PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
MAY 26, 2011

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building 445 Marsac Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, May 26, 2011.

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

Work Session
3:30 p.m. Council questions/comments
3:45 p.m. Monthly financial update
Operating expenditures P. 8 - 102
- Departmental presentations

Transit Fund analysis
Administrative inter-fund transfers
Long term funding and property tax policy discussion
5:50 p.m. Break

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

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

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

IV WORK SESSION NOTES AND MINUTES OF MEETING OF MAY 12, 2011
P. 103 - 110

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

1. Consideration of a Resolution designating June 11 to June 18, 2011 as Summit County Invasive Weed Awareness Week in Park City, Utah P. 111

2. Consideration of an a Resolution adopting an amended Federal Transit Authority Substance Abuse Policy for Park City Municipal Corporation P. 112 - 114
(and separate cover)

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

1. Consideration of an Ordinance approving a plat amendment for 811 Norfolk Avenue, Park City, Utah
   (a) Public hearing
   (b) **Motion to continue to a date uncertain**

2. Consideration of an Ordinance approving a plat amendment for 817 Norfolk Avenue, Park City, Utah
   (a) Public hearing
   (b) **Motion to continue to a date uncertain**

3. Consideration of a Master Festival License for the MTB Race Series to be held in Round Valley on June 25, 2011 P. 115 - 119
   (a) Public hearing
   (b) Action

4. Consideration of a Master Festival License for the Classical Concert Series in City Park to be held on July 18 and 25 and August 8 and 15, 2011 P. 120 - 124
   (a) Public hearing
   (b) Action

5. Consideration of extending a line of credit in the amount of $100,000 to Habitat for Humanity for the construction of affordable housing in Park City, Utah P. 125 - 141

6. Consideration of a Professional Service Agreement with Avail Technologies, Inc in the amount of $1,235,008 for the purchase and installation of an Automated Vehicle Location Global Positioning System, in a form approved by the City Attorney P. 142 - 158

7. Consideration of a Resolution adopting a tentative revised budget for fiscal year 2011 and the budget for fiscal year 2012 for Park City Municipal Corporation and its related agencies
   (a) Public hearing
   (b) Continuation to June 2, 2011

VII ADDITIONAL DISCUSSION – AGENDA ITEMS

VIII ADJOURNMENT

A majority of 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. Wireless internet service available in the Marsac Building on Wednesdays and Thursdays – 4 p.m. to 9 p.m.

Posted: 05/23/11
See: www.parkcity.org

PARK BONANZA OPEN HOUSE
SUMMIT COUNTY, UTAH
MAY 25, 2011

PUBLIC NOTICE IS HEREBY GIVEN that a majority of the Park City Council Members and/or Park City Planning Commissioners may attend an open house at The Blind Dog, 1251 Kearns Boulevard, Park City, Utah from 6 p.m. to 7:30 p.m. on Wednesday, May 25, 2011. This is an informational meeting and no formal business will be conducted.

Posted: 05/23/11
See: www.parkcity.org

PARK CITY COUNCIL MEETING TENTATIVE
SUMMIT COUNTY, UTAH
JUNE 2, 2011

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building 445 Marsac Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, June 2, 2011.

Work Session

3:00 p.m. Council questions/comments
3:10 p.m. Personnel policies and procedures manual
Fee changes

- Administrative inter-fund transfers
- Special event fees
- Other fees

City fee resolution
Council compensation
Budget policies
Outstanding budget issues
3:45 p.m. Planning Commission interviews
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 RESIGNATIONS AND APPOINTMENTS

Consideration of three appointments to the Historic Preservation Board for terms expiring May 1, 2014

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

1. Consideration of a Resolution adopting an inter-local agreement with Summit County regarding police database integration

2. Consideration of a Master Festival License for the Ragnar Relay
   (a) Public hearing
   (b) Action

3. Consideration of a Resolution adopting a donations policy for Park City, Utah
   (a) Public hearing
   (b) Action

4. Consideration of a Resolution amending sections of the Park City Fee Resolution and replacing and repealing Resolution No. 13-10 in its entirety

(a) Public hearing
(b) Action

5. Consideration of an Ordinance establishing compensation for the Mayor, City Council and Statutory Officers for Fiscal Year 2011-2012 for Park City, Utah
   (a) Public hearing
   (b) Action

6. Consideration of a Resolution adopting the Comprehensive Emergency Management Plan

7. Consideration of a Resolution adopting a personnel policies manual for Park City Municipal Corporation for 2011

8. Consideration of an amendment to the construction contract with JB Gordon Construction for the Rail Trail Water Line Project, in a form approved by the City Attorney

9. Consideration of a Resolution adopting a tentative revised budget for fiscal year 2011 and the budget for fiscal year 2012 for Park City Municipal Corporation and its related agencies
   (a) Public hearing
   (b) Action

VII ADDITIONAL DISCUSSION – AGENDA ITEMS

VIII ADJOURNMENT

Closed Session – dinner will be served
Property, personnel and litigation

A majority of 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. Wireless internet service available in the Marsac Building on Wednesdays and Thursdays – 4 p.m. to 9 p.m.

Posted: 06/01/11
See: www.parkcity.org

Note: This future meeting schedule is TENTATIVE and subject to change.

PARK CITY COUNCIL TENTATIVE MEETING SCHEDULE

May 2011

30 Memorial Day Weekend – City Offices Closed

June 2011

5 Fire District – one-day academy for elected officials
7 Treasure Open House (TBD)
9 Senior strategic plan - work
Water Fund Budget, outstanding budget issues – work
USU Electric Trolley, Electric Vehicle Charging Stations & Transit Fuel Strategy – work
SLC-PC Inter-local Agreement - KC
Public hearing on final budget
Banking services contract
Construction contract for intersection of 248 and Richardson Flats Road
Appointment of two Planning Commission members
16 Monthly financial update
Joint work session with Planning Commission and City Council
High altitude training
Presentation of final budget and outstanding issues – work
Public hearing and adoption of final budget
RDA and MBA adoption of final budgets
PAAB interviews (3:30 – 5:45 p.m.)
23 **Dick gone**
Triple Crown MOU and City services contract - MP
PAAB interviews
Delivery ordinance update
SLC-PC Inter-local Agreement - KC
30 **No meeting**

July 2011

7
14
21 Monthly financial update
28 **No meeting**

August 2011

4
11
18
25

September 2011

1

8 **No meeting** (Summer Tour 9/7 – 9/11)

15

22

29

Pending Items:

Appeal of City Manager decision on convention business license fees – Mike Sweeney

U S Postal Service gang boxes in Old Town

Bonanza Tunnel ribbon-cutting

City Council
Staff Report

Subject: City Manager's Recommended Budget
Authors: Jed Briggs, Nate Rockwood, Troy Johnston, Bret Howser, Michael Kovacs
Department: Budget, Debt, & Grants
Date: May 27, 2011
Type of Item: Informational

Summary Recommendations:
Hold a public hearing on the City Manager's Recommended Budget. Provide direction concerning the operating budget options, reductions, and levels of service. Provide direction on Administration Interfund Transfer, Transit Financial Assessment, CIP Follow-up, and Revenue & Taxation Policy.

Topic/Description:
FY 2011 Revised Budget, FY 2012 Proposed Budget, and FY 2013 Plan

Background:
The City usually begins the budget process in January with the City Council identifying objectives for the next year. This year, however, the budget process really began in July, 2010 and has included a thorough review of the Pay Plan, service levels and taxation polices.

During the FY 2011 budget process, discussion was held regarding the long-term sustainability of City services and service levels. Staff identified concerns related to the property tax revenue stream, increased volatility in sales tax (both collections and state legislative amendments) and the lack of an escalator in property tax to keep up with inflation. The Budget Department prepared a detailed report which outlined that without a change of course, the City would not be able to provide the existing levels of service in the long run due primarily to the gradual loss of purchasing power in the property tax revenue stream over time. This report promoted a strategy stabilizing long term General Fund revenues and aligning them with long term projected expenditures, while preserving the fiscally conservative strategy of continuing to rely primarily on annual/short term sales tax surplus revenues for one time/short term capital project funding.

The City balanced the FY 2011 budget with reductions to staff performance bonuses, without a property tax increase and without incurring new debt for the Racquet Club. Staff committed to return in the fall with an expanded budget discussion, which would include a fairly rigorous prioritization process of all City services and capital initiatives as well as a discussion revisiting the City Council policy toward employee compensation.

Council spent several work sessions during December and January reviewing this prioritization process, known as Budgeting for Outcomes (BFO). The process was to be more of a zero-based budgeting approach than the traditional incremental approach. It closely resembled a Request for Proposal (RFP) process, with a Results Team made up of City staff creating Requests for Results (RFRs) related to each Council goal and departments submitting "bids" for City services, programs, capital, etc. related to each RFR at varying levels of service. In this fashion, all funding in the budget was linked directly to a Council goal and the community vision. The Results Team performed preliminary prioritization and the process culminated in a Council prioritization exercise leading up to and during Council Visioning.

In addition to BFO, Council also had a robust discussion about the City's compensation philosophy and practices during November and December. Council directed staff to take certain measures in order to control the growth of personnel costs in the City, including expanding the low end of pay grades, implementing a hiring maximum at 65% of the pay range, instituting a new working level for employees meeting but not exceeding expectations at 80% of the pay range, limiting annual pay increases for staff not at the top of pay ranges to no more than 5% per annum, and increasing the current calendar year at-risk lump merit pool from 4% to 7% rather than an across the board 2% increase to pay ranges in FY 2012.

BFO was further discussed during Council Visioning in February. From those discussions department managers were able to take Council's recommendations to look into increasing or decreasing certain BFO service levels for their own departments. Each department manager was responsible for preparing budget requests consistent with Council's vision and BFO. Council objectives were addressed either in the current level budget or as additional options for enhanced, increased, or decreased service levels proposed by the departments.

On April 7, staff presented a capital budget preview to City Council which gave a preliminary view of the major capital issues in the next ten years as well as potential options for financing these projects. Staff took the comments and insights of Council which were voiced in that work session and developed the long-term strategy model presented in the analysis section of this staff report.

On May 2, staff delivered the City Manager's Recommended Budget (Tentative or Proposed Budget) to City Council. On May 5, staff gave an overview of the tentative budget, discussed timelines, updated Council on long-range projections, and presented the Special Service Contract Subcommittee recommendation.

On May 12 staff presented the 5-Year CIP Committee Recommendation to Council, which included the CIP Alternative Matrix, OTIS Update, Downtown Enhancement Projects, and the Soils Repository. Included in this discussion was a presentation on a long-range strategy & financing options for these projects as well as the overall budget. Public hearings were held on May 5 and 12, and further hearings are currently scheduled for May 26, June 2, 9, and 16. Discussion/action is slated for these dates as follows, barring changes as needed:

May 26 – Operating Expenditures (Departmental Presentations), Administrative Interfund Transfers, Transit Fund Analysis, CIP Follow-up, Revenue & Taxation Policy

June 2 – Personnel Policies and Procedures (P&P) Manual, Fee Changes (Special Event Fees & Other Fees), City Fee Resolution, Council Compensation, Budget Policies, Outstanding Budget Issues

June 9 – Water Fund Budget, Outstanding Budget Issues (If necessary)

June 16 – Presentation & Adoption of Final Budget (if no property tax increase), Adoption of Provisional Budget (if property tax will be increased)

Analysis:
On May 26 the Budget, Debt, and Grants Department will introduce the operating budget by departments to Council with quick presentations by department managers. (Please see attachment A for all budget options requested and recommended.) These summaries will highlight significant options and reductions from their departments. This year managers were asked to determine budget options with corresponding offsets (i.e., cuts or revenue enhancements). As usual, options/reductions were prioritized by teams (departmental groups) consistent with Council direction and City priorities. This helps the City Manager determine which options and which reductions would ultimately make it into the City Manager's recommended budget. A complete list of these options/reductions that were requested by departments and those recommended by the City Manager (organized alphabetically by team) are included on page 153 of the Executive Summary of the Budget.

Budget Options	FY 2011	FY 2012	FY 2013
Total Approved Options	$408,701	$1,658,128	$1,107,432
Total Not Approved Options	$3,000	$958,128	$931,344
Total Requested Options	$411,701	$2,616,256	$2,038,776

Amounts do not include revenue offsets, capital changes, debt service, or interfund transfers.

There was a concerted effort to only cut budgets where it would affect service levels the least. Teams were especially careful to scrutinize the need for new options and limit operating requests.

The Operating Budget consists of Personnel, Materials, Supplies, and Services, Departmental Capital Outlay, and Contingencies for each department. The following table shows the total change to the Operating Budget from the FY 2011 Original Budget adopted by Council in June 2010.

