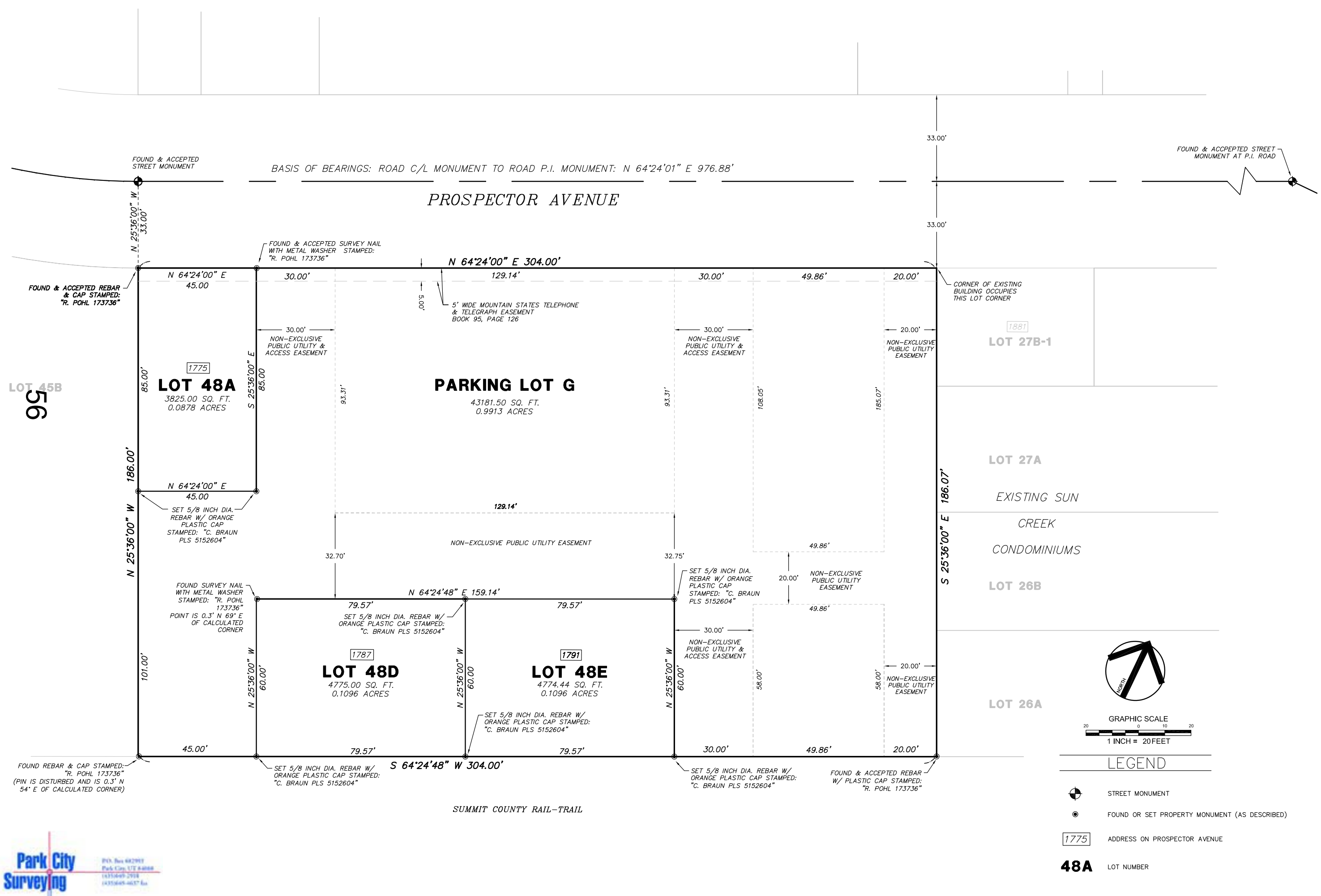
____
Mark D. Harrington, City Attorney

Attachment A – Proposed Plat

Attachment A - Proposed Plat

LOT G PROSPECTOR SQUARE PLAT AMENDMENT

LOCATED IN THE NORTHEAST QUARTER OF SECTION 9, TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE & MERIDIAN PARK CITY, SUMMIT COUNTY, UTAH



PLAT NOTES:

1.

2.

LEGAL DESCRIPTION:

ALL OF LOT G, ALONG WITH LOTS 48A, 48B, 48C,48D, AND 48E OF THE PROSPECTOR SQUARE SUPPLEMENTAL PLAT, ENTRY NUMBER 397064, RECORDED 02/01/1994, ON FILE AND OF RECORD IN THE OFFICE OF THE SUMMIT COUNTY RECORDER.

OWNER'S DEDICATION AND CONSENT TO RECORD

KNOW ALL MEN BY THESE PRESENT THAT, the undersigned owner(s) of the herein described tract of land known as LOT 48A, 48B, 48C, 48D AND 48E, to be known hereafter as the LOT G PROSPECTOR SQUARE PLAT AMENDMENT, do hereby certify that I have caused this Plat to be prepared, and we, IRENE SIGG and HENRY SIGG, hereby consent to the recordation of this Plat. ALSO, the owners, or their representatives, hereby irrevocably offers for dedication to the City of Park City all the streets, land for local government uses, easements, parks, and required utilities and easements shown on the plat and construction drawings in accordance with an irrevocable of dedication.

In witness whereof, We have hereunto set our hand this _____ day of ____________, 2008.

BY: Irene Sigg & Henry Sigg
Owners, Mountain Trails Plaza, L.L.C.

____
Irene Sigg

____
Henry Sigg

ACKNOWLEDGMENT

State of Utah
County of Summit

On this _____ day of _____________, 2008, personally appeared before me, the undersigned Notary Public, in and for said County of Summit, in said State of Utah, IRENE SIGG and HENRY SIGG, the persons that executed the within instrument and known to me to be (or proved to me on the basis of satisfactory evidence) the persons who executed the within instrument on behalf of said person, being duly sworn acknowledged to me that they are the owners of the herein described tract of land and he signed the above Owner's Dedication and Consent to Record freely and voluntarily.

______________________________ My Commission Expires: __________________
Notary Public

OWNER'S DEDICATION AND CONSENT TO RECORD

KNOW ALL MEN BY THESE PRESENT THAT, the undersigned owner(s) of the herein described tract of land, known as PARKING LOT G, to be known hereafter as the LOT G PROSPECTOR SQUARE PLAT AMENDMENT, do hereby certify that I have caused this Plat to be prepared, and I, DEAN BARNETT, representing Prospector Homeowners' Association, hereby consent to the recordation of this Plat. ALSO, the owner, or his representatives, hereby irrevocably offers for dedication to the City of Park City all the streets, land for local government uses, easements, parks, and required utilities and easements shown on the plat and construction drawings in accordance with an irrevocable of dedication.

In witness whereof, I have hereunto set my hand this _____ day of ____________, 2008.

BY: Dean Barnett
Propsector Homeowner's Association

____
Dean Barnett

ACKNOWLEDGMENT

State of Utah
County of Summit

On this _____ day of _____________, 2008, personally appeared before me, the undersigned Notary Public, in and for said County of Summit, in said State of Utah, DEAN BARNETT, the person that executed the within instrument and known to me to be (or proved to me on the basis of satisfactory evidence) the person who executed the within instrument on behalf of said person, being duly sworn acknowledged to me that he is the owner of the herein described tract of land and he signed the above Owner's Dedication and Consent to Record freely and voluntarily.

______________________________ My Commission Expires: __________________
Notary Public

SURVEYOR'S CERTIFICATE

I, Christopher R. Braun, certify that I am a Registered Land Surveyor and that I hold Certificate No. 5152604, as prescribed by the laws of the State of Utah, and this Plat was prepared under my direction in accordance with the requirements of Park City Municipal Corporation. I further certify that the property boundaries as shown are correct.

____________________________________ ___________
Christopher R. Braun Date
PLS 5152604

PARK CITY PLANNING COMMISSION	CERTIFICATE OF ATTEST	SNYDERVILLE BASIN WATER RECLAMATION DISTRICT	ENGINEERS CERTIFICATE	APPROVAL AS TO FORM	COUNCIL APPROVAL AND ACCEPTANCE	RECORDED
APPROVED AND ACCEPTED BY THE PARK CITY PLANNING COMMISSION ON THIS ____ DAY OF _________, 2008, A.D. ____________ CHAIRMAN	I CERTIFY THIS RECORD OF SURVEY MAP WAS APPROVED BY PARK CITY COUNCIL THIS _____ DAY OF _________), 2008 A.D. BY ______________ PARK CITY RECORDER	REVIEWED FOR CONFORMANCE TO SNYDERVILLE BASIN WATER RECLAMATION DISTRICT STANDARDS ON THIS ______ DAY OF ___________, 2008 A.D. BY ______________ S.B.W.R.D.	I FIND THIS PLAT TO BE IN ACCORDANCE WITH INFORMATION ON FILE IN MY OFFICE THIS ____ DAY OF ___________, 2008 A.D. BY ______________ PARK CITY ENGINEER	APPROVED AS TO FORM THIS ____ DAY OF ___________, 2008 A.D. BY ______________ PARK CITY ATTORNEY	APPROVAL AND ACCEPTANCE BY THE PARK CITY COUNCIL THIS ___ DAY OF _______, 2008 A.D. BY ______________ MAYOR	STATE OF UTAH COUNTY OF SUMMIT AND FILED AT THE REQUEST OF ____________ DATE _______ TIME _____ BOOK _____ PAGE _____ ______ FEE ______________ RECORDER