Total Operating Budget Options by Fund
(Change from FY2011 Adopted Budget)

	FY 2011 Adjusted Budget	FY 2012 Budget
Fund 11 General Fund	$58,335	$987,505
Fund 12 Quinn's Recreation Complex	$2,000	$49,570
Fund 51 Water Fund	$100,000	$291,053
Fund 55 Golf Fund	$7,109	$42,850
Fund 57 Transportation Fund	$40,000	$208,943
Fund 62 Fleet Fund	$0	$9,172
Fund 64 Self Insurance Fund	$0	$576
Total	**$207,444**	**$1,589,668**

Operating Increases/Decreases by Fund from the 2011 Original Budget (includes Personnel, Materials, Supplies, Services, Departmental Capital Outlay, and Contingencies)

The major increase from the FY 2011 Original Budget to the FY 2011 Adjusted Budget is found in the General, Water, and Transit Funds. Almost 40% of the General Fund increases have a revenue offset, such as a grant or increased fees. Some of the major costs to the General Fund include personnel additions, EPA issues, Recreation Center completion, health insurance, retirement, and a lump merit pool increase previously authorized by Council. The increase in the Water Fund has to do with EPA costs as well a contingency increase. Much of the EPA expenses should not be ongoing for the General and Water Funds, which is one of the reasons why there's a decrease in FY 2013. Increases to the Transit Fund are due to payment to the Park Silly Sunday Market, HMBA, professional developments, and health care costs. Thirty four percent of Transit's budget increase is offset with revenues. Various other changes are happening in the General Fund in FY 2012, but the net effect is close to zero. These changes are extensive and difficult to summarize briefly, but all of the departmental changes are in the Supplemental section of this document and will be presented to Council on May 26.

Teams will present their recommended options to City Council on May 20. The following is a summary of each team's options:

A Note on Personnel
Personnel is accounted for using a full-time equivalent (FTE) measure, where 1 FTE indicates the equivalent of a full-time position (2,080 annual work-hours), which could be filled by multiple bodies at any given time. Generally, one Full-time Regular employee is measured as 1 FTE, whereas a Part-time Non-benefited or Seasonal employee might account for a fraction of an FTE.

Building, Planning, & Engineering

Building - With the retirement of a Plans Examiner position in September 2010, one contract employee (Building Inspector) was moved into that budgeted position and the other contract position (Building Inspector) employment contract expired at the end of December 2010 and was not replaced. Due to the slowdown in the economy their workload can be absorbed by the other five (5) building inspection positions. It is recommended to move this contract budget ($140k) to the Planning Department on a one-time basis in order to finish fund a contract to be able to complete the General Plan and other studies. The Building Department anticipates that the construction industry will return to the 2007/2008 levels by at least 2013.

Also, it is being recommended that a Building Analyst II (N08) position be removed from the Building Department and placed in the Planning Department as a Planning Technician (N08). All of this is the result of reprioritizing objectives within the Community Development team as the Planning Department will focus much of its time in the next fiscal year on the General Plan update.

Planning - As the department responds to Commission/Council objectives it is being recommended to increase the department's contract line-item by using the Building Department's contract service money ($140k) for the General Plan update, increased training for Historic Preservation, studies, and contract services. The Planning Department will need increased funds to move into using consultants to assist with the General Plan as well as needed studies for Bonanza Park and other areas throughout the City. Most of this increase is one-time (FY12) in nature, which means there will be a decrease in funding for FY 2013.

A professional development is also recommended by moving an Analyst I position to an Analyst II. This would reduce contract services by $6,844, which will not result in substantial decrease to the level of service. This will complete the professional development plan for this position.

Also, it is recommended to move the Planner Architect position to a Historic Planner Architect in order to further address Council goals of better coordination of historic preservation. This is zero-sum budget option.

Engineering - The Engineering Department is losing .25 of an FTE of the Engineering Public Works Inspector (N10) and moving it to the Transit Fund. This option would modify the funding for the current FTE Public Works Inspector position located in Engineering. Because the position will be shared 75% Engineering and 25% Transit means the budget will be spread proportionally. In other words, the position remains at 1 FTE, but now the budget will better represent the work load of this position. This results in a budget decrease for Engineering of approximately $21k, and an increase to Water by the same amount. In the interim, field inspections would be provided by an individual from the Water Department and funded there as well. This position will be developed so it could eventually take over the field inspections once staffing needs are determined in the Water Department after the new Treatment Plant comes online.

Through the request of the Engineering Department, the City Manager is also recommending to provide landscape maintenance for Sandridge Avenue landscaping and Hillside Avenue landscaping. This option would increase the Parks and Cemetery budget contract and plant material line-items $1,300 each.

Executive

The Executive Team has several budget options recommended: The first and second requests are increases to the Self Insurance Fund. These options were not originally in the tentative budget, but upon further review it was deemed necessary to add them so that the actual expenditures match the budget. They will be included in the final budget. The first is an increase due to higher premiums for Surety Bond because of anticipated hardening of the insurance market as well as an increase to City's facilities ($31k). The second is an increase for workers' compensation claim reimbursement, which reflect actual reimbursement costs ($40k)

The third option is an addition to the contract services line-item to cover elections expenses. FY11 is an off-election year and expenses are minimal ($1,500). City elections are scheduled in FY12 and more is needed ($13,500)—then $1,300 more in the off-year of FY 13.

It is also recommended to fund a Park City Victim Advocate Program to provide victim advocacy services which are no longer provided by the County. The City has applied for a Department of Justice VOCA grant which, if awarded, will fund this program. The City's cost-match would be $7,500/year (plus volunteer time). The VOCA grant would fund approximately $25,000. Grant funds will be budgeted as adjustments when they are received. The position would be housed in the Police budget.

A full-time regular position in the Executive Department will be reduced (~$74k). Duties will be moved to achieve functional improvements and costs savings. Savings to the General Fund will include $13,000, which is roughly 20% of the total compensation value of the job. The remaining funds will be used as follows: A comprehensive safety (and potentially insurance placement) program will be contracted and overseen by the City Engineer's office for $15,000. The City Manager Department will hire a temporary entry level grade 4, non-exempt Office Assistant I part-time position for an annual cost of $19,014. The Legal Department will use $30,000 to offset personnel costs in a contract staff line-item and staff will reevaluate and adjust duties in December (in conformance with the budget) still delivering the $12,000 in promised savings. This option was not included in the Tentative Budget, but will be included in the Final Budget.

Library & Recreation

Golf – The first option that the Golf Department has requested is inventory for retail ($10,000). Park City will be hosting three statewide golf tournaments this season, including the Men's Senior State Am. The department needs to increase retail products as all prizes are awarded in shop credits. The option will be offset with $14,000 in retail revenue. The golf course averages 40% return on investment in this area.

The second Golf Department option is a professional development plan for a Class A PGA Golf Professional (~$78k). This development plan will provide an avenue for an Assistant Golf Professional to pursue his or her Class A PGA certification. Having a Class A PGA Professional will allow the golf course to attract larger professional state golf tournaments. This plan will be financially supported by reduction in the part-time seasonal pool (~$29k) and Golf and Pass Fee increases (~$49k).

In a related option, the City Manager Department is gaining .5 of an FTE for FY 2012. This is not an addition to the City as this FTE is the Golf Manager position (E07), which already exists. In the current budget the Golf Manager has been split .7 Golf Fund and .3 City Recreation. However, since much of this position's time is spent on citywide accountability and training functions, it was decided to split the FTE 50/50 between the Golf Fund and the City Manager Department to better represent the use of this position. This budget option is zero-sum citywide; however, the increase to the General Fund (~$22k) will be offset with a decrease to contract services previously used for temporary employees in the Human Resources Department. This will not result in a significant level of service decrease.

The final option requested by the Golf Department is for golf cart repair and maintenance ($2,700). As the cart fleet ages there will be increased costs of repairs and maintenance. The offset to this option comes by way of a decrease in the contract service line-item of the Golf Department, which will not affect the level of service. HOA fees for Hotel Park City is the main item in contract services; having been a member of the HOA for the last year payments have become consistent and there is reserve in this account to fund golf cart repair.

City Recreation & Tennis – The first budget option for the Recreation Department was the professional development of an Analyst II moving to an Analyst III ($9,104). This increase is offset with a reduction in part-time staff ($9,018). (It's almost impossible to offset this completely to zero-sum due to having to round part-time FTEs to the nearest hundredth decimal place.) The employee that is moving from Analyst II to III has been paid for the last several years in the Analyst III range and thus covered within the department budget. The actual increased cost to the department in the difference from where currently paid to working level will not result in a decreased level of service.

The second option requested by City Recreation (Priority 7) is to fund full-service birthday parties in the Recreation Center (~$33k). This results in an increase to staffing in order to clean/set up the facility on weekends and evenings. This budget option is offset with birthday party revenue. From November 2011 to June 2012 City Recreation is estimating that it will have 13 birthday parties a week @ $135 each for revenue of $52,650. For FY 2013, the estimate is 216 parties in the summer when the pool is open and 585 the rest of the year for an average of 15.4 birthdays a week. This will generate $108,135. (Part of this revenue used to offset other options.)

The third option request by City Recreation/Tennis (Priority 10) is budget (~$95k) for the pro shop in the new Recreation Center (PCRC). In the new PCRC there will be an expanded Pro Shop requiring staffing & purchase of inventory. The old pro shop was liquidated and the funding removed from the budget last year. This option will be offset with revenue generated through the sale of merchandise in the pro shop ($110k).

The fourth option request (Priority 12) is an increase to the group fitness class budget ($1,579). The new PCRC will have an additional group fitness studio which will increase classes from 53/wk to 65/wk. Fitness classes had the highest unmet need when the Recreation survey was done in 2006. This option will be offset with increased revenue due to more pass sales and a drop in fees related to group fitness. The addition of a third studio and classes will increase revenue by at least $4,800.

The fifth option requested (Priority 14) will provide maintenance on the new PCRC ($34k). These budget figures are to provide the same level of service to the expanded facility and represent a 30% increase in size of the building with additional restroom and public areas. Utilities only account for a small increase due to more efficient HVAC and lighting being installed. This option is offset by the opening of the new PCMC from revenue generated from birthday parties, pass sales, tennis price increase, fee increase and general increased usage of the facility. While it is difficult to tie the revenue directly to this expense, the fact is, a new larger recreation facility will generate new revenue. Staff will closely monitor utility costs to see what the actual expense is into the future. Ballard King and Associates estimated a revenue increase of between $173,000 and $242,000 per year with a net reduction in subsidy levels of $110,000 to $139,000.

Priority 16 is a budget option request by the Recreation Department to provide landscape maintenance to the Creekside Park. This option will provide maintenance at a Service Level 3 with no winter maintenance. The majority of staff time and money must go toward playground equipment inspections and repair—the City is required to provide safe equipment. This will be a maintenance standard lower than all other neighborhood parks. It was originally suggested to offset this as a more expensive budget option with a decrease to staffing for aquatics, which would result in less swimming lessons. However, the current recommendation is to use excess recreation revenue to offset a lower level of maintenance service.

The Priority 17 budget option asks for an increase due to the cost of installing and removing the tennis bubble (~$10k). A revenue offset was created ($12k) by increasing indoor tennis court time from $22/hr to $24/hr for residents and $33/hr to $36/hr for visitors.

Priority 20 is a request to increase Summer Day Camp budget due to new legislation ($2,080). The day camp must become a state licensed daycare requiring NAC certification for the director, enhanced background checks, and licensing costs. Director licensing is a 40 hr class. The option will be offset with revenue due to fee increases for the Summer Day Camp.

Priority 21 is a request to increase maintenance at the Dirt Jump Park ($1,422). The park has expanded in size requiring increased maintenance. Maintenance is currently budgeted for 16 hrs a week and needs to be increased to 20 hrs a week. This budget option would be offset with a reduction to staffing at the front desk of the recreation center by approximately 142 hrs a year, resulting in a lower level of customer service to patrons.

Priority 22 is a budget request for new youth soccer uniforms and RSL Junior program increases ($1,100). The offset for this option comes from City Recreation revenue offset surplus.

Priority 24 entails purchasing inventory for (racquets, stringing, balls, etc.) out of the trailer for this fiscal year only ($18k). There is a revenue offset of $25,000.

Library – The Library Department's first budget request (Priority 2) is for an on-line catalog software upgrade ($3,000). Search capability of current on-line card catalog needs improvement. Upgrade is similar to a Google search where items can still be located when user's spelling or search terms are incorrect. This will ensure that library users can successfully locate materials. Children's interface is also included. It was originally proposed to cut service hours from 8 pm to 9 pm at the Library in order to offset this increase (non-approved Priority 2), however, it is now recommended to use some of the Ice Facility rental income as a revenue offset.

Priority 5 is the Library's second budget request for an increase to children's storytime and teen programs ($4,976). Current storytimes offered would be increased to include a regular evening and weekend program for parents who work. A quarterly program for teens would also be added. This would be achieved by increasing part-time staff hours (6 additional per week) to staff the programs. Again, it was originally proposed to offset this increase with a reduction in Library hours, however, it's now recommended to fund this with the Library & Recreation Team surplus revenue offset money.

Ice Facility - The Ice Facility's first budget option (Priority 3) is to operate a temporary ice sheet on Main St. and Heber Ave. (~$26k). The Ice Arena will need the requested amount to install, maintain, and provide staffing for the ice rink. The Ice Facility Department would be adding 1 FTE to their part-time pool money in order to staff personnel there. It is estimated that this option would generate up to $50,000 in revenue—$20,000 of which would be used for the capital portion in the CIP for the first year. The capital portion of the request was mistakenly disapproved for the City Manager's Recommended Budget. It was presented to Council on the 12th and appeared in the staff report as unfunded. The Budget Department will remedy this and approve the capital request for the Final Budget provided that Council approves the operating request. Also, the Sky Lodge would provide the City $15,000 to cover a portion of the staffing costs.

A temporary ice rink is an opportunity to add a downtown attraction that will provide great entertainment for both residents and visitors, and increase visitation to Main Street. We agree that dynamic and thorough public process hasn't been vetted, however, We've had positive experience in recreational "testing" opportunities in the past including the skate board and dirt jump parks – where smaller scale operations and facilities were used to gage potential users and trouble shoot possible conflicts.

While there have been concerns voiced from the HPCA (see their formal position below), and others who may be directly affected such as the operator of the rink at PCMR, staff believes this is an opportunity to investigate a public/private recreational opportunity that could benefit everyone. Furthermore, staff finds the proposal consistent with Top Priority Goals and Programs of the City's Economic Development Strategic Plan.

In the context of the broader HPCA capital request for consideration of a future ice sheet at the Brew Pub lot, we believe the two proposal are not really apples to apples - meaning the Sky Lodge proposal is not refrigerated, is very small, and has low cost supporting operational needs; while the Brew Pub concept includes a larger, refrigerated sheet with need for a zamboni and other higher level operational support. With this said, staff still believes the Sky Lodge proposal will also provide high level feasibility on the future rink development on Main Street with very little financial risk.

Arena staff project that the rink on Main St. will produce approximately $50,000 per year. This is based on an average of 60 skaters per day for a three month season with $3 admission and $10 skate rental fees. Revenue will equal expense in the first year of operation due to the capital costs associated with starting the new venture. In subsequent years, staff projects that revenues will outweigh expenses by about $25K per year.

The costs associated with this project total $50,000 including equipment ($25,000) and personnel ($25,000). The equipment cost would be a one-time cost and the majority of the equipment could be used at the Quinn's ice arena if the Main Street rink ceased operations. The Sky Lodge will contribute $15,000 to help cover upfront staffing cost. In return, they will receive the initial $15,000 in revenue generated through admissions and skate rentals.

Attachment D is a letter from the President of HPCA discussing this option.

Priority 6 is a request for more budget to increase retail items at the Ice Arena ($4,000). The Ice Arena has seen an increase in demand for retail items with the addition of skate sales. The requested amount is for the purchase and sale of additional figure skates. This service was added as part of last year's budget cycle and has been very popular. The Ice Arena only purchases skates for customers when orders are placed; staff does not stock inventory. This budget line is demand based, and only is spent if orders are placed for skates. The revenue offset comes by way of retail sales ($8,000). This season, the ROI has been $1.98 for each dollar spent on skates, and the Ice Facility management has spent the amount allocated during last year's budget cycle.

Priority 9 is a request for an increase to the electricity line-item of $4,000. Increases to this budget line would allow the Ice Facility to cover increased demand by users as well as inflationary increases in the price of electricity. Ice Management projects a small savings in natural gas expenditures, and will use $1,000 from that budget line and an increase of $3,000 in ice rental revenue to offset the remaining $3,000 of the budget request.

Priority 25 is a request for $7,500 to pay for a scissor lift. This is a one-time expense for FY 12 that will be offset by excess Ice Facility revenues.

Internal Services

Human Resources – This department was one budget request, which is a one-time bump in service award funding ($6,600) in FY 2012 due to the unusually high volume of service awards coming up. This option will be offset with a decrease of $6,600 in contract service budget. This would reduce the department's ability to interdepartmentally fund temporary, intern, and/or emergency staffing in FY 12.

Technical & Customer Services – This department only has one budget request as well. IT has requested $22,000 into their telephone and software licensing line-items due to an increased operating need. This budget increase will be offset by reducing the General Fund transfer into the capital Computer Replacement Fund by $22,000.

Public Works

Water Operations – This department's first budget request is to fund operations and maintenance (O &M) for the Quinn's Water Treatment Plant scheduled to be completed in November of this year (~$129k). An increase to the budget was included last year, however, due to current conditions of chemical costs and revised quantity estimates an O & M budget increase is needed. This budget increase will be offset with a reduction in the WBWCD Reservation Fee that will no longer be charged to the Water Department ($125k).

The second request from the Water Department is for an increase to fixed base meter reading ($9,400). There are monthly lease fees, connection fees, and space fees for the towers that are the backbone of the Fixed Base System. This option would be offset by reducing the service order and distribution and maintenance level of service. This would result in 20% or 100 fewer meters being rebuilt and a reduction of work on asset management, (which is just now getting started).

Part of the costs associated with the Quinn's Water Treatment Plant are the utilities. The Water Department has requested $50,500 to pay for natural gas, electricity, and sewer. This option was not included in the Tentative Budget, but it will be included in the Final, since the IFT Study was not completed by the time the Tentative Budget went to Council. The IFT Study dealt extensively with utility costs in the enterprise funds.

Transportation – This department's first budget request is for an increase for utilities in the new Transit Facility ($88,295). This option will provide for increases in utilities and cleaning costs for the expanded Ironhorse Transit Storage and Maintenance Facility. This option will be offset by cost sharing payments from Summit County ($19,435) as well as reducing contract services ($68,870). This should not result in a significant level of service decrease.

The second budget will provide for increased snow removal at the expanded transit facility due to an increased parking footprint and reduced snow storage areas (~$24k). This option will be offset by reducing vehicle administration by approx. $13k as well as increased revenue sharing payments from Summit County by approx. $12k. This should not result in a significant decrease to level of service.

The third option shall provide for the reclass of a Bus Driver III position that has successfully completed a professional development plan ($6,249). Incremental cost is offset with a reduction to the contract service line-item. There should not be any major decrease to level of service.

The fourth Transit option programs parking revenues collected as a result of 2010 paid parking rate increase. Council dedicated $40,000 of a parking revenue increase to a Transit Marketing program. This option would be funded by those revenues.

The fifth Transit option has been previously mentioned. The Public Works Inspector position is moving from 100% Engineering to 75% Engineering, 25% Transit. The 25% budget increase for Transit results in an increase of approx. $21,000. This will be offset with a reduction in contract services for the same amount with minimal level of service decrease.

The sixth Transit option shall provide for the reclass of a Bus Driver IV to a Transit Supervisor. Growth in Transit employees and scope of services with the County necessitates this additional supervisor. This option will be offset with a reduction in contract services for the same amount with minimal level of service decrease.

Public Safety
This team's first budget option is a professional development to move an Analyst I to an Analyst II. This option will be offset with a reduction in the Police overtime budget line-item ($6,167). This will not impact level of service drastically.

The Public Safety's team second option (Priority 3) will cover a cost increase for a software contract, Spillman Technologies ($5,641). However, even with an increase to certain aspects of the contract, it is anticipated that the contract amount will decline by $10,000 due to a decrease of the number of servers. Thus, the increase will be offset by cost savings in the new anticipated contract.

This team's third option (Priority 4) is an increase to emergency management contract services by $2,500. In FY 2011 the contract hours were increased to 25hr/wk from 20hr/wk. No increase was made in the FY11 budget to cover the increase hours, taxes and merit bonus costs. The additional cost was covered by a grant in FY11, but there is no guaranteed grant for FY12 and the total cost should be budgeted. This option will be offset with a reduction in emergency management departmental supplies by the same amount.

The Public Safety Team's fourth option (Priority 6) is to provide budget for computer air cards ($16,000). This would give the Police Department interconnectivity from Dispatch to Patrol vehicles. This would also tie into a long-range goal of merging Spillman software between the Park City Police Department and the Summit County Sheriff's

Office. This option can be offset with a reduction in the crossing guard budget. These two positions have already been absorbed by the Park City School District. There will be no reduction in service.

The fifth approved option is an increase to cell phone service ($15,500). This was previously identified as a budget cut for FY 2010. IT and Emergency Management agreed to cover the expense previously for one year. This option can be offset with a reduction in the crossing guard budget. These two positions have already been absorbed by the Park City School District. There will be no reduction in service.

The sixth option would increase budget for equipment and labor costs for emergency materials on vehicles ($8,000). Costs have increased $2,000 per vehicle since FY 2010. $1,000 of this option would be offset by a reduction in the Drug Education line-item for printed materials and awards for graduation from DARE. It was originally proposed to offset the remaining $7,000 by reducing dry cleaning for police uniforms. However, that is not the current recommendation.

Another option requested by this team is increased funding for emergencies. $25,000 is now set apart for any kind of emergencies that may befall the City in a non-departmental account.

The last option of note from this team is the increased budget for taxi enforcement. This budget option will increase police hours during Sundance in order to enhance business license enforcement. This will be funded by moving Enhanced Enforcement revenue from the Transit Fund to the General Fund.

Sustainability

Community & Environment – This department's first option is a professional development plan to move an Analyst I to an Analyst II. It's also recommended to move this position from 75% Community & Environment and 25% Economy to 65% Community & Environment, 25% Economy, and 10% Leadership. Thus it is recommended that this budget increase will be offset with Leadership professional and consulting budget ($6,167). This impact will have little or no service level decrease.

The department's second option (Priority 2a) would convert a contract position into a FTR Environmental Sustainability Project Manager position (~$85k). The cost is offset partially by a reduction in professional consulting (Carbon Reduction) budget (~$70k). There is not capacity within the team to absorb the volume and quantity of work provided by this position which focuses on carbon reduction strategies for the city, including alternative energy, recycling, departmental and community assistance in strategies and technologies and grant writing. The remaining will be offset by a special event fee increase of $15,000.

The third option would convert a contract position into a FTR Affordable Housing Project Manager position (~$95k). The cost would be offset by an increase to the interfund transfer from the Lower Park RDA. Revenue sources would include affordable housing rental income and profit on sale of affordable units.

The last option from this department would be to enhance low carbon diet services by hiring a contract employee for a limited amount of time. This would cost $8,000 in the current fiscal year and $19,000 in FY 12. This budget increase will be offset with a decrease in the Energy Efficiency Study in City Facility CIP by the same corresponding amounts.

Environmental Regulatory – The methodology surrounding this option was discussed in a previous staff report. The overall option costs $563k in FY 2012 and $225k in FY 2013, where $122k of Building Dept cuts offset these increases. The increase includes the addition of a new Environmental Engineer (E07) position as well as $429k (FY12) and $102k (FY13) in professional & consulting budget. It also includes $30k (FY12) and $18k (FY12) in materials and supplies. The Environmental Specialist (E07) position from the Building Dept is being removed along with $18k in materials and supplies used for environmental regulation to offset this budget option.

Economy – The department's first option (Priority 2c) would move a contract position into a FTR Trails and Open Space Project Manager position (~$85k). This option would be offset by revenues traditionally received into the CIP Fund (Flagstaff Transfer Fees) that are used for Open Space maintenance and improvements. The corresponding revenues needed to offset this option would now be received into the General Fund.

Priority 3 is this department's second option and is a walk snow removal bundle (~$55k). This option will provide plowing service to all walk-ability sidewalks 7 days per week 10 hours per day. This also includes two snow hauls along sidewalks. This option includes an increase of 1 FTE to the Parks III part-time pool as well as almost $20,000 in contract services.

Priority 4a will provide landscape, lighting, graffiti removal, and utility service to the tunnel Bonanza Tunnel ($6,700). This option is budgeted at Service Level 2. The stairs will require hand shoveling. This option includes an increase of .1 FTEs to the Parks III part-time pool as well as almost $300 in the natural gas budget line-item.