Exhibit B - Current Plat

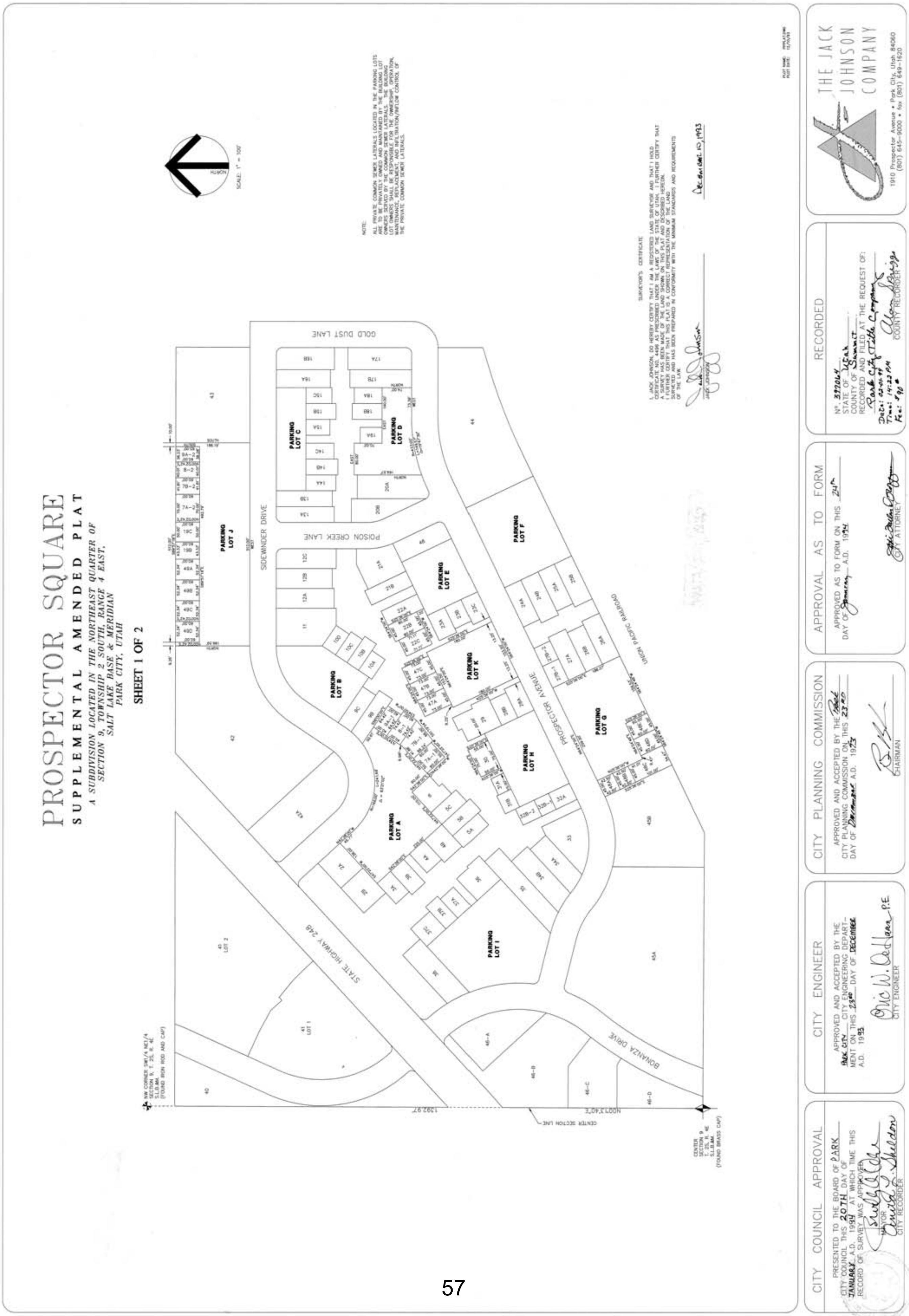


Exhibit B - Current Plat, zoomed in

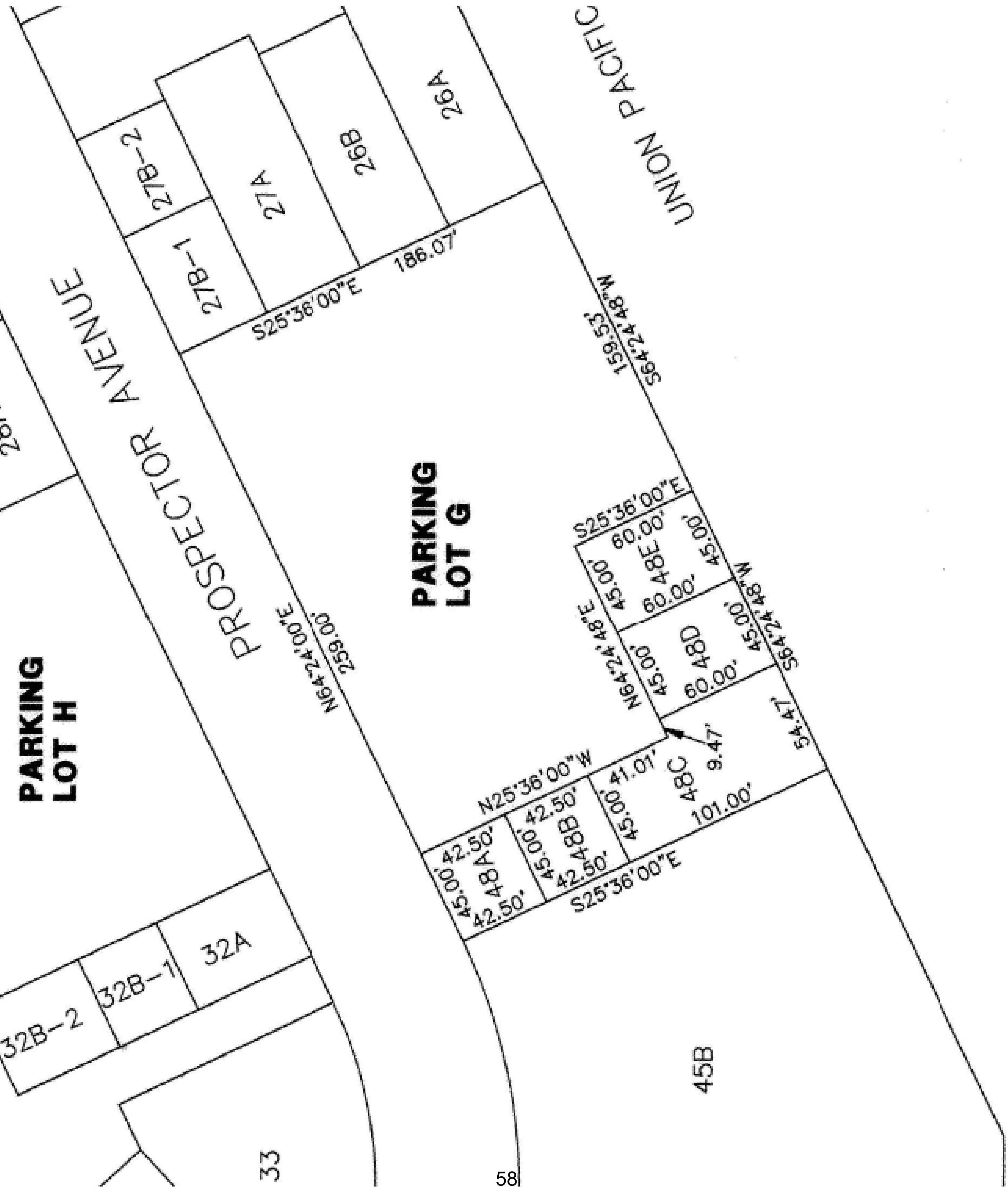


Exhibit C - Survey

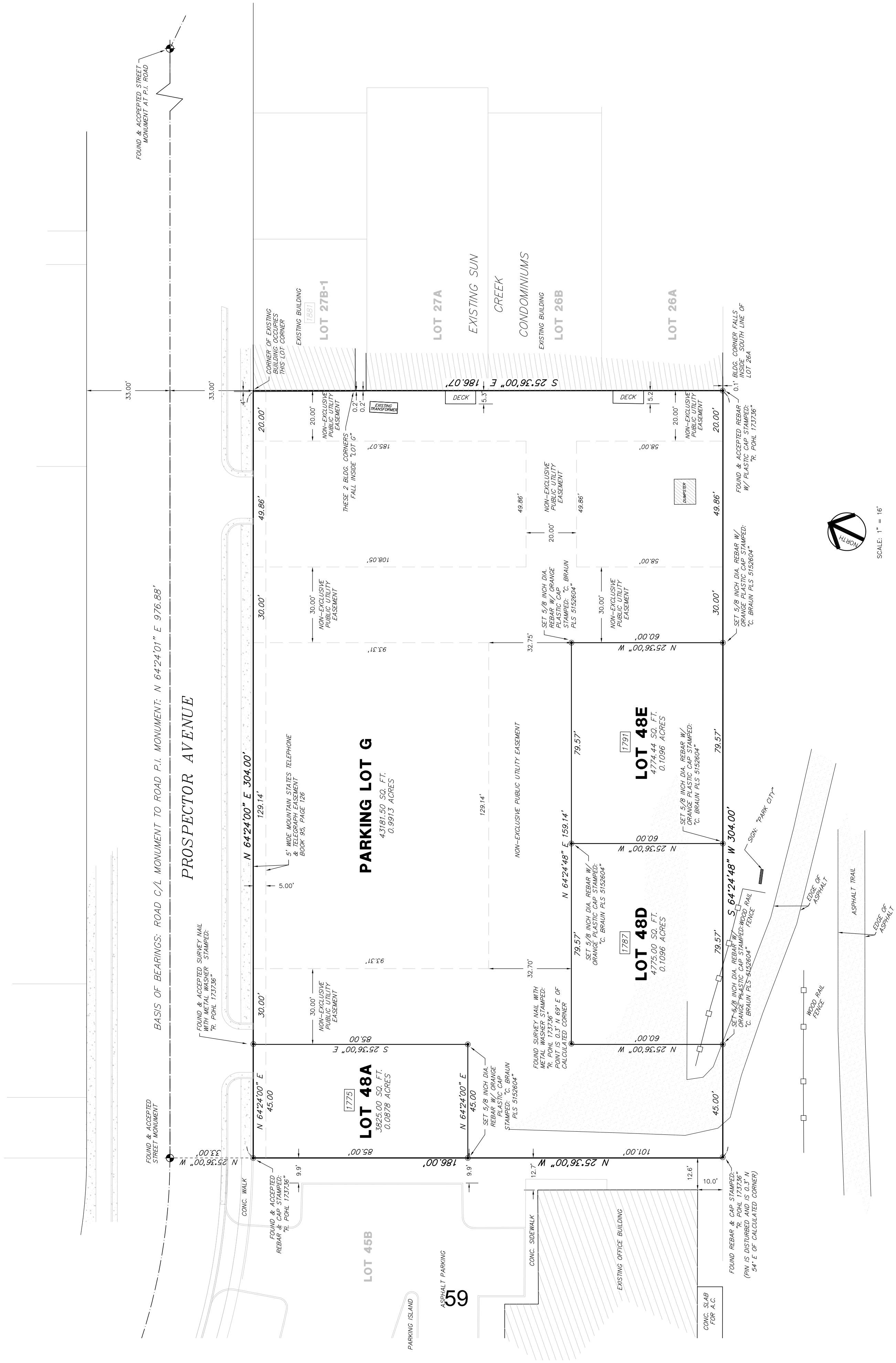


Exhibit D

Lorraine Stuecken
P.O. Box 681369
Park City, UT 84068

Francisco Astorga
Park City Municipal Corporation
445 Marsac Avenue P.O. Box 1480

September 26, 2008

Dear Mr. Astorga:

This letter is in regards to the proposed plat amendment for Lot G Prospector Square. Homeowners of the Sun Creek condos strongly disagree with the recommendation for approving this amendment, and believe that the approval would cause both serious health and financial hardship as well as create safety concerns for the area.

The first reason for our opinion concerns health problems. During a recent talk by Mr. James Santi we became aware that the soil in Park City is highly loaded with silicone which caused serious lung problems for miners many years ago. The silicone is still there in the soil by Sun Creek along with mine tailings which were deposited in the area. Tearing up this land would constitute a serious threat to people living in the condo and others coming into the area.

Our second problem is a serious concern for our financial situation. If the parking lot were to be torn up 90’ from the condo as suggested, renters certainly would not be using the condo nor would people who currently have their units for sale have any chance of getting offers. The noise, dirt, and commotion would certainly prevent both rentals and sales and present a serious financial burden for owners.

Along with the health and financial conditions there is one other area to be considered. A serious problem with traffic congestion on Prospector near Bonanza already exists, and getting onto Bonanza is often nearly impossible during busy times. Adding this building would contribute to congestion to this area and increase accidents. Safety for cars, bikers and the many pedestrians that use this area would be greatly threatened.

Due to these very important health, safety, and financial impacts, we strongly suggest that the proposed plat amendment be rejected.

Sincerely,

Lorraine Stuecken
Board Member
Sun Creek Home Owners Association

Exhibit E

Prospector Square Property Owner's Association
PO Box 680344
Park City, Utah 84068
(435) 645-7888

March 16, 2009

VIA HAND DELIVERY

Park City Municipal Corporation
Planning Department
PO Box 1480
Park City, Utah 84060

Re: Prospector Square Property Owners Association Approval of Plat Amendment for Lot G Prospector Square Supplemental Amended Plat.

To whom it may concern:

Prospector Square Property Owners Association and its membership own portions of Lot G Prospector Square Supplemental Amended Plat. On February 28, 2009, at a duly noticed and held meeting of the members of the Prospector Square Property Owners Association, the membership approved, by an affirmative vote of 98% of the total votes represented in person or by proxy, the amendment of the plat or record of survey for Lot G Prospector Square Supplemental Amended Plat in connection with the replatting of the lots located adjacent to Lot G and owned by Mountain Trails Plaza, LLC. The concept and conceptual drawings for the plat amendment were presented to the membership both before and at the meeting by the representatives of Mountain Trails Plaza, LLC and Don Bloxom.