Priority 4b will provide landscape, lighting, graffiti removal, and utility service to the Comstock Tunnel ($4,350). This option is budgeted at Service Level 2. This tunnel has heated stairs. This option includes an increase of $2,000 to the natural gas line-item as well as an increase of $2,350 to the contract services line-item.

Priority 5a will provide landscape maintenance for Holiday Ranch($4,200). This option is budgeted at Service Level 2. This option includes an increase of .05 FTEs to the Parks III part-time pool.

Priority 5b will provide landscape maintenance at Comstock and Sidewinder ($2,800). This option is budgeted at Service Level 2. This option includes an increase of $2,800 to the contract services line-item.

Priority 6 will provide snow removal service 7 days per week during winter months plus monthly stair inspections for the 308 McHenry Stairs ($3,955). Stairs and railings are stained/painted every 3 years. This option includes an increase of .10 FTEs to the Parks III part-time pool.

Priority 7 will provide winter service for the restrooms located at the Quinn's Trailhead ($11,000). This includes a budget increase of $6,500 for utilities and $4,500 for cleaning and maintenance. This option will be offset with a reduction of service for the Creekside Park restrooms during the winter months for the same budge amount.

Priority 8 will provide annual maintenance of the trail system in Round Valley including grading and compaction and magnesium chloride treatments to ensure bonding ($4,000).

Administrative Interfund (IFT) Transfer Study Recommendation

In 2001, an Indirect Cost Analysis Summary Report was created that quantified the effective total cost of providing local government services within the City. For the last ten years, the City has used the same figures to calculate administrative interfund transfers from the enterprise funds (Golf, Water, and Transit) to the General Fund. This updated Administrative Interfund Transfer study (Attachment B) provides an updated estimate of cost of services to the enterprise funds from administrative departments within the General Fund. The purpose of the Admin IFT is to charge enterprise funds for indirect services provided from administrative departments. Thus, it is recommended that the enterprise funds will now pay for their own utilities and janitorial services, also the Enforcement and Administrative portion of the Business License Fee will now be received directly into the General Fund instead of through the Admin IFT. The budget option changes for each fund with utility and janitorial costs are as follows, Golf Fund: $8,015; Water Fund: -$66,179; and Transit Fund: $25,770. Also, it must be noted that these changes don't include the new Quinn's Water Treatment Plant Utility option ($50,500) and the Transit Facility Utility ($88,294) option.

Transit Fund Financial Assessment Study

The Transit Fund Financial Assessment Study (Attachment C) was conducted by staff as part of the Fiscal Year 2012 budget process. The study was conducted in order to assess the overall financial health of the Transit Fund and to augment the Park City FIAR which is presented to City Council during the budget process. The report describes the Transit Fund's revenues and expenditures and details the 10-year revenue and expenditure forecast for the fund. The bulk of the study consisted of creating the Transit Fund Model. The model acts as a 10-year adjustable balance sheet projection in which revenues and expenditures are forecasted using historical data and individual line item type. Projected out over time, the Transit Fund Model shows the operational cash flow and fund balance total of the Transit Fund.

The model includes built in levers which provide the ability to quickly view the long-term effects of adjustments made to revenue, expenditure, and capital projects in the fund. Revenue adjustments include the proposed plan to move 5 percent of the resort sales tax from the Transit Fund into the General Fund starting in FY2014 and possible transit sales tax rate adjustments. Potential service level increases include adding Park and Ride Service, SLC to PC Bus Initial and Expanded Service, PC to Heber Service, PC to Kamas Service, and Bus Rapid Transit SR-224. New potential capital projects include Facility Renewal, Bus Rapid Transit, and Transit Expansion Buses. Potential new services and capital projects will be discussed with Council pending the completion of the Short & Long Range Transit Plans which are currently underway.

The Short and Long Term Outlook section of the report details several Transit Fund scenarios which show the long-term effects of possible revenue, service level expenditure or capital adjustments to the fund . Each scenario is briefly described and displayed graphically.

The short and long term stability of the Transit Fund is strong. This is due in large part to cost savings in part-time personnel, large federal operating and capital grants, and stable revenue growth. As currently budgeted the Transit Fund is expected to see large net revenue returns over the next 3 years. However, while it is anticipated that Federal funding will continue to be available for capital and operating expenses in the future, federal funding has proven to be an erratic and unreliable funding source. It has been the intent of the City to budget and operate the Transit Fund at its current service levels without the reliance on federal money. While the current model shows the funds ability to maintain service levels without federal aid, capital replacement of busses and infrastructure would be severely limited without federal assistance.

Additionally, the Transit Department is currently working with transit consultants to update the short and long term transit development plans. It is anticipated that the studies will recommend additional services in the next several years such as Park and Ride service and SLC to PC service. As currently forecasted the Transit Fund will likely cover much of these costs without the need to increase additional revenue. However, if federal operating money does not continue at the anticipated amount, it is possible that the Transit Department will not be able to add additional services without either increasing transit sales tax revenue, moving 5% of resort tax back from the General Fund (after FY 2014), or implementing budget cuts.

It is staff's intent to update the Transit Fund Model yearly in order to monitor the financial health of the fund. Updates will include continued assessment of the fund's ability to receive federal operating and capital grant funds. Future updates will also include recommendations made in the short and long range transit plan.

Paid Parking Program

The City's Paid Parking Program is contained as an element within the Transportation Fund. The table below contains financial results for the City's Paid Parking program for FY 2010, FY 2011 year to date and forecasted FY 2011 year end.

Parking Operation	FY 2010	FY 2011 YTD Thru May 16	Estimated thru 6/30/2011
Parking Fines	$ 212,654	$ 177,719	$ 195,321
Parking Permits	$ 44,295	$ 44,020	$ 44,829
In Car Meters	$ 10,759	$ 9,199	$ 10,426
Quick Cards	$ 491	$ -	$ -
Token Sales	$ 7,335	$ 3,894	$ 4,737
Meter Revenue	$ 320,126	$ 347,977	$ 409,524
In-Car Meters	$ 2,125	$ 1,350	$ 1,865
Impound Fees	$ 968		$ 25
Total Revenues	**$ 598,753**	**$ 584,159**	**666,726**
Personnel	$ 178,415	$ 138,414	$ 158,450
Materials Supplies Services	$ 15,937	$ 18,749	$ 28,293
Utilities	$ 3,556	$ 2,997	$ 3,591
Contract Services	$ 259,122	$ 202,805	$ 251,520
Interfund Transfer	$ 49,148	$ 39,738	$ 39,738
Capital Equipment Replacement Fund	$ 44,333	$ 44,333	$ 44,333
Insurance	$ 10,139	$ 8,198	$ 8,198
Contribution to Park Silly Market		$ 40,000	$ 40,000
Contribution to HPCA		$ 40,000	$ 40,000
Total Expenses	**$ 560,651**	**$ 535,235**	**$ 614,124**
Net Revenues	**$ 38,102**	**$ 48,924**	**$ 52,602**

On February 25, 2010 City Council approved an increase in the Main Street hourly parking rate from $1.00 to $1.50. Staff initially forecasted this increase would generate an additional $160,000 in parking revenues. Council directed these revenues to be used as follows:

Contribution to Park City Silly Market	$40,000
Contribution to Historic Park City Association	$40,000
Transit Marketing Program	$40,000
Parking Program Cost Increases & Potential Subsidies for HPCA free parking programs (such As Thanksgiving thru December 15)	$40,000
	$160,000

Despite strong early returns, the increase in the City's parking rate has yielded less than initially forecasted. While it is difficult to precisely identify new rate revenue within the already widely fluctuating parking revenue, it is estimated that the new rate generated approximately $120,000 when compared to the same period before the rate was implemented. Additionally, Thanksgiving through December 15th additional revenue value is estimated at approximately $15,000. Therefore the total value generated by the rate increase is estimated at $135,000.

The table above forecasts year end FY 2011 parking program net revenue of $52,602. It is important to note that this net revenue does not include expenses for the Council directed transit marketing program. Staff waited to implement that program until ensuring forecasted revenues were realized. This program is included in the City Manager's recommended FY 2012 budget. When adjusted for this program the parking program forecasted net revenue for FY 2011 would be $12,602.

In 2010 the HPCA requested that the City not charge for parking on Main Street from Thanksgiving through December 15th, 2010. The above table reflects the inclusion of this program. Staff continues to support HPCA's free parking program (Thanksgiving to December 15th) but does not recommend funding additional HPCA free parking programs at this time given the small amount of forecasted net revenues. Staff will update Council on the program's actual financial results in August 2011 following the final closing of the 2011 fiscal year. Staff will coordinate with the HPCA and include any additional HPCA program requests in that update.

Capital Improvements Follow Up

As a follow up to the capital improvement plan discussion from May 12, staff now recommends that funding for the OTIS and Downtown Enhancement projects be removed from the 5-year capital plan. Due to the uncertainty surrounding the funding strategy for these projects, staff believes that a better approach would be to continue discussion on these projects and potential funding mechanisms over the next year, and defer inclusion in the capital plan until scope of the projects and funding is more certain.

Over the next year, staff will work with affected neighborhoods and entities to refine the scope of the OTIS projects and Downtown Enhancements. Cash is already in the carryforward CIP budget (remaining OTIS Phase II(a) funding, and RDA funds) to begin design and engineering on the next OTIS project, Empire Avenue, as well as further develop the design and scope of the Downtown Enhancements.

At the direction of Council, staff will also begin taking measures to gather input from the community regarding the content and scope of the City's infrastructure needs as well as preferred methods of funding. As was discussed in the meeting on May 12, staff would do the following to facilitate a community conversation:

1) Meet with key community/stakeholder groups to present on the issue and receive feedback
    a. Groups could include Chamber of Commerce Board, Lodging Association, HPCA, HOA's, Rotary Club, etc.
2) Public Outreach Communication
    a. Iterative polls and surveys

b. Questions open-ended at first, progressing to more fixed choice as preferred option become more clear

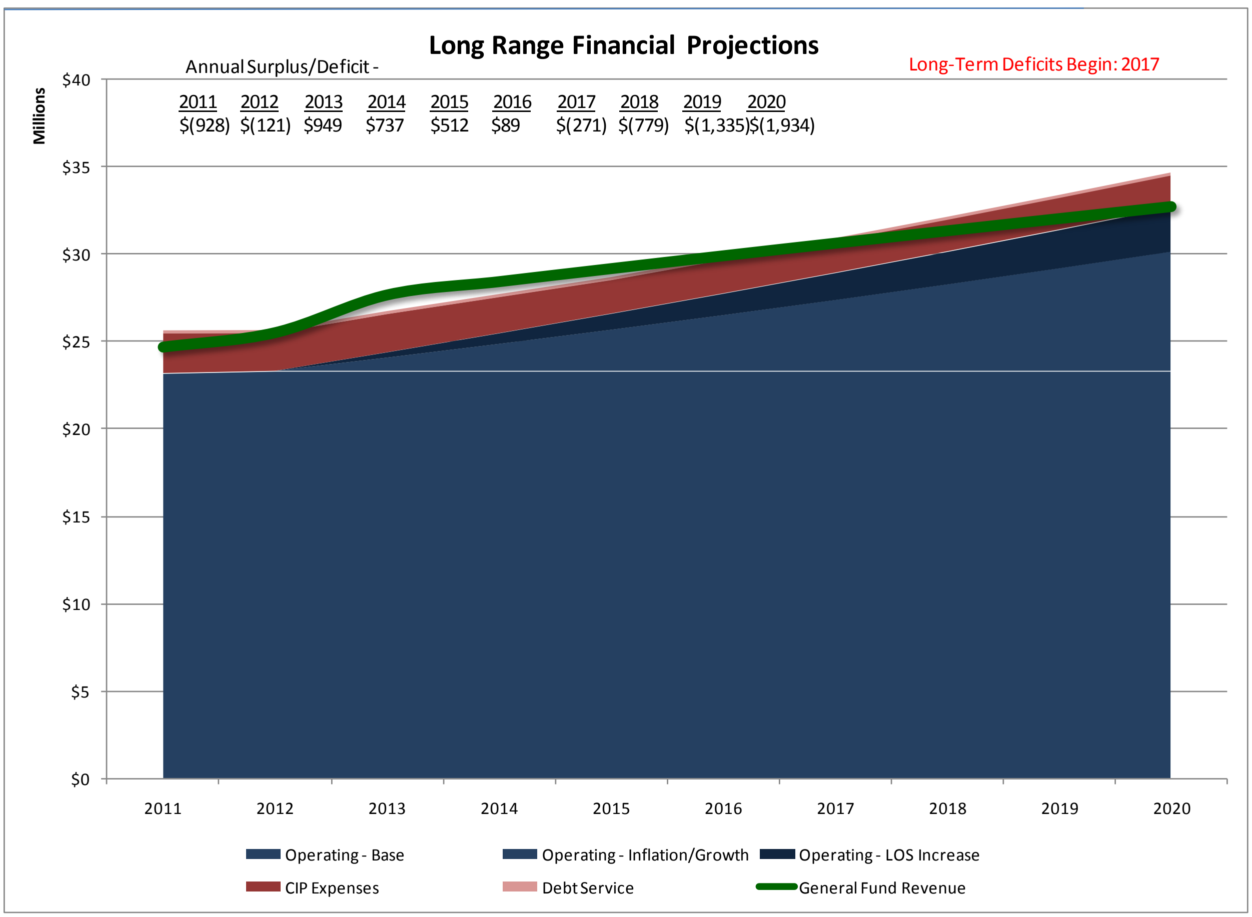
3) Focus Groups

   a. Could include CTAC

   b. Receive feedback on more specific proposals

4) Town Hall Meetings

It should be noted that removal of these projects from the long-term plan, as well as the funding mechanisms specified in the staff report on May 12th, results in an imbalanced long-term financial picture (five years from now). The figure below presents that graphically. Fundamentally, this is due to the underlying long-term operating financial issue that has been discussed at length in prior financial reports to Council as well as the current budget document. In summary, about a third of the City's operating revenues, property tax, grows at a rate less than inflation due to the State's truth in taxation laws. The entirety of the City's operating expenses grows at least at the rate of inflation. The result is loss of purchasing power over time. Eventually, the City must address this operating issue, either through operating cuts or tax/fee increases, or a combination of such approaches.



Marsac/Guardsman CIP Committee Recommendation
Additionally, among the projects that were not recommended for funding by the CIP Committee is a $30,000 request for a street light at Marsac Road and Guardsman Connection. Staff received a communication from concerned residents regarding the exclusion of this project from the 5-Year CIP, which was attached to the staff report for the 12th. Staff suggested on the 12th that the project be sent to the RELS (Request for Elevated Level of Service) Committee for consideration.

On May 18, the RELS Committee reviewed the request and determined that it did not constitute an elevated level of service. They recommended that the existing policy regarding location of street lights be applied, which would support having street lights at intersections. This being the case, the CIP Committee reconvened on May 20 to consider adjusting the priority for project funding. The CIP Committee found no cause to adjust the scoring that was given in March and reaffirmed the recommendation not to fund the project at this time. The City Manager concurs with that recommendation.

However, if Council feels that the project is a high policy priority and wants to override the staff recommendation; staff recommends that a corresponding cut be made elsewhere in the capital plan. In order to identify where this cut should come from, the Committee recommends following the existing prioritization framework and selecting from one of the lowest ranked projects which received funding, namely:

Project #	Project Name	Score	Amount
New 12	Monitor and Lucky John Drainage	13.63	$ 65,000
CP0089	**Public Art**	**14.28**	**$ 45,000**
New 10	Park Meadows Ponds Control Structure	14.91	$ 25,000
CP0251	**Electronic Record Archiving**	**14.97**	**$ 85,000**

To be clear, staff does not recommend cutting these projects in order to fund the street light. Rather, if Council chooses to fund the street light despite the staff recommendation, staff feels it would be most prudent to make a corresponding cut in the CIP, and the listed projects were the lowest ranked and therefore the next in line to be cut. If Council wants to fund the street light and not reduce other CIP projects to do so, then the fund balance for CIP projects would be reduced on a one-time basis.

Property Tax Policy Discussion
On May 12, staff suggested a strategy to fund large capital projects, namely OTIS and Downtown Enhancements over the next 10 years. While the current recommendation from staff is to spend the next year developing this strategy with community input, part of the community conversation will certainly include the potential for future property tax increases. Indeed the strategy suggested on the 12th included a series of smaller property tax increases between 2014 and 2020.

Council expressed a desire to continue conversation about the appropriateness of property tax increases, the tax burden on Park City residents, tax policy, etc. Staff included pertinent analysis in the staff report on the 12th, which is attached again to this report. During work session on the 26th, following the presentation on operating budgets, staff will briefly go over some of the data and facts on the topic. Council should then hold an open discussion on policy concerns surrounding property tax and tax burden levels for Park City residents.

When considering property tax policy, it's important to consider the intent and impacts of the State's truth in taxation laws. Truth and taxation reforms swept across the country in the 1980s and 1990s as state legislatures sought to please taxpayer groups bent on reducing the size, scope and costs of local government. Only taxes on new growth are allowed to be fully realized by the City. Tax dollars on the existing appraised properties, must remain constant. Inflation eats away at the vast majority of the taxes raised as the tax base goes up and the tax rate goes down. The only way for a City to cope with this reform, outside of raising property taxes, is to grow or redevelop rapidly, continuously innovate (process improvements, privatizing functions, consolidating services), use other new revenue sources, or cut its scope/mission and degrade services. A Council that finds itself not wanting to shrink its mission is threatened with having to say that they are raising taxes.

However, the State's policy has an ironic unintended consequence. In Utah, the tax limitation policy coincided with unprecedented economic expansion in the state. Thus, cities have seen significant sales tax growth over the last 20 years, which, coupled with sales tax redistribution which moves sales taxes from economic hubs to bedroom communities that would typically rely on property taxes to provide services, has resulted in property tax increases being extremely rare in Utah. Instead, Utah cities have let their revenue mixes trend toward sales tax, which is a much less hated tax, but is also significantly less transparent. Truthfully, the reason people don't hate sales tax as much as property tax is because 1) they don't receive a consolidated bill for sales tax so they don't have any idea how much they're actually paying annually, and 2) increases in sales tax are obscured – sales tax rates stay static while prices of taxable goods go up, meaning that private businesses have actually made the increase, not government. While Truth and Taxation laws have tried to create openness, they really have caused misinformation, disguised tax increases, and caused municipal revenue streams to become more volatile.

It is interesting to point out that the very state legislatures who instituted these mandates on local government, do not live by the same restrictions they impose on us. If state income tax and sales tax collections go up due to increased economic activity, the state does not have to say they are "raising taxes," take out newspaper ads and hold special hearings. No, they simply book the revenue.

By talking about taxes with the underlying assumption that adoption of the certified tax rate year in and year out should be sufficient, we are agreeing by default that we want to cut our scope and mission of our city. If we think about property taxes in their true historical context, and discuss and acknowledge the artificial restrictions the state has placed on us, we can free ourselves to focus more on what we want to provide our citizens and what an appropriate cost is for that service.

This is not to say that we should raise taxes every year. We should evaluate the needs and desires of the community and make wise choices, but we can approach our tax policy with an awareness that what is happening to our revenues is by the very design of the state. We should choose whether or not to limit ourselves rather than simply submitting to pressures of the state legislature built into the state code. We still must follow the law, and it will continue to be painful and confusing, but taking our thinking and discourse to a higher level will benefit our citizens and prepare us for the future.

Additional 3% Lump Merit Increases versus 2% Pay Grade Increases

During discussions on the City's pay plan during the fall and winter 2010-2011, Council expressed a desire to adjust the mix of guaranteed salary versus at risk pay (or performance based lump merit pay). In an effort to achieve a better balance, staff recommended that the 2% across the board increase to pay grades typically given in a pay plan off-year be supplanted with a 3% increase in unguaranteed lump merit eligibility. This gives management more flexibility to reward high performers while avoiding an inflationary effect on salaries. Staff noted that 3% lump merit bonuses and 2% across the board salary increases should have approximately the same budget impact since not all employees will earn a full lump merit bonus each year. At that time, Council directed staff to implement this change along with other changes identified regarding the pay plan.

On May 5th, staff presented the Tentative Budget which included an additional 3% lump merit eligibility in place of a 2% pay grade increase. The budget impact is approximately $250,000. At that time, Councilman Kernan expressed a concern that the long-term impact of the two courses of action was not negligible. He provided an analysis of a hypothetical position and the expected growth in salary over the next 25 years with and without the 2% increase in 2012. He concluded that the staff recommended course of action would cost 2.7% more over that span of time.

Staff has updated Councilman Kernan's analysis using total compensation value rather than just wages, which is more consistent with how actual pay benchmarking is carried out. In staff's analysis, the difference in the two plans over the 25 year span is only 0.63%. Furthermore, this form of analysis is very sensitive to various assumptions such as the relative positioning of Park City positions to the market at this point in time making the outcome of such an analysis less robust.

Staff will meet with Councilman Kernan prior to Council meeting on May 26 regarding this analysis, as directed by Council. Councilman Kernan is of the opinion that the more fiscally responsible route is to proceed with the 2% pay grade increase in FY 2012 rather than increase lump merit pools by 3%. Staff believes that the financial difference is negligible, and that the policy decision of leaning toward at-risk pay rather than guaranteed pay should be the focus of this discussion.

Department Review:
This report has been reviewed by the Budget, Debt, and Grants and City Manager departments. Each department team has reviewed their own operating expenditures section

Alternatives:

A. **Approve:**
Staff recommends that Council hold a public hearing regarding the Proposed Budget and provide direction on Administration Interfund Transfer, Transit Financial Assessment, CIP Follow-up, and Revenue & Taxation Policy.

B. **Deny:**
State statute requires at least one public hearing before the adoption of a Tentative Budget. The City has traditionally held a public hearing accompanying each discussion of the budget. If Council decides to forgo a public hearing at this time, another must be held before adoption of the Tentative Budget.

C. **Modify:**

D. **Continue the Item:**
This has the same effect as Alternative B.

E. **Do Nothing:**
This also has the same effect as Alternative B.

Significant Impacts:
This public hearing would satisfy the requirements of state statute to hold a public hearing before the adoption of a tentative budget.

Consequences of not taking the recommended action:
If Council decides to forgo a public hearing at this time, another must be held before adoption of the Tentative Budget.

Recommendation:
Hold a public hearing on the City Manager’s Recommended Budget. Provide direction concerning the operating budget options, reductions, and levels of service. Provide direction on Administration Interfund Transfer, Transit Financial Assessment, CIP Follow-up, and Revenue & Taxation Policy.

Attachments:

Attachment A – Departmental Budget Requests
Attachment B – Administrative Interfund Transfer Study
Attachment C - Transit Fund Financial Assessment Study
Attachment D – Letter from HPCA President

Budget Option Descriptions (by Team)

Community Development

Approved

Budget Options

Priority* Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 1 Public Works Inspector Position (ENCDPD) This option modifies the funding for the current FTE Public Works Inspector position located in Engineering. Because the position will be shared 75% by Engineering and 25% Transit, this option funds the position 75% from Engineering funds and 25% from Transit funds. In the interim, field inspection provided by an individual from the Water Department will be funded by the Water Department. This individual is developed by the FTE Public Works Inspector to take over the field inspections once staffing needs are determined in the Water Department after the new Treatment Plant comes online.	**BFO:** Inspections **Goal:** Public Safety	Engineering	**$ 0**	**$-20,710**	**$-20,710**
Y - 4 Contract Employee Funds (PLCDCE) Currently, the department has a contract employee; funds to pay for this position come from the Planning Department's Consulting Funds line item. This does not allow the department to truly use the funds for consulting. As the Department responds to Commission/Council objectives; the department will need increased funds to actually move into using consultants to assist with the General Plan as well as needed studies for Bonanza Park and other areas throughout the City. The funding of the contract employee position will assist these consulting funds.	**BFO:** Long Range Planning **Goal:** Preservation of Park City Character	Planning Dept.	**$ 0**	**$ 140,688**	**$ 15,000**
Y - 4 Reduce Building Inspections (PLCDCEO*) With the retirement of a Plans Examiner position in September 2010, one contract employee (Building Inspector) was moved to that position and the other contract position (Building Inspector) employment contract expired at the end of December 2010. The net savings of these two positions resulted in $83,920 (2X) for the fiscal year. With the slow down in the economy, the work was absorbed by the other five building inspection positions. The Building Department anticipates that the construction industry will return to the 2007/2008 level in 2013.	**BFO:** Inspections **Goal:** Public Safety	Building Dept.	**$ 0**	**$-140,688**	**$-140,688**
Y - 5 Public Works Options (ENCDLM) This option will provide landscape maintenance for Sandridge Avenue and Hillside Avenue Landscaping.	**BFO:** Park Amenities & Infrastructure **Goal:** Recreation, Open Space & Trails	Parks & Cemetery	**$ 0**	**$ 2,600**	**$ 2,600**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Community Development