The membership approval of this plat amendment is conditioned upon and subject to final approval by the Board of Directors of the Prospector Square Property Owners Association of the final form and substance of all associated documentation, including without limitation, plat amendment documents, easement documents, etc. If you have any questions relating to this approval please contact the undersigned at 649-2900 or Board member Dean Berrett at 649-3497.

Very truly yours,

Paul Christensen

Prospector Square Property Owners Association
Paul Christensen, President

City Council Staff Report

Subject:	**Meter Testing and Repair Project**
Author:	**Tamara Lindsay**
Department:	**Water**
Date:	**May 28, 2009**
Type of Item:	**Administrative**

Summary Recommendations:
Staff recommends Council authorize the City Manager to execute a Professional Service Agreement in an amount not to exceed $80,000.00, in a form approved by the City Attorney, with Meter Maintenance, Inc. for meter testing and repair work.

Description/Topic:
Water meter testing and repair

Background:
In preparation for the installation of a fixed base automatic water meter reading system, staff has been conducting an inventory of all water meters to determine repairs and/or replacements needed. Many of the meters in the City's inventory are older than ten years and are due to be tested and if necessary, repaired or replaced. This project involves the testing, repair and/or replacement of the internal components of these meters to ensure that water usage is recorded accurately. The work will also include installation of Sensus ICE registers; these registers allow meters to be read in one gallon increments, a necessary component of a fixed base meter reading system. The work will be done in stages, testing and repairing the older, larger meters first, that are more likely to be less efficient. The work will bring the meters to new AWWA water meter standards, and it is anticipated that this work will result in increased revenues.

This work will commence on May 29, 2009 and continue through May 31, 2011. This project will initiate an ongoing meter testing and repair schedule to ensure that the City's meters are recording usage accurately.

Analysis:
The Meter Testing and Repair project was advertised on May 2 and 6, 2009 in the Park Record. The bid was advertised as being a labor-only bid. The City will furnish all parts, registers and meters for this project. Two bidders attended the non-mandatory pre-bid meeting and three bids were received and opened at 11:00am on May 12, 2009.

The bids are summarized as follows:

Meter Maintenance Inc	**$ 43,600.00** for testing and repair
Pegasus Contractors	$ 136,500.00 for testing and repair
Vanguard Utility Services	$ 132,115.00 for testing only, $179,415.00 for test and repair.

Meter Maintenance, Inc. was the qualified low bidder for this project in the amount of $43,600.00. Staff has reviewed the bid schedule submitted and feels that the fees are reasonable for this type of work. Staff has been satisfied with their previous meter testing work for the City. Of those references contacted, the general opinion was that Meter Maintenance was qualified and did good work.

Based on our previous experience working with Meter Maintenance, Inc. and the completeness of their bid, staff recommends awarding this project to Meter Maintenance, Inc. The project will include testing and repair of approximately 868 meters initially. Additional meters will be tested and repaired as the budget below allows.

The total cost of this project is not to exceed:

Contracted labor for testing and repair	$ 80,000.00
Registers, parts and meters	$220,000.00
Total	$300,000.00

The funding for the project is water service fees and is part of the approved FY09 CIP.

The City's Project Manager, Tamara Lindsay will be working under the supervision of the Water Manager with assistance from the project team in coordinating and scheduling with contractor.

Department Review:
This staff report has been reviewed by Public Works, Legal, and the City Manager.

Alternatives:

A. Approve:
Staff recommends City Council award the bid and authorize the City Manager to execute a Construction Agreement, in a form approved by the City Attorney, with Meter Maintenance, Inc. for the Meter Testing and Repair project for an amount not to exceed $80,000.00.

B. Deny:
Council could deny Staff's request. Denying the request would delay the testing and repairs of the water meters and defer possible increased revenue.

D. Continue the Item:
Council could continue the item to a future date. Continuing the request would delay the testing and repairs of the water meters and defer possible increased revenue.

E. Do Nothing:
Staff does not recommend this alternative. Doing nothing would also delay the testing and repairs of the water meters and defer possible increased revenue.

Significant Impacts:
The Meter Testing and Repair project is part of the approved FY09 budgeted Meter Reading Upgrade CIP in the amount not to exceed $300,000.00. Water services to neighbors will be temporarily affected. Operations staff will be present when water service is turned off for repairs and when service is reinstated. Staff and the Contractor will work with neighbors to ensure

proper notifications of scheduled impacts are made. Meters and registers are to accommodate new technology of the fixed base system. Work is scheduled for Monday to Saturday from 7:00am to 7:00pm.

Recommendation:
Staff recommends Council authorize the City Manager to execute a Construction Agreement, in a form approved by the City Attorney, with Meter Maintenance, Inc. for the Meter Testing and Repair Project for a not to exceed amount of $80,000.00.

PARK CITY MUNICIPAL CORPORATION SERVICE PROVIDER/PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made and entered into in duplicate this 28th day of May, 2009, by and between PARK CITY MUNICIPAL CORPORATION, a Utah municipal corporation, ("City"), and Meter Maintenance, Inc., a Utah corporation ("Service Provider").

WITNESSETH:

WHEREAS, the City desires to have certain services and tasks performed as set forth below requiring specialized skills and other supportive capabilities; and

WHEREAS, sufficient City resources are not available to provide such services; and

WHEREAS, the Service Provider represents that the Service Provider is qualified and possesses sufficient skills and the necessary capabilities, including technical and professional expertise, where required, to perform the services and/or tasks set forth in this Agreement.

NOW, THEREFORE, in consideration of the terms, conditions, covenants, and performance contained herein, the parties hereto agree as follows:

1. SCOPE OF SERVICES.

The Service Provider shall perform such services and accomplish such tasks, including the furnishing of all materials and equipment necessary for full performance thereof, as are identified and designated as Service Provider responsibilities throughout this Agreement and as set forth in the "Scope of Services" attached hereto as "Addendum A" and incorporated herein (the "Project"). The total fee for the Project shall not exceed **$80,000.00** Dollars.

2. TERM.

The term of this Agreement shall commence on the date of execution on this Agreement and shall terminate on May **31, 2011** or earlier, unless extended by mutual written agreement of the Parties.

3. COMPENSATION AND METHOD OF PAYMENT.

A. Payments for services provided hereunder shall be made monthly following the performance of such services.

B. No payment shall be made for any service rendered by the Service Provider except for services identified and set forth in this Agreement.

C. For all "extra" work the City requires, the City shall pay the Service Provider for work performed under this Agreement according to the schedule attached hereto as
"Addendum B," or if none is attached, as subsequently agreed to by both parties in writing.

D. The Service Provider shall submit to the City Manager or his designee on forms approved by the City Manager, an invoice for services rendered during the pay period. The City shall make payment to the Service Provider within thirty (30) days thereafter. Requests for more rapid payment will be considered if a discount is offered for early payment. Interest shall accrue at a rate of six percent (6%) per annum for services remaining unpaid for sixty (60) days or more.

E. The Service Provider reserves the right to suspend or terminate work and this Agreement if any unpaid account exceeds sixty (60) days.

4. <u>REPORTS AND INSPECTIONS</u>.

A. The Service Provider, at such times and in such forms as the City may require, shall furnish the City such statements, records, reports, data, and information as the City may request pertaining to matters covered by this Agreement.

B. The Service Provider shall at any time during normal business hours and as often as the City may deem necessary, make available for examination of all its records and data with respect to all matters covered, directly or indirectly, by this Agreement and shall permit the City or its designated authorized representative to audit and inspect other data relating to all matters covered by this Agreement. The City may, at its discretion, conduct an audit at its expense, using its own or outside auditors, of the Service Provider's activities, which relate directly or indirectly, to this Agreement.

5. <u>INDEPENDENT CONTRACTOR RELATIONSHIP</u>.

A. The parties intend that an independent Service Provider/City relationship will be created by this Agreement. No agent, employee, or representative of the Service Provider shall be deemed to be an employee, agent, or representative of the City for any purpose, and the employees of the Service Provider are not entitled to any of the benefits the City provides for its employees. The Service Provider will be solely and entirely responsible for its acts and for the acts of its agents, employees, subcontractors or representatives during the performance of this Agreement.

B. In the performance of the services herein contemplated the Service Provider is an independent contractor with the authority to control and direct the performance of the details of the work, however, the results of the work contemplated herein must meet the approval of the City and shall be subject to the City's general rights of inspection and review to secure the satisfactory completion thereof.

6. SERVICE PROVIDER EMPLOYEE/AGENTS.

The City may at its sole discretion require the Service Provider to remove an employee(s), agent(s), or representative(s) from employment on this Project. The Service Provider may, however, employ that (those) individuals(s) on other non-City related projects.

7. HOLD HARMLESS INDEMNIFICATION.

A. The Service Provider shall indemnify and hold the City and its agents, employees, and officers, harmless from and shall process and defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, brought against the City arising out of, in connection with, or incident to the execution of this Agreement and/or the Service Provider's defective performance or failure to perform any aspect of this Agreement; provided, however, that if such claims are caused by or result from the concurrent negligence of the City, its agents, employees, and officers, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Service Provider; and provided further, that nothing herein shall require the Service Provider to hold harmless or defend the City, its agents, employees and/or officers from any claims arising from the sole negligence of the City, its agents, employees, and/or officers. The Service Provider expressly agrees that the indemnification provided herein constitutes the Service Provider's limited waiver of immunity as an employer under Utah Code Section 34A-2-105; provided, however, this waiver shall apply only to the extent an employee of Service Provider claims or recovers compensation from the City for a loss or injury that Service Provider would be obligated to indemnify the City for under this Agreement. This limited waiver has been mutually negotiated by the parties, and is expressly made effective only for the purposes of this Agreement. The provisions of this section shall survive the expiration or termination of this Agreement.

B. No liability shall attach to the City by reason of entering into this Agreement except as expressly provided herein.

8. INSURANCE.

The Service Provider shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Service Provider, their agents, representatives, employees, or subcontractors. The Service Provider shall provide a Certificate of Insurance evidencing: (*amend the following insurance requirements as applicable*)

A. General Liability insurance written on an occurrence basis with limits no less than two million dollars ($2,000,000) combined single limit per occurrence and four million dollars ($4,000,000) aggregate for personal injury, bodily injury and property damage.

The Service Provider shall increase the limits of such insurance to at least the amount of the Limitation of Judgments described in Section 63-30d-604 of the Governmental Immunity Act of Utah, as calculated by the state risk manager every two years and stated in Utah Admin. Code R37-4-3.

B. Automobile Liability insurance with limits no less than two million dollars ($2,000,000) combined single limit per accident for bodily injury and property damage.

C. Workers Compensation insurance limits written as follows:
Bodily Injury by Accident $500,000 each accident;
Bodily Injury by Disease $500,000 each employee, $500,000 policy limit

D. The City shall be named as an additional insured on the insurance policies, as respect to work performed by or on behalf of the Service Provider and a copy of the endorsement naming the City as an additional insured shall be attached to the Certificate of Insurance. The Certificate of insurance shall warrant that the City shall receive thirty (30) days advance notice of cancellation. The City reserves the right to request certified copies of any required policies.

E. The Service Provider's insurance shall contain a clause stating that coverage shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

9. TREATMENT OF ASSETS.

Title to all property furnished by the City shall remain in the name of the City and the City shall become the owner of the work product and other documents, if any, prepared by the Service Provider pursuant to this Agreement (contingent on City's performance hereunder).

10. **COMPLIANCE WITH LAWS**.

A. The Service Provider, in the performance of this Agreement, shall comply with all applicable federal, state, and local laws and ordinances, including regulations for licensing, certification and operation of facilities, programs and accreditation, and licensing of individuals, and any other standards or criteria as described in this Agreement to assure quality of services. Unless otherwise exempt, the Service Provider is required to have a valid Park City Business License.