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 6	**Professional Development (PLCDPD)** Moves Analyst I to Analyst II. This completes the Professional Development Plan for this position.	**BFO:** Customer Service - Planning Dept **Goal:** Preservation of Park City Character	Planning Dept.	**$ 0**	**$ 6,844**	**$ 6,844**
Y - 6	**Reduction in Contract Services (PLCDPDO*)** Reduction in contract services will not decrease LOS.	**BFO:** Long Range Planning **Goal:** Preservation of Park City Character	Planning Dept.	**$ 0**	**$-6,844**	**$-6,844**
Y - CM	**Planning Technician (PLCDPT)** Moves Building Analyst II to Planning Technician.	**BFO:** Code Amendments **Goal:** Public Safety	Planning Dept.	**$ 0**	**$ 66,023**	**$ 66,023**
Y - CM	**Cut Building Analyst II Position (PLCDPTO*)** Moves Building Analyst II to Planning Technician.	**BFO:** Planning Appilcation Review **Goal:** Preservation of Park City Character	Building Dept.	**$ 0**	**$-66,023**	**$-66,023**
Y - TEC	**Personnel Technical Adjustment (BLCDTC)** Correct FTE mistake.	**BFO:** N/A **Goal:** N/A	Building Dept.	**$ 0**	**$ 242**	**$ 242**
Y - TEC	**Housing Allowance Adjustment (HAADJ)** This option increases or decreases the housing allowance for each department based on current numbers.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$-2,626**	**$-2,626**
Y - TEC	**Technical adjustment to show FY2012 URS cost (TEC1)** URS adjustment	**BFO:** N/A **Goal:** N/A	Operating Departments	**$ 0**	**$ 5,939**	**$ 5,939**
Y - TEC	**Heath Care Premium (TEC2)** Heath Care premium - medical cost	**BFO:** N/A **Goal:** N/A	Operating Departments	**$ 0**	**$ 22,824**	**$ 22,824**
		Total Approved for Budget Options:		**$ 0**	**$ 8,270**	**$-117,418**
		Total Approved Options for Community Development:		**$ 0**	**$ 8,270**	**$-117,418**

Not Approved

Budget Options

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Community Development

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
N - 2	**Planner II (PLCDLR)** This option will allow the Planning Department to improve both long-range planning operations as well as address daily planning needs including HDDR, CUP, MPD, and other applications. Based upon the BFO submittal, this will address many staff resource issues. This addition to the Community Development/BPE team would be invaluable in addressing a current resource shortage as well as improving overall team operations.	**BFO:** Historic District/Long Range Planning **Goal:** Preservation of Park City Character	Planning Dept.	**$ 0**	**$ 95,553**	**$ 95,553**
N - 3	**PC Heights Inspection (One-time) (ENCDIN)** Provide Public Works Inspection during the construction of utilities and roads for the Park City Heights development. Revenue offsets will be generated with the collection of inspection fees from the developer.	**BFO:** Inspections **Goal:** Public Safety	Engineering	**$ 0**	**$ 57,600**	**$ 57,600**
N - 3	**Revenue Offset - Engineering Inspection Fee (ENCDINR*)** Using rough dimensions and unit costs from Bonanza Drive and Sandridge--estimated cost for the first Phase of Park City Heights. The estimate includes road, curb and gutter, sidewalks, storm drains and water line. Total Estimated Construction Cost equals $3,971,500; Engineering Inspection Fee at 6% of construction costs $238,290.	**BFO:** N/A **Goal:** N/A	Construction Inspections	**$ 0**	**$-119,145**	**$-119,145**
			Total Not Approved for Budget Options:	**$ 0**	**$ 34,008**	**$ 34,008**
			Total Not Approved Options for Community Development:	**$ 0**	**$ 34,008**	**$ 34,008**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Executive

Approved

Budget Options

Priority* / Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 1 Self Ins - Insurance/Surety Bonds (SIEDSB) Increase in Self-Insurance and Surety Bonds premiums due to anticipated hardening of insurance market and increase in City's facilities.	**BFO:** Risk Management **Goal:** Open & Responsive Government to the Community	Self Ins & Sec Bond	**$ 31,000**	**$ 31,000**	**$ 43,000**
Y - 2 Works Comp (WCEDCR) Increase in workers' comp claim reimbursement (actual reimbursement costs).	**BFO:** Risk Management **Goal:** Open & Responsive Government to the Community	Workers Comp	**$ 40,000**	**$ 40,000**	**$ 40,000**
Y - 3 ELECTIONS (ELEDCS) Contract Services - Budget adjustments to cover elections expenses. FY11 is an off-election year and expenses are minimal. City elections are scheduled in FY12. FY13 is an off-year with minimal expenses anticipated.	**BFO:** Community Outreach and Citizen Engagement **Goal:** Open & Responsive Government to the Community	Elections	**$ 1,500**	**$ 13,500**	**$ 1,500**
Y - CM Office Assistant, Legal Intern, Engineering Consulting (CMEDSR) Remove Senior Recorder position and replace with part-time personnel and contract services.	**BFO:** Short-Term Citywide Personnel **Goal:** Open & Responsive Government to the Community	City Manager Engineering Legal	**$ 0**	**$ 61,733**	**$ 61,733**
Y - CM Remove Senior Recorder (CMEDSRO*) Remove Senior Recorder position and replace with part-time personnel and contract services.	**BFO:** Risk Management **Goal:** Open & Responsive Government to the Community	City Manager Workers Comp	**$ 0**	**$-74,449**	**$-74,449**
Y - CM Victim Advocate (LGEDVA) Same level of service, replacing position eliminated by RIF in County. Offset by grant (pending)	**BFO:** Community Support **Goal:** Public Safety	Police	**$ 0**	**$ 7,500**	**$ 7,500**
Y - CM Environmental Regulatory (SIEDOL) Increase outside legal services for environemtanl regulation for current fiscal year. Not needed in future fiscal years due to new Environmental Regulatory budget.	**BFO:** Environmental Regulation/EPA **Goal:** N/A	Self Ins & Sec Bond	**$ 100,000**	**$ 0**	**$ 0**
Y - TEC Base Level Adjustment (BADJ) Zero-sum changes to budget lines within a department.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$ 0**	**$ 0**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Executive

Priority* Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - TEC Housing Allowance Adjustment (HAADJ) This option increases or decreases the housing allowance for each department based on current numbers.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$-2,626**	**$-2,626**
Y - TEC Technical adjustment to show FY2012 URS cost (TEC1) URS adjustment	**BFO:** N/A **Goal:** N/A	Operating Departments	**$ 0**	**$ 3,571**	**$ 3,571**
Y - TEC Heath Care Premium (TEC2) Heath Care premium - medical cost	**BFO:** N/A **Goal:** N/A	Operating Departments	**$ 0**	**$ 18,222**	**$ 18,222**
	Total Approved for Budget Options:		**$ 172,500**	**$ 98,450**	**$ 98,450**

5% Plan Options

Priority* Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - TEC Legal Duplicative Outside Legal Service (LDEDLD5) Mistake corrected from FY09 Budget Process. Part of 5% budget cuts.	**BFO:** N/A **Goal:** N/A	Legal	**$ 0**	**$ 0**	**$ 0**
	Total Approved for 5% Plan Options:		**$ 0**	**$ 0**	**$ 0**
	Total Approved Options for Executive:		**$ 172,500**	**$ 98,450**	**$ 98,450**

Not Approved

Budget Options

Priority* Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
N - 4 Meetings, Conference, Travel (LGEDMC) Same level service - currently charged against Water Fund and increased demand from Council-directed EPA/Environmental.	**BFO:** Environmental Regulation/EPA **Goal:** Preservation of Park City Character	Legal	**$ 3,000**	**$ 3,000**	**$ 3,000**
	Total Not Approved for Budget Options:		**$ 3,000**	**$ 3,000**	**$ 3,000**
	Total Not Approved Options for Executive:		**$ 3,000**	**$ 3,000**	**$ 3,000**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Golf Services

Approved

Budget Options

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 1	**Inventory for Retail (GPGOIR)** Park City will be hosting 3 statewide golf tournaments this season, including the Men's Senior State Am. The Golf Department will need to increase retail products as all prizes are awarded in shop credits.	**BFO:** Golf Retail Operations **Goal:** Recreation, Open Space & Trails	Golf Pro Shop	**$ 0**	**$ 10,000**	**$ 10,000**
Y - 1	**Revenue Offset (GPGOIRR*)** The increase in tournaments requires the Gold Department to purchase additional items for retail. The golf course averages 40% return on investment in this line item.	**BFO:** Golf Retail Operations **Goal:** Recreation, Open Space & Trails	Pro Shop Retail Sale	**$ 0**	**$-14,000**	**$-14,000**
Y - 2	**Professional Development Plan Class A PGA Golf Professional (GPGOPD)** This development plan provides an avenue for an Assistant Golf Professional to pursue his or her Class A PGA certification. Having a Class A PGA Professional allows the golf course to attract larger professional state golf tournaments. This plan will be financially supported by reduction in the Part-Time Seasonal line item and future revenue increases.	**BFO:** Golf Management Operations **Goal:** Recreation, Open Space & Trails	Golf Pro Shop	**$ 7,109**	**$ 77,845**	**$ 77,845**
Y - 2	**Reduction in Part-time Assisant Golf Pro (GPGOPDO*)** This plan is financially supported by the reduction in the Part-Time Seasonal line item and future revenue increases.	**BFO:** Golf Management Operations **Goal:** Recreation, Open Space & Trails	Golf Pro Shop	**$ 0**	**$-28,791**	**$-28,791**
Y - 2	**Revenue Offset (GPGOPDR*)** Golf course fees will be increased.	**BFO:** N/A **Goal:** N/A	Golf Fees Pass Fees	**$ 0**	**$-49,053**	**$-49,053**
Y - 3	**Golf Cart Repair and Maintenance (GPGOGC)** As golf cart fleet ages there will be increased costs of repairs. The fleet is currently paid for and has a revenue stream of $180,000.	**BFO:** Golf Management Operations **Goal:** Recreation, Open Space & Trails	Golf Pro Shop	**$ 0**	**$ 2,700**	**$ 2,700**
Y - 3	**Reduction in Contract Services (GPGOGCO*)** The decrease in this line item will not affect the level of service. HOA fees for Hotel Park City is the main item in contract services, having been a member of the HOA for the last year, Golf Fund payments have become consistent and there is reserve in this account to fund golf cart repair.	**BFO:** Golf Management Operations **Goal:** Recreation, Open Space & Trails	Golf Pro Shop	**$ 0**	**$-2,700**	**$-2,700**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Golf Services

Priority* / Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - CM **Admin IFT Reallocation (ADMINIFT)** Reallocation of funding determined by Admin IFT study. Change in IFTs, utility charges, and business license revenue.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$ 8,015**	**$ 8,015**
Y - TEC **Golf Manager Fund Change (GPGOGM)** Moves Golf Manager position from 70% Golf 30% Rec to 50% Golf 50% Executive.	**BFO:** N/A **Goal:** N/A	City Manager City Recreation Golf Pro Shop	**$ 0**	**$ 3**	**$ 3**
Y - TEC **Reduce HR Contract Services (GPGOGMO*)** Reduction to misc. contract services reduces HR's ability to interdepartmentally fund temporary, intern, and/or emergency staffing. Level of service impact should be somewhat minimal.	**BFO:** Short-Term Citywide Personnel **Goal:** Open & Responsive Government to the Community	Human Resources	**$ 0**	**$-21,557**	**$-21,557**
Y - TEC **Housing Allowance Adjustment (HAADJ)** This option increases or decreases the housing allowance for each department based on current numbers.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$ 306**	**$ 306**
Y - TEC **Technical adjustment to show FY2012 URS cost (TEC1)** URS adjustment	**BFO:** N/A **Goal:** N/A	Operating Departments	**$ 0**	**$ 668**	**$ 668**
Y - TEC **Heath Care Premium (TEC2)** Heath Care premium - medical cost	**BFO:** N/A **Goal:** N/A	Operating Departments	**$ 0**	**$ 3,126**	**$ 3,126**
		Total Approved for Budget Options:	**$ 7,109**	**$-13,438**	**$-13,438**
		Total Approved Options for Golf Services:	**$ 7,109**	**$-13,438**	**$-13,438**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Library & Recreation

Approved

Budget Options

Priority* / Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 1 Professional Development (CRLRPD) Removing an Analyst II and replacing it with an Analyst III. This completes the Professional Development Plan for this position.	**BFO:** Rec Center Operations **Goal:** Recreation, Open Space & Trails	City Recreation	**$ 0**	**$ 9,104**	**$ 9,104**
Y - 1 Part-time Staff Reduction (CRLRPDO*) The increase is off set with a reduction in Part-Time staff. The employee that is moving from Analyst II to III has been paid for the last several years in the Analyst III range and thus covered within the department budget. The actual increased cost to the department, in the difference from where currently paid to working level, will not result in a decreased level of service.	**BFO:** Rec Center Operations **Goal:** Recreation, Open Space & Trails	City Recreation	**$ 0**	**$-9,018**	**$-9,018**
Y - 2 Library On-line Catalog Software Upgrade (LBLRCS) Search capability of current on-line card catalog needs improvement. Upgrade is similar to a Google search where items can still be located when user's spelling or search terms are incorrect. This will ensure that library user's can successfully locate materials. Children's interface is also included.	**BFO:** Library Technical Services **Goal:** Preservation of Park City Character	Library	**$ 0**	**$ 3,000**	**$ 2,500**
Y - 2 Revenue Offset (LBLRCSR*) Ice Facility will cover this option with increase in rental revenue.	**BFO:** N/A **Goal:** N/A	Ice Facility Rent	**$ 0**	**$-3,000**	**$-2,500**
Y - 3 Main St. Rink Staffing (ICLRSL) If funds are approved as part of the CIP process for the Ice Arena to operate an ice sheet in the vicinity of Main St, the Ice Arena will need the requested amount to install, maintain, and provide staffing for the ice rink.	**BFO:** Ice Operations **Goal:** Recreation, Open Space & Trails	Ice Facility	**$ 0**	**$ 25,564**	**$ 25,564**
Y - 3 Revenue Offset (ICLRSLR*) Estimated revenue for three months of operation is $50,000 from Admissions and Skate Rental fees. Plus, $15,000 from Sky Lodge. $20,000 used in first year to offset CIP request.	**BFO:** N/A **Goal:** N/A	ICE FAC - HOCKEY DROP IN YOUTH	**$ 0**	**$-45,000**	**$-65,000**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Library & Recreation

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 5	**Children's Storytime & Teen Programs (LBLRST)** Current storytimes offered could be increased to include a regular evening and weekend program for parents who work. A quarterly program for teens could also be added. This would be achieved by increasing part-time staff hours (6 additional per week) to staff the programs.	**BFO:** Library Youth & Spanish Services **Goal:** Preservation of Park City Character	Library	**$ 0**	**$ 4,976**	**$ 4,976**
Y - 6	**Purchasing for Retail (ICLRPR)** The Ice Arena has seen an increase in demand for retail items with the addition of skate sales. The requested amount is for the purchase and sale of additional figure skates. This service was added as part of last year's budget cycle and has been very popular. The Ice Arena only purchases skates for customers when orders are placed and does not stock inventory. This budget line is demand-based and only is spent if orders are placed for skates.	**BFO:** Ice Retail **Goal:** Recreation, Open Space & Trails	Ice Facility	**$ 0**	**$ 4,000**	**$ 4,000**
Y - 6	**Revenue Offset (ICLRPRR*)** This season, the ROI has been $1.98 for each dollar spent on skates and the Ice Department has spent the amount allocated during last year's budget cycle.	**BFO:** N/A **Goal:** N/A	RETAIL SALES	**$ 0**	**$-8,000**	**$-8,000**
Y - 7	**Birthday Parties (CRLRBP)** The Recreation Department will be offering full service birthday party packages in the new PCRC, thus needing to increase staffing to clean/set up the facility on weekends and evenings. It is estimated that City Recreation will have $108,135 in revenue for FY13 and $52,650 for FY 12.	**BFO:** Rec Center Operations **Goal:** Recreation, Open Space & Trails	City Recreation	**$ 0**	**$ 32,753**	**$ 57,655**
Y - 7	**Revenue Offset (CRLRBPR*)** From November 2011 to June 2012 we are estimating that we will have 13 birthday parties a week @ $135 each for revenue of $52,650. For fiscal year 2012 the estimate is 216 parties in the summer when the pool is open and 585 the rest of the year for an average of 15.4 birthdays a week. This will generate $108,135. (Part of revenue used to offset other options.)	**BFO:** N/A **Goal:** N/A	Birthday Parties	**$ 0**	**$-48,650**	**$-104,135**
Y - 9	**Electricity at Ice Arena (ICLREC)** Increases to this budget line allows the Ice Department to cover increased demand by users as well as inflationary increases in the price of electricity.	**BFO:** Ice Opeartions **Goal:** Recreation, Open Space & Trails	Ice Facility	**$ 0**	**$ 4,000**	**$ 4,000**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Library & Recreation

Priority* Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 9 Natural Gas Reduction (ICLRECO*) Ice Management projects a small surplus in natural gas expenditures, and will use $1,000 from that budget line and an increase of $3,000 in Ice rental revenue to offset the remaining $3,000 of the budget request.	**BFO:** Ice Opeartions **Goal:** Recreation, Open Space & Trails	Ice Facility	**$ 0**	**$-1,000**	**$-1,000**
Y - 9 Revenue Offset (ICLRECR*) Ice Management projects a small surplus in natural gas expenditures, and will use $1,000 from that budget line and an increase of $3,000 in Ice rental revenue to offset the remaining $3,000 of the budget request.	**BFO:** N/A **Goal:** N/A	Ice Facility Rent	**$ 0**	**$-3,000**	**$-3,000**
Y - 10 Pro Shop (TNLRPS) In the new PCRC the department will have an expanded Pro Shop requiring staffing and purchase of inventory. The old pro shop was liquidated and the funding removed from the budget last year.	**BFO:** Tennis Pro Shop **Goal:** Recreation, Open Space & Trails	Tennis	**$ 0**	**$ 94,753**	**$ 101,835**
Y - 10 Revenue Offset (TNLRPSR*) Revenue is generated through the sale of merchandise in the Pro Shop. For FY12 estimating a 33% ROI and FY 13 a 28% ROI.	**BFO:** N/A **Goal:** N/A	Retail Sales	**$ 0**	**$-110,000**	**$-110,000**
Y - 12 Group Fitness (CRLRGR) The new PCRC will have an additional group fitness studio which will increase classes from 53/wk to 65/wk. Fitness classes had the highest unmet need when the recreation survey was done in 2006. There is a revenue offset with the increased pass sale volume. Estimated at $4,800 increase.	**BFO:** Adult Programs - City Recreation **Goal:** Recreation, Open Space & Trails	City Recreation	**$ 0**	**$ 1,579**	**$ 2,631**
Y - 12 Revenue Offset (CRLRGRR*) Increase revenue due to increased pass sales and drop in fees related to group fitness. The addition of a third studio and classes will increase revenue at least $4,800.	**BFO:** N/A **Goal:** N/A	Aerobics	**$ 0**	**$-4,800**	**$-4,800**
Y - 14 Rec Center Maintenance (CRLRFM) This provides maintenance on the New expanded Racquet Club. These budget figures are to provide the same level of service to the expanded facility and represent a 30% increase in size of the building with additional restroom and public areas. Utilities only account for a small increase due to more efficient HVAC and lighting being installed.	**BFO:** Janitorial Services **Goal:** Open & Responsive Government to the Community	Bldg Maint Adm	**$ 0**	**$ 34,000**	**$ 34,000**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Library & Recreation

Priority* Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 14 Revenue Offset (CRLRFMR*) There is a revenue offset by the opening of the new Rec Center. There is increased revenue from birthday parties, pass sales, tennis price increase, fee increase and general increased usage of the facility. While it is difficult to tie the revenue directly to this expense, it is an expense related to a new larger facility that generates revenue. The utility costs will be closely monitored to see what the actual expense is. Ballard King and Associates estimated a revenue increase of between $173,000 and $242,000 per year with a net reduction in subsidy levels of $110,000 to $139,000.	**BFO:** N/A **Goal:** N/A	Birthday Parties Retail Sales	**$ 0**	**$-34,000**	**$-34,000**
Y - 16 Creekside Park (ICLRCP) This option provides maintenance at a Service Level 3 with no winter maintenance. The majority of the staff time & money must go towards playground equipment inspections & repairs as we are required to provide safe equipment. This will be a maintenance standard lower than all other neighborhood parks.	**BFO:** Park Amenities & Infrastructure **Goal:** Recreation, Open Space & Trails	Parks & Cemetery	**$ 0**	**$ 10,986**	**$ 10,986**
Y - 17 Tennis Bubble (TNLRTB) The cost each year for installing and removing the bubble is $22,000. This has increased costs as the bubble manufacturer installs and removes each year. Estimated revenue from bubble this year is $123,817. Same level request.	**BFO:** Tennis Operations **Goal:** Recreation, Open Space & Trails	Tennis	**$ 0**	**$ 10,050**	**$ 10,050**
Y - 17 Revenue Offset (TNLRTBR*) Increase of indoor tennis court time from $22/hr to $24/hr for residents and $33 to $36 for visitors. The fee increase for just the 3 bubble courts will generate an additional $12,000.	**BFO:** Tennis Operations **Goal:** Recreation, Open Space & Trails	Tennis Court Fees	**$ 0**	**$-12,000**	**$-12,000**
Y - 20 Summer Day Camp (CRLRSD) Due to new legislation, the day camp must become a state licensed daycare requiring NAC certification for the director, enhanced background checks, and licensing costs. Director licensing is a 40 hour class.	**BFO:** Youth Programs - City Recreation **Goal:** Recreation, Open Space & Trails	City Recreation	**$ 0**	**$ 2,080**	**$ 2,080**
Y - 20 Revenue Offset (CRLRSDR*) Increased revenue due to fee increase for summer day camp. In FY 10 the camp generated $81,419 in revenue. The fee increase of 6.5% will generate an additional $5,300.	**BFO:** N/A **Goal:** N/A	Day Camp	**$ 0**	**$-5,300**	**$-5,300**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Library & Recreation

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 21	**Dirt Jump Park Maintenance (CRLRDJ)** The park has expanded in size requiring increased maintenance. It is currently budgeted for 16 hrs a week and needs to be increased to 20 hrs a week for a cost of $1,404. Current revenue from camps is $4,200.	**BFO:** Park Amenities & Infrastructure **Goal:** Recreation, Open Space & Trails	Parks & Cemetery	**$ 0**	**$ 1,422**	**$ 1,422**
Y - 21	**Reduce Front Desk Staffing (CRLRDJO*)** This reduces staffing at the front desk of the recreation center by approximately 142 hours a year, resulting in a lower level of customer service to patrons.	**BFO:** Rec Center Operations **Goal:** Recreation, Open Space & Trails	City Recreation	**$ 0**	**$-1,362**	**$-1,362**
Y - 22	**Youth Soccer (CRLRYS)** Price increase in soccer uniforms and RSL Juniors program. This is a same level request as uniforms and the RSL Junior program have a price increase. Instead of cutting services in other areas, the Recreation Manager recommends not offering RSL Juniors and finding other alternatives to soccer uniforms, such as reversible jerseys.	**BFO:** Youth Programs - City Recreation **Goal:** Recreation, Open Space & Trails	City Recreation	**$ 0**	**$ 1,100**	**$ 1,100**
Y - 24	**Pro Shop (TNLRPS2)** While under renovation, Tennis has been purchasing and selling inventory (racquets, stringing, balls etc.) out of the trailer. Current budget is ($8,000) and needs to be increased $18,000 to $10,000. Revenue offset of $25,000.	**BFO:** Tennis Pro Shop **Goal:** Recreation, Open Space & Trails	Tennis	**$ 18,000**	**$ 0**	**$ 0**
Y - 24	**Pro Shop (TNLRPS2R*)** While under renovation, Tennis has been purchasing and selling inventory (racquets, stringing, balls etc.) out of the trailer. Current budget is ($8,000) and needs to be increased $18,000 to $10,000. Revenue offset of $25,000.	**BFO:** N/A **Goal:** N/A	Retail Sales	**$-25,000**	**$ 0**	**$ 0**
Y - 25	**Scissor Lift (ICLRSC)** Scissor lift needed for ice rink. Asked for in CIP, but moved to operating for a one-time expense.	**BFO:** Ice Operations **Goal:** Recreation, Open Space & Trails	Ice Facility	**$ 0**	**$ 7,500**	**$ 0**
Y - TEC	**Base Level Adjustment (BADJ)** Zero-sum changes to budget lines within a department.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$ 0**	**$ 0**
Y - TEC	**M & S Technical Adjustment (CRLRTC)** Mistake corrected from FY09 Budget Process. Part of 5% budget cuts.	**BFO:** N/A **Goal:** N/A	Tennis	**$ 0**	**$ 0**	**$ 0**
Y - TEC	**Housing Allowance Adjustment (HAADJ)** This option increases or decreases the housing allowance for each department based on current numbers.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$ 131**	**$ 131**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Library & Recreation