B. The Service Provider specifically agrees to pay any applicable fees or charges which may be due on account of this Agreement.

11. **NONDISCRIMINATION**.

A. The City is an equal opportunity employer.

B. In the performance of this Agreement, the Service Provider will not discriminate against any employee or applicant for employment on the grounds of race, creed, color, national origin, sex, marital status, age or the presence of any sensory, mental or physical handicap; provided that the prohibition against discrimination in employment because of handicap shall not apply if the particular disability prevents the proper performance of the particular worker involved. The Service Provider shall ensure that applicants are employed, and that employees are treated during employment without discrimination because of their race, creed, color, national origin, sex, marital status, age or the presence of any sensory, mental or physical handicap. Such action shall include, but not be limited to: employment, upgrading, demotion or transfers, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and programs for training including apprenticeships. The Service Provider shall take such action with respect to this Agreement as may be required to ensure full compliance with local, state and federal laws prohibiting discrimination in employment.

C. The Service Provider will not discriminate against any recipient of any services or benefits provided for in this Agreement on the grounds of race, creed, color, national origin, sex, marital status, age or the presence of any sensory, mental or physical handicap.

D. If any assignment or subcontracting has been authorized by the City, said assignment or subcontract shall include appropriate safeguards against discrimination. The Service Provider shall take such action as may be required to ensure full compliance with the provisions in the immediately preceding paragraphs herein.

12. <u>ASSIGNMENTS/SUBCONTRACTING</u>.

A. The Service Provider shall not assign its performance under this Agreement or any portion of this Agreement without the written consent of the City, and it is further agreed that said consent must be sought in writing by the Service Provider not less than thirty (30) days prior to the date of any proposed assignment. The City reserves the right to reject without cause any such assignment.

B. Any work or services assigned hereunder shall be subject to each provision of this Agreement and property bidding procedures where applicable as set forth in local, state or federal statutes, ordinance and guidelines.

C. Any technical/professional service subcontract not listed in this Agreement, must have express advance approval by the City.

13. <u>CHANGES</u>.

Either party may request changes to the scope of services and performance to be provided hereunder, however, no change or addition to this Agreement shall be valid or binding upon either party unless such change or addition be in writing and signed by both parties. Such amendments shall be attached to and made part of this Agreement.

14. <u>MAINTENANCE AND INSPECTION OF RECORDS</u>.

A. The Service Provider shall maintain books, records and documents, which sufficiently and properly reflect all direct and indirect costs related to the performance of this Agreement and shall maintain such accounting procedures and practices as may be necessary to assure proper accounting of all funds paid pursuant to this Agreement. These records shall be subject at all reasonable times to inspection, review, or audit by the City, its authorized representative, the State Auditor, or other governmental officials authorized by law to monitor this Agreement.

B. The Service Provider shall retain all books, records, documents and other material relevant to this Agreement for six (6) years after its expiration. The Service Provider agrees that the City or its designee shall have full access and right to examine any of said materials at all reasonable times during said period.

15. <u>POLITICAL ACTIVITY PROHIBITED</u>.

None of the funds, materials, property or services provided directly or indirectly under the Agreement shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office.

16. PROHIBITED INTEREST.

No member, officer, or employee of the City shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.

17. MODIFICATIONS TO TASKS AND MISCELLANEOUS PROVISIONS.

A. All work proposed by the Service Provider is based on current government ordinances and fees in effect as of the date of this Agreement.

B. Any changes to current government ordinances and fees which affect the scope or cost of the services proposed may be billed as an "extra" pursuant to Paragraph 3(C), or deleted from the scope, at the option of the City.

C. The City shall make provision for access to the property and/or project and adjacent properties, if necessary for performing the services herein.

18. TERMINATION.

A. Either party may terminate this Agreement, in whole or in part, at any time, by at least thirty (30) days written notice to the other party. The Service Provider shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. The Service Provider shall promptly submit a termination claim to the City. If the Service Provider has any property in its possession belonging to the City, the Service Provider will account for the same, and dispose of it in a manner directed by the City.

B. If the Service Provider fails to perform in the manner called for in this Agreement, or if the Service Provider fails to comply with any other provisions of the Agreement and fails to correct such noncompliance within three (3) days written notice thereof, the City may immediately terminate this Agreement for cause. Termination shall be effected by serving a notice of termination on the Service Provider setting forth the manner in which the Service Provider is in default. The Service Provider will only be paid for services performed in accordance with the manner of performance set forth in this Agreement.

19. NOTICE.

Notice provided for in this Agreement shall be sent by certified mail to the addresses designated for the parties on the last page of this Agreement.

20. ATTORNEYS FEES AND COSTS.

If any legal proceeding is brought for the enforcement of this Agreement, or because of a dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the prevailing party shall be entitled to recover from the other party, in addition to any other relief to which such party may be entitled, reasonable attorney's fees and other costs incurred in that action or proceeding.

21. JURISDICTION AND VENUE.

A. This Agreement has been and shall be construed as having been made and delivered with the state of Utah, and it is agreed by each party hereto that this Agreement shall be governed by laws of the state of Utah, both as to interpretation and performance.

B. Any action of law, suit in equity, or judicial proceeding for the enforcement of this Agreement, or any provisions thereof, shall be instituted and maintained only in any of the courts of competent jurisdiction in Summit County, Utah.

22. SEVERABILITY.

A. If, for any reason, any part, term, or provision of this Agreement is held by a court of the United States to be illegal, void or unenforceable, the validity of the remaining provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.

B. If it should appear that any provision hereof is in conflict with any statutory provision of the state of Utah, said provision which may conflict therewith shall be deemed inoperative and null and void insofar as it may be in conflict therewith, and shall be deemed modified to conform in such statutory provisions.

23. ENTIRE AGREEMENT.

The parties agree that this Agreement is the complete expression of the terms hereto and any oral representations or understandings not incorporated herein are excluded. Further, any modification of this Agreement shall be in writing and signed by both parties. Failure to comply with any of the provisions stated herein shall constitute material breach of contract and cause for termination. Both parties recognize time is of the essence in the performance of the provisions of this Agreement. It is also agreed by the parties that the forgiveness of the nonperformance of any provision of this Agreement does not constitute a waiver of the provisions of this Agreement.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed the day and year first hereinabove written.

PARK CITY MUNICIPAL CORPORATION
445 Marsac Avenue
Post Office Box 1480
Park City UT 84060-1480

____
Thomas B. Bakaly, City Manager

Attest:

____
City Recorder's Office

Approved as to form:

____
City Attorney's Office

Meter Maintenance, Inc.
Address: 920 South Main Street
PO Box 523
Springville, Utah 84663

Tax ID#: ______________________

____
Signature
__Ron Lish_____________________
Printed name
__Owner_______________________

Title

STATE OF UTAH)
) ss.
COUNTY OF SUMMIT)

On this ____ day of ________________, 2009, personally appeared before me ______________________________, whose identity is personally known to me/or proved to me on the basis of satisfactory evidence and who by me duly sworn/affirmed, did say that he/she is the _________________________ (*title or office*) of ____________________ Corporation by Authority of its Bylaws/Resolution of the Board of Directors, and acknowledged that he/she signed it voluntarily for its stated purpose as _______________________ *(title)* for _______________________________, a _______ corporation.

____
Notary Public

ADDENDUM "A"

SCOPE OF SERVICES

1. Perform testing to AWWA new meter standards and repair on meters sized 3 inches to 8 inches that have been in service five years or longer. This is to include cleaning, reconditioning/rebuilding, replacing the chamber/gasket as necessary, replacing the bottom plate if necessary and replacing the register with Sensus ICE register. Approximate quantity: 87 meters

2. Perform testing to AWWA new meter standards and repair on meters sized 1 ½ inches to 2 inches and larger that have been in service ten years or longer. This is to include cleaning, reconditioning/rebuilding, replacing the chamber/gasket as necessary, replacing the bottom plate if necessary and replacing the register with Sensus ICE register. Approximate quantity: 681 meters

3. Perform testing to AWWA new meter standards and repair on meters sized 5/8" x ¾" and 1 inch that are 15 years or older. This is to include cleaning, reconditioning/rebuilding, replacing the chamber/gasket as necessary, replacing the bottom plate if necessary and replacing the register with Sensus ICE register. Quantity to be determined based upon results of sample testing of 100 meters in these sizes and remaining budget at this stage.

4. The City will furnish all parts and registers for this project. Bid will be for labor only.

5. Quantity of meters tested and repaired may vary depending on bid and current budget. Contract is not to exceed $80,000 for labor only over a period of two years. Budget for parts and materials is not to exceed $200,000.

6. Vendor will be required to furnish reports on repairs done for each meter on a timely basis referencing meter id#, date of repair, parts used, old register reading, repairs completed and meter test results before and after repair.

ADDENDUM “B”: BID SCHEDULE

Meter Type	Description	Meter Size	Bid per Meter	Qty	Total
Sensus SRII Meter	**C**lean/recondition Change register Replace chamber/gasket Replace bottom plate if necessary Test meter to AWWA new meter standards	5/8”x ¾”	$7.00	50	$ 350.00
Sensus SRII Meter	Clean/recondition Change register Replace chamber/gasket Replace bottom plate if necessary Test meter to AWWA new meter standards	1”	$10.00	50	$ 500.00
Sensus SR W-120, W-160	Change register Clean screen Replace chamber Test meter to AWWA new meter standards	1 ½”	$50.00	459	$22,950.00
Sensus SR W-120, W-160	Change register Clean screen Replace chamber Test meter to AWWA new meter standards	2”	$50.00	222	$11,100.00
Sensus W Turbines	Change registers Rebuild (new parts) Test meter to AWWA new meter standards	3”	$100.00	25	$ 2,500.00
Sensus W Turbines	Change registers Rebuild (new parts) Test meter to AWWA new meter standards	4”	$100.00	41	$ 4,100.00
Sensus W Turbines	Change registers Rebuild (new parts) Test meter to AWWA new meter standards	6”	$100.00	18	$ 1,800.00
Sensus W Turbines	Change registers Rebuild (new parts) Test meter to AWWA new meter standards	8”	$100.00	3	$ 300.00
Total bid					**$43,600.00**

City Council
Staff Report

PUBLIC WORKS

Author: Todd Touchard
Subject: PROMONTORY RAW WATERLINE CONSTRUCTION CONTRACT
Date: May 28, 2009
Type of Item: Administrative

Summary Recommendations:
Staff recommends Council authorize the City Manager to execute a Construction Agreement, in a form approved by the City Attorney, with Counterpoint Construction for the construction of the Promontory Raw Waterline for a lump sum amount of $1,147,569.00.

Description:
Water Strategic Plan Topic: Infrastructure, Strategy/Policy: Implement Capital Facilities Plan

Topic:
Promontory Raw Waterline

Background:
In 2009, the Expanded Lost Creek Canyon Project was completed to deliver Park City's 2500 acre-feet of water to the top of Promontory (Signal Hill Reservoir). Many alignment alternatives were investigated from Signal Hill Reservoir to the proposed treatment plant site. The proposed alignment will consist of 35,000lf of pipe through the Promontory Subdivision to the Quinn's Treatment Plant.

The construction of the raw waterline to the treatment plant has been phased into three sections. The Promontory Phase will deliver water from the Signal Hill Reservoir to the southwest corner of the Promontory subdivision. The next phases will continue the line west through the Lower Silver Creek area, then will turn south after crossing Highway 40.

The water treatment plant construction is expected to coincide with pipeline construction such that finished water will be delivered to the City for the summer of 2010.

Proposed Construction and Contractor:

A 22-inch raw waterline has been designed from the Signal Hill Reservoir to the southwest corner of the Promontory Development (11,700lf). The waterline has been sized to provide required capacity and excess pressure to generate power through reverse pump turbines at the treatment pant.

The waterline was bid with six alternatives. The alternatives were 20-inch ID High Density Polyethylene (HDPE), 22-inch HDPE, and 20-inch ductile iron pipe. Each alternative pipe was also bid with and without Federal funding costs for a total of six bids. The additional construction costs for Federal funding are to comply with Disadvantage Business Requirements (DBE). An additive alternative bid for a parallel culinary line for Mountain Regional Special Service District (MRSSD) was also included. The MRSSD proposed line will be contracted separately.

Staff is recommending the 22-inch HDPE including Federal funding costs. We were awarded Federal funding for this project through the State of Utah. The 20-inch HDPE was $69,352 lower in cost. The 22-inch HDPE pipe will provide a more reliable capacity and increased pressure to generate power. The 20-inch ductile iron pipe was $724,331 higher in cost.

Unlike chlorinated culinary lines, raw waterlines will become very dirty and lose capacity. Therefore, part of this project will be to construct a sludge pond and piping system to send a cleaning device or ‘pig’ periodically through the pipe. By constructing a pipe 2-inches larger, we will also have lower maintenance costs.

Construction in the Promontory Subdivision will consist of excavating through bedrock. Therefore, bidders were pre-qualified to have experience using rock saws and HDPE pipeline. The prequalification of bidders was advertised in the spring of 2009. A total of 22 bidders were prequalified. All prequalified bidders were then asked to provide bids on April 11, 2009. We received seven bids.

Analysis:
The following summarizes the bids:

Contractor	Total 22” ID Bid
Engineer’s Estimate	$2,143,636.00
Counterpoint Construction	**$1,147,569.00**
Condie Construction	$1,427,366.83
MVC Construction	$1,438,164.16
Silver Spur Construction	$1,445,358.50
Extreme Excavating	$1,601,050.00
HOG Excavating	$1,778,233.96
Ames Construction	$1,794,912.50

Counterpoint Construction is the lowest qualified bidder. Qualifications and Bid Documents were verified by our Engineer, Stantec Consulting, Inc and staff. Staff therefore recommends Counterpoint Construction as the successful bidder.

On April 23, 2009 the Drinking Water Board authorized a loan from the State Revolving Fund (SRF) to Park City Municipal Corporation for the Raw Waterline Project. The funding for the project is water service and water impact fees and is part of the approved FY09/FY10 CIP.

The City's Project Manager will be working under the guidance of the Water Manager.

Department Review:

This staff report has been reviewed by Public Works, Legal, and City Manager.

Alternatives:

A. **Approve the Request:**
   Staff recommends Council authorize the City Manager to execute a Construction Agreement, in a form approved by the City Attorney, with Counterpoint Construction for the construction of the Promontory Raw Waterline for a lump sum amount of **$1,147,569**.

B. **Deny the Request:**
   Council could deny Staff's request. Denying the request would delay the much-needed additional capacity.

C. **Continue the Item:**
   Council could continue the request. Continuing the request would delay the much-needed additional capacity.

D. **Do Nothing:**
   Staff does not recommend this alternative. Doing nothing would also delay the much-needed additional capacity.

Significant Impacts:

The installation of the raw waterline is critical to the operation of the treatment plant and delivery of culinary water to meet demands.

Recommendation:

Staff recommends Council authorize the City Manager to execute a Construction Agreement, in a form approved by the City Attorney, with Counterpoint Construction for the construction of the Promontory Raw Waterline for a lump sum amount of $1,147,569.

Stantec Consulting Inc.
3995 South 700 East Suite 300
Salt Lake City UT 84107
Tel: (801) 261-0090
Fax: (801) 266-1671

Stantec

May 14, 2009
File: 186200851

Kathy Lundborg, P.E.
Water Manager
Park City Municipal Corporation Water Department
1053 Iron Horse Drive
Park City, UT 84060-1480

Project: **Park City Municipal Corporation PCMC Phase 1 Raw Water Supply Line – Promontory Section**

Subject: **Contractor Recommendation**

Dear Kathy:

The purpose of this letter is to provide a recommendation for the lowest responsible bidder for the Park City Municipal Corporation Phase I Raw Water Supply Line – Promontory project, 22" ID alternative.

Bids for the Phase I Raw Water Supply Line – Promontory project were received at the Park City Public Library on Friday April 17 at 2:00 PM. Seven contractors furnished bids for consideration and we have reviewed the bids. Refer to the attached Bid Opening Summary & Checklist, and Bid Tabulation for related information.

Bids ranged from $1,794,912.50 to $1,147,569.00. The lowest three bidders for the project were as follows:

Counterpoint Construction Co., Inc. - $1,147,569.00
Condie Construction Company - $1,427,366.83,
MVC Construction Co. - $1,438,164.16.

See the attached bid tabulation for details.

The criteria for evaluating the bids as published in the "Information for Bidders" section of the project specifications are summarized below:

1. A bid bond of 5% of the bid amount is furnished.
2. Active Utah Contractor's License, in good standing, with appropriate classification.
3. The contractor shall have constructed a project of similar type within the past five years.

Additional contractor requirements were included in the pre-qualification phase of this project.

Counterpoint's submittal met the 5% bid bond requirement to satisfy criterion # 1.

Criterion #2 was met by Counterpoint with their E-100 Classification.

Counterpoint has completed many successful projects in Park City as well as other northern Utah communities. Counterpoint submitted a project list to satisfy criterion number 3. Some of the large projects in the Park City area that Counterpoint Construction has worked on include:

The JSSD to Park City Water Supply Connection from Deer Crest to Snow Park ($239,079.00; June 2002)
Last Chance Pump Station and Water Line ($615,000.00; September 1997)
Chatham Crossing Pump Station and Water Lines ($698,836.00; June 1995)
Kings Road Storm Drain Utility and Road Project ($922,425.00; May 1996)

Other major water projects that they have worked on in the region include:

South Jordan City – 11400 South Meter Vault and Water Line $ 573,446.00, June 2006)
Salt Lake City – Liberty Park Water Line Replacement Project ($777,192.00, January 2005)
Draper City – Centennial Heights Booster Pump Station ($473,230.00; December 1995)

They have constructed many additional large projects for Stantec, the South Jordan City, and Draper City. Stantec Consulting Inc. is recommending Counterpoint Construction Co., Inc. as the lowest responsible bidder for this project.

If you have any questions, please contact me.

Sincerely,

Frederick C Duberow, PE

SECTION 00500
CONSTRUCTION AGREEMENT

THIS AGREEMENT is made and entered into as of this ____ day of _____________, 2009, by and between PARK CITY MUNICIPAL CORPORATION, P O Box 1480, Park City UT 84060, a municipal corporation of the state of Utah (hereinafter "City"), and Counterpoint Construction, Inc, which is a (*check one*) _X_ corporation ___ partnership ___ sole proprietorship ___ limited liability company (hereinafter "Contractor").

PURPOSE: For the project known as the PHASE 1 RAW WATER LINE PROMONTORY (hereinafter "Project"), which consists of the installation of a water line from southeast corner of the Promontory Equestrian Park to the Signal Hill Pond as shown on Drawings. In addition to the water lines, the work includes installation of valves, meters, pigging pit, restoration of landscape, asphalt road repair, trail restoration, and other appurtenances.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties hereby agree as follows:

SECTION 1. SCOPE OF WORK. Contractor shall furnish all labor, materials and equipment to complete the Project, consisting of the work described in the Information for Bidders as the Basic Bid, as specifically set out in the contract specifications, which is made a part hereof by reference, herein called the "Project."

The Project will be bound by the specifications referenced herein, according to the Advertisement for Bid, the Information for Bidders, the General Project Requirements and Specifications provided by City, the Bid of the Contractor, Bid Bond, Drawings, Notice of Award and Notice to Proceed, collectively referred to as the Contract Documents, all of which are incorporated herein by reference and on file in the Public Works Department. To the extent that this Agreement conflicts in any way with a proposed form agreement which may have been submitted as part of the bid specifications, this Agreement shall control.

If any of the work performed by Contractor in any phase of the Project does not meet City standards as outlined in the bid documents and specifications, then Contractor shall immediately repair or correct the work at no additional cost to City.

A. SUBCONTRACTORS. No part of this contract shall be subcontracted by the Contractor without prior written approval by City through the Project Manager/Engineer. The Contractor shall be fully responsible to the City for the acts and omissions of its Subcontractors and of persons either directly or indirectly employed by them, as it is for the acts and omissions of persons directly employed by it.

The Contractor shall, within ten (10) days of submittal of request for final payment, include an affidavit showing satisfactory evidence that all claims of subcontractors, laborers and materialmen who supplied services or materials to the Project have been fully paid, discharged, or waived. The Contractor shall submit lien waivers for each pay release. If the City reasonably believes that Contractor has failed to pay Subcontractors, materialmen, or laborers for work on the Project within a reasonable time of when payment is due, then City may, after having notified the Contractor, either pay unpaid bills or withhold from the release of Contractor's payment bond for this Project, a sum of money deemed reasonably sufficient to pay any and all such lawful claims until satisfactory evidence is furnished that all liabilities have been fully discharged and a ten percent (10%) fee for administering such claims.

B. STANDARDS OF WORKMANSHIP. Contractor shall demonstrate workmanship equal to or better than current industry standards for this Project. Where Park City specifications exist (for example, asphalt, concrete, irrigation, sprinkling system and landscaping), they shall provide the benchmark for determination of acceptability.

C. INSPECTION AND TESTING. All materials and equipment used in the construction shall be subject to inspection by the Project Manager/Engineer. If laws, ordinances, rules or regulations of any public authority having jurisdiction require any work to specifically be inspected, tested or approved by someone other than Project Manager/Engineer, the Contractor shall give the Project Manager/Engineer timely notice of readiness. Inspections, tests or approvals by the City or appropriate authorities will not relieve the Contractor from obligations to perform the work in accordance with the requirements of the Contract Documents and/or provisions. The Project Manager/Engineer and other designated persons will at all times have access to the work. All work shall ultimately be inspected for final acceptance by the Project Manager/Engineer within a reasonable time upon receipt of notice from the Contractor that work is complete and ready for final inspection.

During construction, the work will be inspected and observed by the Project Manager/Engineer or his designated representative. All work that is deficient or does not meet specifications shall be removed and replaced with proper material at Contractor's expense.

D. WARRANTY AND WARRANTY BOND. Contractor warrants that all materials and supplies used in the construction of the Project shall be new, except as otherwise agreed to in writing by the City's Representative. All materials, equipment, parts and labor and any necessary corrections to the Project shall be guaranteed for a period of at least one (1) year and two (2) years from leaks following the date of substantial completion of the Project under the terms of the performance bond or as provided in the project specifications and construction documents, whichever is longer.

SECTION 2. PERFORMANCE AND PAYMENT BONDS. Contractor shall furnish to the City payment and performance bonds satisfactory to the City guaranteeing Contractor's payment and performance, in the amount, for each separately, of one hundred percent (100%) of the Contract Amount.

SECTION 3. INSURANCE. Unless otherwise specified in the bid documents, the Contractor shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, their agents, representatives, employees, or subcontractors.

The Contractor shall provide a Certificate of Insurance evidencing:

A. Commercial General Liability insurance written on an occurrence basis with limits no less than two million dollars ($2,000,000) combined single limit per occurrence and four million dollars ($4,000,000) aggregate for personal injury, bodily injury and property damage. Coverage shall include but not be limited to: blanket contractual; products/completed operations; broad form property damage; explosion, collapse and underground (XCU) if specifically requested; and employer's practices.

The Contractor shall increase the limits of such insurance to at least the amount of the Limitation of Judgments described in Section 63-30d-604 of the Governmental Immunity Act of Utah, as calculated by the state risk manager every two years and stated in Utah Admin. Code R37-4-3.

B. Automobile Liability insurance with limits no less than two million dollars ($2,000,000) combined single limit per accident for bodily injury and property damage.

C. Workers Compensation insurance limits written as follows:
Bodily Injury by Accident $500,000 each accident;
Bodily Injury by Disease $500,000 each employee, $500,000 policy limit

The City shall be named as an additional insured on the insurance policies and a copy of the endorsement naming the City as an additional insured shall be attached to the Certificate of Insurance. The City reserves the right to request certified copies of any required policies.

The Contractor's insurance shall contain a clause stating that coverage shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

SECTION 4. CONTRACT AMOUNT, ACCEPTANCE OF WHOLE, ADDITIONS. City shall pay Contractor the total sum of One Million One Hundred Forty Seven Thousand Five Hundred Sixty Nine ($1,147,569) ("Contract Amount") for all work and materials expended to complete this Project, which shall include the cost of all bonds, insurance, and all charges, fees, permits (including water and sewer fees, unless waived), expenses or assessments of whatever kind or character that are or may be necessary to complete this Project, including any additive alternates listed within the Scope of Work described in Section 1.

SECTION 5. PERMITS AND FEES. As set out in Section 4 above, the Contract Amount includes the price of all normally applicable fees and permits. The City may, at its discretion, arrange for the waiver of certain fees, permits and expenses.

SECTION 6. TERMS OF PAYMENT. The City shall pay for services provided hereunder according to and in an amount not to exceed that detailed in the attached payment schedule (Attachment A) and only upon Contractor's request on forms approved by and submitted to the Project Manager. The City shall make payment within thirty (30) days thereafter. Requests for a more rapid payment may be considered if a discount is offered for early payment. At no time shall the aggregate amount of money paid to the Contractor in proportion to the Contract Amount be greater than the proportion of the work performed at that point to the total Project work. No payment shall be made for any service rendered by the Contractor except for services set forth and identified in this Agreement. The City reserves the right to withhold payment in whole or part from the Contractor for non-compliance with the provisions of the Contract Documents.

A. RETAINAGE. The City may, in its sole discretion; (1) retain five percent (5%) of the value of all work done and materials or equipment supplied as part security for the fulfillment of the Agreement by the Contractor; or (2) retain the final payment of up to five percent (5%) of the total project amount. As work nears completion and solely at the City's discretion, the City may reduce the retainage to an amount more in line with the work remaining. The City reserves the right to retain all amounts previously withheld or due, including any liquidated damages, until all services specified herein are complete. Any money withheld pursuant to this section shall be placed in an interest bearing account and the interest shall also be payable to the Contractor upon final payment.

Before final payment is made, the Contractor must submit evidence satisfactory to the City that all payrolls, material bills, subcontracts and all outstanding indebtedness in connection with the Project have been paid for.

The City may withhold a reasonable amount of the payment bond sufficient to cover any outstanding indebtedness or monies owed or claimed by any person who supplied work or materials to the Project plus ten percent (10%) of such indebtedness as the City's cost of administering such claims until Contractor supplies a release satisfactory to the City, signed by all persons who have supplied labor or materials to the Project or, at the City's option if no claim is made, until 105 days after the date on which any person performed the last of the labor or supplied the last of the material for the Project and upon written request from the Contractor.

The Contractor shall supply to the Project Manager/Engineer within a reasonable time after his request a signed statement verifying all the suppliers, subcontractors and other persons who have supplied labor or materials to the Project.

B. FINAL PAYMENT. Acceptance by the Contractor of the final payment from the City shall release the City of all claims, demands and liability of the Contractor, its officers, agents, employees and subcontractors, whether communicated or not by the Contractor, except with respect to those matters referred to in writing delivered to the Contractor and approved in a signed writing by the Project Manager.

SECTION 7. COMPLETION TIME. The work on this Project shall commence within ten days of receipt of the Notice to Proceed and shall be substantially completed (capable of water delivery) 90 days from Notice to Proceed. Work stoppage due to inclement weather conditions and other factors must be approved in writing by the Project Manager. Inclement weather shall not otherwise constitute cause for delay. Unless otherwise agreed by the City by Change Order, no damages shall become due to Contractor for City caused delay. A Change Order for delay will generally be accepted for delay so excessive and unreasonable that it is beyond the scope of the Contract or delay attributed to direct, active or willful interference by the City. The Change Order must be based upon actual damages sustained by the Contractor which are directly attributed to the delay.

In the event that Contractor fails to complete all of the work required herein within the time limit set out above, then for each partial or complete day during which the work remains uncompleted thereafter, the Contractor agrees to pay the City seven hundred fifty dollars ($750), which the parties believe, due to the difficulty of actually assessing the damages the City will suffer in the event of such a delay, is a fair estimate of the loss the City will suffer. The parties agree that the daily liquidated damages provided for herein is reasonable and fair, and is not a penalty. TIME IS OF THE ESSENCE IN THIS AGREEMENT.

SECTION 8. ADDITIONAL WORK/CHANGE ORDERS. The City may enlarge or reduce the work to be performed by Contractor hereunder by written notification to Contractor, including changes to the plans and specifications. The City shall pay Contractor for any additional work so requested, and shall reduce the payment to the Contractor for any reduction in labor, materials, overhead and profit margin resulting from the reduction in the work. Except as the City shall so notify the Contractor in writing, it is understood and agreed by the parties hereto that no money will be paid to the Contractor for any new or additional labor or materials furnished unless a written modification is agreed to in a document signed by both parties.

The value of any work covered by a change order or of any claim for increase or decrease in the contract price shall be determined by one or more of the following methods in order of precedence listed below:

A. An agreed lump sum; or in the event the parties cannot agree; then

B. The unit rate for the work bid by the Contractor, if applicable, or in the event there was no such rate bid; then

C. The actual cost for: (1) labor; (2) materials; (3) supplies; (4) equipment; (5) direct overhead (not to exceed 5% of the sum total of items 1-4, unless approved by the City); and (6) other services necessary and approved by the City to complete the work. In the event of a net increase in the Contract Amount for a change order as a whole, the City shall allow a payment to the Contractor of an additional ten percent (10%) of the actual cost of the work, not including direct overhead or bond costs, to cover the cost of general overhead and profit. The Contractor may also charge the City for actual cost of the net increase in bond costs as a result of the overall change to the Contract Amount. The City specifically reserves the right to request documentation, including but not limited to payroll stubs, bond bills, and invoices, to validate the Contractor's calculations.

SECTION 9. DISPUTES. Except as otherwise provided in this Agreement, any disputes concerning a question of fact arising under this Agreement which is not disposed of by Agreement shall be decided by the City. The decision of the City shall be final and conclusive unless, within thirty (30) days from the date of receipt of such decision, the Contractor shall mail or otherwise furnish the City a written signed appeal addressed to the Project Manager/Engineer. In connection with any appeal proceeding under this clause, the Contractor will be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Contractor will proceed diligently with the performance of the contract and in accordance with the City's decision. The decision of the City shall be final and conclusive, but shall not be arbitrary or unreasonable. Although this Contract has been drafted by the City, the Contractor expressly agrees that any ambiguity herein shall be resolved in favor of the City.

SECTION 10. DEFAULT, REMEDY AND TERMINATION. The City may terminate this agreement upon the occurrence of one or more of the following events:

A. If Contractor or any Subcontractor should substantially violate any of the provisions of this contract;

B. If Contractor substantially fails to perform any part of this Agreement;

C. If Contractor repeatedly fails or becomes unable to perform the services under this Agreement as required herein, or substantially fails to provide services under this Agreement for a period of seventy-two (72) hours;

D. If Contractor (1) shall become insolvent in a bankruptcy sense; (2) shall be generally not paying its debts as they become due, or within a reasonable time thereafter; (3) shall suffer, voluntarily or involuntarily, the entry of an order by any court or governmental authority authorizing the appointment of or appointing of a custodian (as that term is defined in 11 U.S.C. '101[10]), receiver, trustee, or other officer with similar powers with respect to it or any portion of its property which remains undismissed for a period of ninety (90) days; (4) shall suffer, voluntarily or involuntarily, with or without judicial or governmental authorization, any such custodian, receiver, trustee, or other officer with similar powers to take possession of any part of its property which third party remains in possession for an excess of ninety (90) days; (5) shall suffer, voluntarily or involuntarily, the filing of a petition respecting an assignment for the benefit of creditors which is not dismissed for a period of ninety (90) days; (6) shall be dissolved; (7) shall become the subject of any proceeding, suit, or action at law or in equity under or relating to any bankruptcy, reorganization or arrangement of debt, insolvency, readjustment of debt, receivership, liquidation, or dissolution law or statute or amendments thereto to be commenced by or against it or against any of its property which remains undismissed for a period of ninety (90) days; (8) shall voluntarily suspend substantially all of its business operations; (9) shall be merged with, acquired by, or otherwise absorbed by any individual, corporation, or other business entity or organization of any kind except for any individual corporation or other business entity or organization which is controlled by, controlling, or under common control with the Contractor; or (10) shall take action for the purpose of any of the foregoing,

After serving ten (10) days written notice on the Contractor and its surety of its intention to terminate the services of Contractor, and if within ten (10) days after serving such notice, the violation is not corrected to City's reasonable satisfaction, the City then may take over the work and prosecute it to completion by contract or by any other method it may deem advisable at the expense of the Contractor. The Contractor and the bonding company shall be liable to the City for any reasonable cost occasioned by the City in excess of the amount agreed for the service herein.

The Contractor shall be entitled to a hearing before a City hearing officer upon the issue of termination if it submits a written request therefore within seven (7) days of the service of the notice of the City's intent to terminate. The Contractor shall be entitled to be heard at such hearing on the issue of termination. The Contractor shall not bring an action against the City, its officers, agents or employees arising out of or relating to the termination of this Agreement before the decision is issued by the City's hearing officer(s).

Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver of any provision of this Agreement shall not be construed to be modification of the terms of this Agreement, unless stated to be such in writing, signed by the City's authorized representative.

The Contractor shall continue the performance of this agreement to the extent not terminated under the provisions of this section.

The rights and remedies of the City provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this agreement.

SECTION 11. HOLD HARMLESS INDEMNIFICATION. The Contractor clearly and unequivocally agrees to indemnify and to hold the City and its agents, employees, and officers, harmless from and shall process and to defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, brought against the City arising out of, in connection with, or incident to the execution of this Agreement and/or the Contractor's performance or failure to perform any aspect of this Agreement; provided, however, that if such claims are caused by or result from the concurrent negligence of the City, its agents, employees, and officers, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Contractor or others; and provided further, that nothing herein shall require the Contractor to hold harmless or defend the City, its agents, employees and/or officers from any claims arising from the sole negligence of the City, its agents, employees, and/or officers. The Contractor expressly agrees that the indemnification provided herein constitutes the contractor's waiver of immunity under Utah Code Section 34A-2-105 for the purposes of this Agreement. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement. No liability shall attach to the City by reason of entering into this Agreement except as expressly provided herein.

SECTION 12. CONTROLLING LAW. These general conditions shall be construed in accordance with and enforced under the laws of the State of Utah. Any action of law, suit in equity, or judicial proceeding for the enforcement of the Agreement, or any provisions thereof, shall be instituted and maintained only in any of the courts of competent jurisdiction in Summit County, Utah.

SECTION 13. ASSIGNMENT. The Contractor shall not assign nor transfer any interest in this agreement without the prior written consent of the City, provided however, that claims for compensation due or to become due the Contractor from the City under this agreement may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment shall be promptly furnished to City.

SECTION 14. SAFETY AND TRAFFIC CONTROL. Contractor shall take all reasonable precautions to protect the safety of pedestrians, school children, motorists, and others who may use or come near to the Project site, including but not limited to compliance with the Manual of Uniform Traffic Control Devices.

SECTION 15. SAFETY AND PROTECTION OF THE WORK. Contractor shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the project work. Contractor shall provide reasonable protection to prevent damage, injury or loss to employees on the Project work and all other persons who may be affected thereby, materials and equipment, whether on or off the site, and other property at the work site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures and utilities not designated for removal, relocation or replacement in the course of construction. In addition, the Contractor shall give all notices and comply with all applicable laws, ordinances, rules, regulations and lawful orders of any public authority bearing on the safety of persons or property or their protection from damage, injury or loss.

The Contractor shall erect and maintain, as required by the existing conditions and progress of the work, all reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, setting safety regulations, and notifying owners and user of adjacent utilities.

The Contractor shall promptly remedy all damage or loss to any property referred to in this Section caused in whole or in party by the Contractor, any subcontractor, sub-subcontractor or anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable and for which the Contractor is responsible, except for acts or omissions by the City or anyone directly or indirectly employed by it, or by anyone for whose acts it may be liable, and not attributable to the fault or negligence of the Contractor. Contractor shall remove from the site all cuttings, debris, equipment and unused material.

SECTION 16. UNENFORCEABLE CONTRACT, WAIVERS. In the event that any provision of this contract shall be ruled invalid and unenforceable, the remaining provisions shall be valid and binding upon the parties. One or more waivers by either party of any provision, term or covenant shall not be construed by the other party as a waiver of a subsequent breach of the same provision by the other party.

SECTION 17. ENTIRE AGREEMENT. This contract represents the entire integrated agreement between City and Contractor and supersedes all prior negotiations, representations or agreements, either written or oral. This agreement may be amended only by written modification signed by both parties.

SECTION 18. COMMENCEMENT OF WORK. Contractor will commence work as required by the specifications within ten calendar days after receiving the NOTICE TO PROCEED.

SECTION 19. UTILITIES. The right is reserved to the owners of public utilities and franchises to enter upon the street or work site for the purpose of making repairs or changes of their property that may become necessary by the work. The City shall also have the privilege of entering upon the street or work site for the purpose of repairing culverts, storm drains, water system repairs or adjustments and any and all other necessary City work.

The Contractor takes the whole risk, responsibility and expense with respect to the location of utilities, and in working with utility owners about locating, moving, repairing, and modifying utilities. All utility locations shown on the plans and specifications are approximate and are marked on the plans, if at all, only for convenience. The City makes no representation about the location of any such utilities, and Contractor is encouraged to contact utility companies and owners about the location of all utilities that may be impacted by or impact the Project work.

SECTION 20. HOURS AND DAYS OF WORK. All work performed by the Contractor, its subcontractors, material men, agents and employees shall be performed during work hours of 7:00 a.m. to 7:00 p.m. Monday through Saturday unless otherwise specified in a Conditional Use Permit or Construction Mitigation Plan. In individual Construction Mitigation Plans, the City may further reduce the hours or days of work for Special Events or as other circumstances may reasonably warrant. When work is prohibited, no exterior construction, excavation or delivery of supplies and concrete are allowed. Interior work, however, may be allowed Monday through Sunday, with no limitation on hours for the following types of construction:

A. Interior work on individual single-family home construction or addition projects not involving materials or supply deliveries

B. Construction of decks, patios, landscape walls less than 4 feet in height, and fences on individual single-family lots

C. Non-mechanized exterior painting on individual single-family residences

D. Non-mechanized landscaping on individual single-family residences

E. Survey work not involving grading or use of power equipment to cut vegetation.

F. When work is within 500 linear feet of an occupied residence, then work hours will be limited to within 9 am to 4 pm, Monday through Friday.

Extended Hours Special Permit. The City may authorize extended hours for construction operations or procedures which, by their nature, require continuous operation or modify or waive the hours of work on projects in generally isolated areas where the extended hours do not impact upon adjoining property occupants. In such cases, the City shall issue a Special Permit identifying the extended hours. Contractor shall display the special permit on site.

Special Event Regulations. The City may, at their discretion, restrict construction activity, including governmental or special improvement agencies, in order to assure the public safety during special events within the City. Special events shall include, but not be limited to the Art Festival, Film Festival, ski events, and holiday events.

SECTION 21. CONSTRUCTION MANAGEMENT PLANS. Contractor shall submit a Construction Mitigation Plan to be approved by the City. The City may waive this requirement for minor remodels, additions and interior construction where the impact on adjacent property is minimal. This plan shall be written and shall address, to the satisfaction of the City.

A. Hours and Days of Operation. The Construction Mitigation Plan shall specify the daily construction start and finish times. Construction activity occurring outside of the times specified in Section 11-14-6 of the Park City Municipal Code may only be allowed by Special Permit issued by the City Engineer, or County Engineer.

B. Parking. The Construction Mitigation Plan shall include a parking plan. Construction vehicle parking may be restricted at construction sites so as to not block reasonable public and safety vehicle access along streets and sidewalks. Construction parking in paid or permit only parking areas require the City review and approve a parking plan. The plan shall also include anticipated temporary parking, e.g. delivery vehicles, large equipment parking.

C. Deliveries. The Construction Mitigation Plan shall identify proposed delivery locations and routes. Deliveries of construction materials and supplies including concrete may be regulated as to time and routing if such deliveries will cause unreasonable noise, parking, or access issues. In order to reduce the number of delivery trips to construction sites, the stockpiling of materials on or near the site may be required. In the case of multiple construction sites in close proximity, a common materials storage and staging site may be required.

D. Construction Phasing. Due to restriction of working in the Promontory Subdivision, the project may have to be phased due to impacts on homeowners, traffic circulation, access to construction easements, topography, construction parking and material staging problems, if more than one project is under construction in close enough proximity to create public safety or nuisance problems, or where phasing is deemed necessary by the City. The City shall have the authority to phase projects as necessary to assure efficient, timely and safe construction.

E. Trash Management and Recycling. Construction sites shall provide adequate storage and a program for trash removal**.**

F. **Control of Dust and Mud on Streets**. A program for the control of dust or other airborne debris shall be required. Provision must be made to eliminate the tracking of mud on streets and a program shall be required to remove any such mud daily.

G. **Noise**. Construction activity shall not exceed the noise standards as specified in Section 6-3-9 of the Park City Municipal Code and within noise standards of authority having jurisdiction.

H. **Grading and Excavation**. Because of the truck hauling involved in grading and excavation, restrictions on trucking routes as well as the hours of operation may be necessary to mitigate the adverse impacts from such operations. Destination and total cubic yards of excavated material shall be noted.

I. **Construction Sign Requirements**. A sign, indicating the name of the party responsible for the Project shall be posted in a location where such sign is readable from the street or driveway to the construction site. The sign shall not exceed 12 square feet in size, six feet in height and shall not exceed a letter type of 4". Information on the sign shall include, at a minimum:

1. Name, address and phone number of contractor;
2. Name, address, and phone number of person responsible for the project; and
3. Phone number of party to call in case of emergency.

No additional fee is required for this sign.

J. **Permits**. Contractor shall obtain all necessary construction and building permits from the authority having jurisdiction.

<u>SECTION 22. TOILET FACILITIES AND CONTAINERIZED TRASH SERVICE REQUIRED</u>.

A. The Contractor shall obtain and maintain on the site a container of suitable size and design to hold and confine trash, scraps, and other construction related refuse created or accumulated on the site. All such construction refuse shall be maintained in a closed container at all times, until transferred to the landfill. Containers may be placed in setback areas, provided that the placement of the container does not obstruct the view of motorists on adjoining streets and thereby create traffic hazards. Contractor shall not permit accumulated debris, litter, or trash on the construction site to blow or scatter onto adjoining properties, including the public street or to accumulate on the site outside of the container, or on transit to the landfill or dump. The owner or contractor shall service the container as frequently as needed to prevent trash from over-flowing.

B. The Project site shall have permanent toilets, or an approved temporary toilet facility positioned in a location approved by the City, at the rate of one toilet per fifteen on-site employees (1-15 employees = one toilet, 16-30 employees= two toilets and so on).

<u>SECTION 23. OBEY LAWS</u>. Contractor shall obey all laws, ordinances and regulations of the United States, the State of Utah, Summit County and Park City in performing this Agreement.

<u>SECTION 24. NONDISCRIMINATION</u>.

A. The City is an equal opportunity employer.

B. In the performance of this Agreement, the Contractor will not discriminate against any employee or applicant for employment on the grounds of race, creed, color, national origin, sex, marital status, age or the presence of any sensory, mental or physical handicap; provided that the prohibition against discrimination in employment because of handicap shall not apply if the particular disability prevents the proper performance of the particular worker involved. The Contractor shall ensure that applicants are employed, and that employees are treated during employment without discrimination because of their race, creed, color, national origin, sex, marital status, age or the presence of any sensory, mental or physical handicap. Such action shall include, but not be limited to: employment, upgrading, demotion or transfers, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and programs for training including apprenticeships. The Contractor shall take such action with respect to this Agreement as may be required to ensure full compliance with local, state and federal laws prohibiting discrimination in employment.

C. The Contractor will not discriminate against any recipient of any services or benefits provided for in this Agreement on the grounds of race, creed, color, national origin, sex, marital status, age or the presence of any sensory, mental or physical handicap.

D. If any assignment or subcontracting has been authorized by the City, said assignment or subcontract shall include appropriate safeguards against discrimination. The Contractor shall take such action as may be required to ensure full compliance with the provisions in the immediately preceding paragraphs herein.

<u>SECTION 25. THIRD PARTY RIGHTS</u>. Nothing herein is intended to confer rights of any kind in any third party. No member, officer, or employee of the City shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.

SECTION 26. PROJECT MANAGER/ENGINEER. The Project Manager/Engineer for this Project is Todd Touchard, PE, or such other person designated by the City Engineer or Public Works Director to the Contractor orally or in writing.

SECTION 27. PARTIES' REPRESENTATIVES. For purposes of notice required or desired by the parties, or communication involving the services under this Agreement, such notice or communication shall be deemed to have been given when personally delivered or mailed, or sent by facsimile transmission certified mail, postage pre-paid, to the parties at the following addresses:

Contractor: _________________________, or such other person designated in writing by the Contractor's chief administrative officer, at the Contractor's address set out first above;
Park City: Project Manager/Engineer, at the address set out first above for the City, or when given to such other person as either of the above representatives shall designate in writing. The designation of any address may be changed by notice given in the same manner as provided in this paragraph.

SECTION 28. SEVERABILITY. Should any part of this Agreement for any reason be declared invalid, such decision shall not affect the validity of any remaining provisions, which remaining provisions shall remain in force and effect as if this Agreement had been executed with the invalid portion thereof eliminated, and it is hereby declared the intention of the parties that they would have executed the remaining portion of this Agreement without including any such part, parts, or portions which may, for any reason, be hereafter declared invalid. If any provision of this Agreement is held invalid or unenforceable with respect to particular circumstances, such provision shall nevertheless remain in full force and effect in all other circumstances.

IN WITNESS WHEREOF, the parties have entered into this agreement on the day and year set out at the top of this Agreement.

PARK CITY MUNICIPAL CORPORATION

____
Tom Bakaly, City Manager

ATTEST:

____
City Recorder's Office

APPROVED AS TO FORM:

____
City Attorney's Office

CONTRACTOR
Counterpoint Construction Co., Inc.
1598 North Hillfield Road, Ste. A
Layton, UT 84041

____
Signator, Title

____
Utah Contract License No.

Corporate Acknowledgment

STATE OF UTAH)
) ss.
COUNTY OF SUMMIT)

On this ____ day of ________________, ____, personally appeared before me (signator), whose identity is personally known to me/or proved to me on the basis of satisfactory evidence and who by me duly sworn/affirmed), did say that he/she is the (title or office) of (Contractor business name) by Authority of its Bylaws/Resolution of the Board of Directors, and acknowledged to me that said Corporation executed the same.

____
_Notary Public

City Council Staff Report

Subject: Park City Hotel Litigation
Author: Deputy City Attorney
Department: Legal
Date: May 28, 2009
Type of Item: Administrative

Summary Recommendations:

- PCMC should enter into the Settlement Agreement and authorize the Mayor to execute the incorporated Cross-Easement Agreement.
- PCMC shall not pay any interest on the purchase price.
- PCMC should further direct staff to pursue the approvals required to implement the terms of settlement.

Topic/Description:

The purpose of this memorandum is to update you on the status of settlement negotiations in the above-referenced litigation and to recommend a course of action.

Background:

The parties to the above-referenced lawsuit are: Park City Municipal Corporation (PCMC); HPC DEVELOPMENT LLC (HPC), a Utah limited liability company; and Hotel Park City Condominium Association, Inc. (Master Association), a Utah non-profit corporation.

This litigation stems from PCMC entering into a 1997 Development Agreement with Island Trading Real Estate Inc. providing for the development of a hotel adjacent to the Park City Municipal Golf Course and the inclusion of a golf pro shop within the hotel. (HPC is the successor in interest to Island Trading Real Estate, Inc.). The Development Agreement provided that a golf pro shop would be constructed as a separate condominium unit within the hotel and that a cart storage area, restrooms, and parking would also be constructed. The Development Agreement further provided that PCMC could choose to lease or purchase the Pro Shop Unit. PCMC also agreed to pay 48% of the construction costs of the underground parking structure.

The Hotel Park City has been constructed, including the Pro Shop condominium unit, the cart storage area, restrooms, and parking. The other condominium units constructed within the Hotel Park City are the hotel itself, the spa, and the restaurant (currently Ruth's Chris). There are also 11 residential units with either 2 or 6 sub-units in each; there are also 54 sub-units within the hotel. PCMC has paid approximately $1,056,000.00 for 48% of the costs of designing and constructing the underground parking structure as required by the Development Agreement. PCMC has notified HPC of its intent under the Development Agreement to purchase the Pro Shop Unit.

PCMC filed its lawsuit on September 7, 2006 after repeated attempts to implement the 1997 deal under favorable terms. Since that time, staff has appeared before you several times to discuss proposed settlement options.

Analysis:

The parties have reached agreement on how to resolve the lawsuit. As you will recall, the Master Association is comprised of the Hotel Park City Residential Condominium Project Association, Inc. (Residential Association, which represents all of the residential units); Park City Hotel Associates, LLC (Hotel Associates," which represents the Restaurant Unit, the Spa Unit, and the Hotel Unit); and HPC Development, LLC (HPC, which represents the Pro Shop Unit). The following documents and instruments are involved in the proposed resolution of the lawsuit:

A. The Settlement Agreement
B. The Cross-Easement Agreement for the parking facilities.
C. The Warranty Deed conveying the Pro Shop Unit to PCMC.
D. The First Amendment to Declaration of Condominium for Hotel Park City, An Expandable Condominium Project (Master Declaration)
E. The Hotel Park City Condominium Record of Survey (Plat).

I will discuss each of the documents below:

<u>A. The Settlement Agreement</u>

1. The Settlement Agreement will have an effective date of January 1, 2009.

2. PCMC will pay a purchase price of $1,132,821.50 in exchange for fee title to the Pro Shop Unit.

a. This payment will also satisfy all of Park City's liability for the General Assessments made by the Master Association against the Pro Shop Unit through December 31, 2006,

b. This payment further satisfies the "rent" charged for the Pro Shop through full execution of this deal ($1,000 per month from January 1, 2007 through May 31, 2009).

c. This payment will also satisfy the Pro Shop Unit's share of the parking-related expenses from January 1, 2006 to December 31, 2008 (including property taxes, parking expenses, etc.), which General Assessments have been paid by HPC,

3. The full purchase price will be funded by an existing revenue bond.

4. Park City will have the ability to review amendments to both the Master Declaration and the Condominium Plat prior to their submittal to any of the requisite associations.

5. The parking-related expenses shall not heretofore be included in the calculation of the general assessments attributed to the Pro Shop Unit. Park City will now be responsible for 48% of the parking-related expenses (as such expenses may be adjusted according to changes in the project). Park City will also pay 48% of parking-related expenses for January 1, 2009 until closing of the conveyance of the Pro Shop Unit. The parking area currently consists of 123 below-ground parking stalls and 80 above-ground parking stalls. Therefore, the Pro Shop is currently entitled to the use of 59 below-ground parking stalls and 38 above-ground parking stalls and all of the other Units except the Pro Shop Unit are entitled to the use of 64 below-ground parking stalls and 42 above-ground parking stalls. These numbers may change, but the percentage of expenses will remain constant unless changed through amendment of the Master Declaration.

6. The Pro Shop Unit's par value will now be 2.45%. This means Park City will now pay 2.45% of the general assessments attributed to the Pro Shop Unit. Park City will also pay these expenses for January 1, 2009 until closing.

7. No expenses associated with Non Public Limited Common areas as defined in the Master Declaration will be included in the Pro Shop Unit's General Assessments.

8. The Pro Shop Unit will not be assessed for any of the expenses of the Residential Association as those expenses are defined in the Declaration.

9. After PCMC becomes the owner of the Pro Shop Unit, PCMC will participate in the review and approval of the annual budget for the condominium project. Unless the proposed budget is ratified by a vote of at least seventy-five percent (75%) or greater of the votes allocated to all of the Units and by vote of at least three (3) Unit Owners, the proposed budget shall be deemed rejected and an incremental increase of 5% plus any annual increase in the consumer price index will be added to the existing budget. The management committee shall then return with another recommended budget.

10. Upon full execution of the Settlement Agreement, Park City shall place the Purchase Price in escrow. At closing, all parties shall execute a settlement statement that specifies the amounts and authorizes the distribution of the escrow funds to HPC and, if applicable, to the Master Association.

11. At closing, HPC shall convey fee title to the Pro Shop Unit to Park City and the Master Association will record an Amended Master Declaration and Amended

Record of Survey, modifying the same in accordance with the terms of this Agreement.

12. Closing shall occur within ten days after HPC and the Master Association notify Park City in writing that they are prepared to record the Warranty Deed, Amended Master Declaration and Amended Plat.

13. If that does not occur within 180 days from HPC's execution of this Settlement Agreement, or such greater time as may be approved by Park City, then this Settlement Agreement shall become null and void.

14. The Parties recognize that Park City's approval of this Settlement Agreement, the Amended Master Declaration, and the Amended Plat is not deemed finally and officially given until all necessary land use and regulatory approvals have been obtained from the Park City Planning Commission and the City Council.

15. The Parties further recognize that this Agreement cannot limit the police powers duly delegated to those bodies or bind them in the exercise of such powers. If it becomes necessary, all Parties agree to amend the Agreement in writing to conform its terms to the terms of the Amended Master Declaration and Amended Record of Survey that may have been modified during the planning approval process based upon the recommendations or decisions of the Planning Commission and the City Council.

16. If either the Planning Commission or the City Council require different or additional terms that are not acceptable to either HPC or the Master Association, either HPC or the Master Association may reject such terms, and this Agreement shall be deemed void and the parties may elect to continue with the Lawsuit.

17. Until this Agreement is fully executed and Closing has occurred, the Parties reserve all the right to pursue their claims in the Lawsuit.

18. PCMC will not pay $90,000 in interest on the purchase price, which HPC had previously demanded.

B. The Cross-Easement Agreement for the parking facilities.

This easement is to be executed by the parties to the Settlement Agreement and the Residential Association, which is an association of the residential units having its own declaration (CC&R's). The agreement identifies the residential units, the hotel, the spa, and the restaurant as the "Non-Public Units" and the Pro Shop as the "Pro Shop Unit." The easement provides for reciprocal rights of ingress and egress across the Non-Public and Pro Shop Units' respective shares of the limited common area comprised of parking stalls. This easement is perpetual and runs with the land. It may only be amended as provided for in the Master Declaration. It also provides for the opportunity for the Non-Public Units and the Pro Shop Unit to provide notice to one another of anticipated circumstances (eg a golf event) that requires a temporary adjustment to the 52-48% split in the parking facility. The easement does not impact the Master Declaration's control over costs for maintenance and repair of the parking area.

C. The Warranty Deed

The Warranty Deed conveying the Pro Shop Unit to PCMC shall be identical to the existing draft deed which will be an attachment to the Settlement Agreement.

D. The Declaration of Condominium for Hotel Park City, An Expandable Condominium Project (Master Declaration)

The Master Declaration for the project will be amended to show the Pro Shop Unit as identical to what is currently identified as the Pro Shop Unit on the existing condominium record of survey and declaration of condominium.

The Master Declaration will be amended to identify the cart storage square footage as limited common area appurtenant to the Pro Shop Unit.

As stated above, the members of the Master Association currently include:

1) the Hotel Park City Residential Condominium Project Association, Inc., a Utah nonprofit corporation (the "Residential Association") representing the Residential Unit;

2) PC Hotel Associates, LLC ("Hotel Associates") representing the Restaurant Unit, the Spa Unit and the Hotel Unit, and

3) HPC Development LLC ("HPC") representing the Pro Shop Unit.

Under the terms of the Master Declaration, the Residential Unit shall vote as a single Condominium Unit through its management committee pursuant to the terms of a Sub-Declaration.

The material terms of the Master Declaration relevant to our settlement discussion track the terms of the Settlement Agreement. Voting occurs as follows under the terms of the Master Declaration: The Residential Unit (which encompasses all of the sub-units mentioned above) has one vote. The hotel unit, the restaurant unit, and the spa unit each have one vote. The Pro Shop has one vote. All votes are weighted by par value. In order to amend the Master Declaration or approve a budget, at least three of the five aforementioned votes must be cast in favor. Additionally, the votes cast in favor must represent at least 75% of the total par value.

Any change in any unit's interest in the General Common Elements of the project requires the unanimous consent of all of the unit owners. Any special assessment would require an affirmative vote of 90% of the total par value and three unit owners.

E. The Hotel Park City Condominium Record of Survey (Plat)

The Condominium Plat needs to be changed to reflect the proposed change of the cart storage area to limited common area appurtenant to the Pro Shop. Also, the parking stalls currently designated as general common area will be changed to limited common area appurtenant to the Pro Shop and the non-Pro Shop units, divided 48% and 52% respectively.

Department Review: This staff report was generated by the Legal Department and has been reviewed by the Golf Manager and the City Manager.

Alternatives:

A. **Approve the Request:** This is staff's recommended course of action. This is a long-running dispute and there are many benefits to PCMC owning the Pro Shop Unit under the terms of the Settlement Agreement and the Amended Master Declaration. PCMC made a good faith effort to close the 1997 deal, increasing its 2006 purchase price offer from $816,312 to $1,000,000 and increasing its offer to pay general assessments from $51,921 to $110,393. While these increases appear significant, HPC has agreed to reduce the par value of the Pro Shop to 2.45% (it is currently 8.03%) and has also agreed to the change in designation of the cart storage to "limited common use;" both of these changes will result in a long-term benefit to PCMC.

B. **Deny the Request:** Staff does not recommend denying our request. Doing so would result in continuing to litigate the matter when the outcome of the litigation is not likely to be significantly more favorable than the terms of the proposed settlement, especially when factoring in the costs of continued litigation. This assumes Council maintains its interest in purchasing the Pro Shop Unit as opposed to leasing it.

C. **Continue the Item:** Council could continue the item, but PCMC would continue to pay rent for use of the Pro Shop Unit and the other parties may decide to forego settlement in favor of litigation.

D. **Do Nothing:** Doing nothing would produce the same result as denying the request.

Significant Impacts:

PCMC would own the Pro Shop Unit and be a Unit Owner in the Hotel Park City condominium project.

Consequences of not taking the recommended action:

As stated above, not authorizing the Mayor to sign the settlement agreement would mean resuming the litigation when there is no significant benefit to doing so. (Again, assuming Council continues to want to own the Pro Shop Unit and not lease it).

Recommendation:

PCMC should authorize the Mayor to enter into the Settlement Agreement and to execute the incorporated Cross-Easement Agreement.