Priority* / Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - TEC Technical adjustment to show FY2012 URS cost (TEC1) URS adjustment	**BFO:** N/A **Goal:** N/A	Operating Departments	**$ 0**	**$ 4,389**	**$ 4,389**
Y - TEC Heath Care Premium (TEC2) Heath Care premium - medical cost	**BFO:** N/A **Goal:** N/A	Operating Departments	**$ 0**	**$ 21,808**	**$ 21,808**
		Total Approved for Budget Options:	**$-7,000**	**$-11,935**	**$-61,885**
		Total Approved Options for Library & Recreation:	**$-7,000**	**$-11,935**	**$-61,885**

Not Approved

Budget Options

Priority* / Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
N - 2 Library Service Hours Reduction (LBLRCSO*) Closing the library one hour earlier (8pm instead of 9pm) on Mon-Thurs would save approximately $5.376. The resulting savings could be used to offset the on-line library catalog upgrade (option 2) and increased teen and children's programming (option 5).	**BFO:** Library Adult/Youth Services **Goal:** Preservation of Park City Character	Library	**$ 0**	**$-2,999**	**$-2,499**
N - 4 Licensing fees for Class Software (ICLRLF) The Ice Arena and Recreation Department will have increases to the licensing fees due to the addition to the League Module that helps in scheduling and maintaining league information.	**BFO:** Adult Programs - Ice Facility **Goal:** Recreation, Open Space & Trails	City Recreation Ice Facility	**$ 0**	**$ 2,000**	**$ 2,000**
N - 4 Revenue Offset (ICLRLFR*) Revenue increase is based on increased league participation in adult leagues (soccer, softball, basketball, kickball, flag football and volleyball) as well as adult hockey league growth and a slight fee increase for FY '12.	**BFO:** N/A **Goal:** N/A	Ice Facility League Rental League Fees	**$ 0**	**$-2,000**	**$-2,000**
N - 5 Library Service Hours Reduction (LBLRSTO*) Closing the library one hour earlier (8pm instead of 9pm) on Mon-Thurs would save approximately $5,376. The resulting savings could be used to offset the on-line library catalog upgrade (option 2) and increased teen and children's programming (option 5).	**BFO:** Library Adult/Youth Services **Goal:** Preservation of Park City Character	Library	**$ 0**	**$-2,375**	**$-2,375**
N - 8 Large Print Books (LBLRPB) Senior Citizens and vision impaired library users have requested a greater selection of large print books. Currently the library purchases 84 titles per year. An increase to this budget line of $2,000 would allow for the purchase of an additional 60 titles per year.	**BFO:** Library Adult Services **Goal:** Preservation of Park City Character	Library	**$ 0**	**$ 2,000**	**$ 2,000**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Library & Recreation

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
N - 11	**Audio Books and DVDs (books on CD, MP3, Flash Drives) (LBLRAB)** According to Bowker Annual's 2010 statistics audio book prices rose 7% and DVD prices rose 3%. To retain current purchasing power the library will need corresponding increases to each of these budgets. $1141	**BFO:** Library Adult Services **Goal:** Preservation of Park City Character	Library	**$ 0**	**$ 1,141**	**$ 1,141**
N - 13	**Books for Children and Adults (LBLRBC)** Average price increase for books according to the 2010 Bowker Annual Book Industry Statistics was 2.4%. In order to keep pace with this increase the library is requesting a 2.4% increase to the book budget, which is $1,027.	**BFO:** Library Adult/Youth Services **Goal:** Preservation of Park City Character	Library	**$ 0**	**$ 1,027**	**$ 1,027**
N - 15	**Magazine Subscriptions (LBLRMS)** Subscription price for the Library's magazines has risen 5%. This increase is projected to continue and is consistent with rises in periodical prices in the past two years. In order to provide access to the same number of periodicals an increase of $338 in FY12 and $354 in FY13 will be necessary.	**BFO:** Library Adult Services **Goal:** Recreation, Open Space & Trails	Library	**$ 0**	**$ 338**	**$ 354**
N - 16	**Reduce Staffing for Aquatics (ICLRCPO*)** This reduces staffing for aquatics resulting in a shorter season by three weeks. This also eliminates spring swim lessons and the leisure pool will remain closed until school is out for the summer.	**BFO:** Adult Programs - City Recreation **Goal:** Recreation, Open Space & Trails	City Recreation	**$ 0**	**$-21,700**	**$-21,700**
N - 16	**Revenue Decrease (ICLRCPR*)** Reduction in spring swim lessons.	**BFO:** N/A **Goal:** N/A	Swim Fees	**$ 0**	**$ 3,000**	**$ 3,000**
N - 18	**On-line classes for adult education (LBLROC)** Library subscription would provide card holders free access to over 500 personal and professional courses. Many of the topics could benefit local businesses such as customer service, accounting, leadership, project management, etc. Some of the classes count for continuing education units.	**BFO:** Library Adult Services **Goal:** Preservation of Park City Character	Library	**$ 0**	**$ 3,000**	**$ 3,000**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Library & Recreation

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
N - 19	**Uniforms for Staff (CRLRUS)** In the new PCRC the Recreation Department wants all staff to be identified with logo wear. This is also true for all offsite staff. This will add professionalism and ownership in the department as team members will be easily identified by the public. Instead of reducing another budget line the Recreation Manager recommends that this option not be approved. While uniforms would add professionalism and a sense of pride in working for the department it is not worth reducing the level of service to the community.	**BFO:** Rec Center Operations **Goal:** Recreation, Open Space & Trails	City Recreation	**$ 0**	**$ 3,500**	**$ 3,500**
N - 23	**Background Checks for Volunteer Coaches (CRLRBC)** The Legal Department seeks to background checks on all volunteer coaches. The cost is $18 per check.	**BFO:** Youth Programs - City Recreation **Goal:** Recreation, Open Space & Trails	City Recreation	**$ 0**	**$ 650**	**$ 650**
N - 23	**Reduction to Expenses Related to Youth Soccer (CRLRBCO*)** Reduction to expenses related to youth soccer may include reduced staffing, reduced uniforms quality, and reduced officials.	**BFO:** Youth Programs - City Recreation **Goal:** Recreation, Open Space & Trails	City Recreation	**$ 0**	**$-650**	**$-650**
		Total Not Approved for Budget Options:		**$ 0**	**$-13,068**	**$-12,552**
		Total Not Approved Options for Library & Recreation:		**$ 0**	**$-13,068**	**$-12,552**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Internal Services

Approved

Budget Options

Priority* Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 1 Service Awards Same Level of Service Adjustment (HRISSA) One-time bump in service award funding in 2012 due to unusually high volume of service awards coming up.	**BFO:** Valuing Employees **Goal:** Open & Responsive Government to the Community	Human Resources	**$ 0**	**$ 6,600**	**$ 0**
Y - 1 Contract Service Reduction (HRISSAO*) $6,600 offset in Misc. Contract Service reduces HR's ability to interdepartmentally fund temporary, intern, and/or emergency staffing in fiscal year 2012.	**BFO:** Recruitment **Goal:** Open & Responsive Government to the Community	Human Resources	**$ 0**	**$-6,600**	**$ 0**
Y - 2 Software Maintenance Costs (ITISSM) The IT Department proposes a budget offset that increases the IT operating budget, but reduces contribution towards the Computer Replacement Fund (CP0075).	**BFO:** Software Maintenance/Upgrades **Goal:** Open & Responsive Government to the Community	Info Tech & Cust Serv	**$ 0**	**$ 22,000**	**$ 22,000**
Y - TEC Housing Allowance Adjustment (HAADJ) This option increases or decreases the housing allowance for each department based on current numbers.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$-1,313**	**$-1,313**
Y - TEC Historic Preservation Grant 111116 (HRISHP1) Buget increase for grant money actually received during the fiscal year	**BFO:** N/A **Goal:** N/A	Human Resources	**$ 3,000**	**$ 0**	**$ 0**
Y - TEC Revenue Offset (HRISHP1R*) Buget increase for grant money actually received during the fiscal year	**BFO:** N/A **Goal:** N/A	State Contribution	**$-3,000**	**$ 0**	**$ 0**
Y - TEC Historic Preservation Grant 111117 (HRISHP2) Buget increase for grant money actually received during the fiscal year	**BFO:** N/A **Goal:** N/A	Human Resources	**$ 5,000**	**$ 0**	**$ 0**
Y - TEC Revenue Offset (HRISHP2R*) Buget increase for grant money actually received during the fiscal year	**BFO:** N/A **Goal:** N/A	State Contribution	**$-5,000**	**$ 0**	**$ 0**
Y - TEC Technical adjustment to show FY2012 URS cost (TEC1) URS adjustment	**BFO:** N/A **Goal:** N/A	Operating Departments	**$ 0**	**$ 4,996**	**$ 4,996**
Y - TEC Heath Care Premium (TEC2) Heath Care premium - medical cost	**BFO:** N/A **Goal:** N/A	Operating Departments	**$ 0**	**$ 18,701**	**$ 18,701**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Internal Services

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - TEC	**Contract Employee Fringe (TEC4)** This option will ensure that there is sufficient budget for contract employees for fringe benefits.	**BFO:** N/A **Goal:** N/A	Multiple Departments	$ 0	$ 0	$ 0
		Total Approved for Budget Options:		$ 0	$ 44,384	$ 44,384
		Total Approved Options for Internal Services:		$ 0	$ 44,384	$ 44,384

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Non-Departmental

Approved

Budget Options

Priority* / Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - CM Racquet Club Relocation (RCNDRC) This money was originally set aside for Racquet Club moving and rental expenses. It will be needed at a much reduced rate in FY2012 and not at all in FY2013.	**BFO:** N/A **Goal:** N/A	RACQUET CLUB RELOCATION	**$ 0**	**$-175,000**	**$-250,000**
Y - TEC Base Level Adjustment (BADJ) Zero-sum changes to budget lines within a department.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$ 0**	**$ 0**
Y - TEC Contingency General Object Code Change (CGNDCG) The City will now directly charge against contingency, which means the object code needed to be changed from an IFT object code to a contract object code.	**BFO:** N/A **Goal:** N/A	Contingency General	**$ 0**	**$ 0**	**$ 0**
Y - TEC Confiscations (CONF) Technical adjustment to show confiscations funds available for expenditure.	**BFO:** N/A **Goal:** N/A	Police Special Revenue Fund	**$ 3,775**	**$ 0**	**$ 0**
Y - TEC LED Holiday Lighting (CPNDTC) Correct Carry-forward mistake.	**BFO:** N/A **Goal:** N/A	LED Holiday Lighting	**$ 0**	**$-2,779**	**$-2,779**
Y - TEC General Fund Lump Merit Pool (LM) This option creates a lump-merit pool in the General Fund, which will be used as a single source for all General Fund department lump-merit pay. Departments previously funded lump-merit pay out of their operating budget. Budgets in each department were reduced in order to offset the cost of creating a lump-merit pool.	**BFO:** N/A **Goal:** N/A	Lump Merit	**$ 0**	**$ 250,000**	**$ 250,000**
Y - TEC PSSM & HMBA Payment (NDNDPS) Money from increased parking revenue that goes to the Transit Fund was supposed to pay for some of HMBA and PSSM last FY. This is correcting that mistake.	**BFO:** Special Events **Goal:** World Class Multi-Seasonal Resort Community	HMBA via Chamber PSSM LONG TERM AGREE	**$ 0**	**$ 40,000**	**$ 40,000**
Y - TEC Special Service Contracts (SSC) Increase to SSCs based on 1% of operating budget.	**BFO:** Special Service Contracts **Goal:** Regional Collaboration & Partnerships	Spec. Srvc. Cntrt. Unspecified	**$ 0**	**$ 91,027**	**$ 91,027**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Non-Departmental

Priority* Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - TEC Technical adjustment to show FY2012 URS cost (TEC1) URS adjustment	**BFO:** N/A **Goal:** N/A	Operating Departments	**$ 0**	**$ 1,746**	**$ 1,746**
Y - TEC Heath Care Premium (TEC2) Heath Care premium - medical cost	**BFO:** N/A **Goal:** N/A	Operating Departments	**$ 0**	**$ 5,754**	**$ 5,754**
Y - TEC Contract Employee Fringe (TEC4) This option will ensure that there is sufficient budget for contract employees for fringe benefits.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$ 0**	**$ 0**
Y - TEC Tobacco Compliance (TOBC) Technical adjustment to show tobacco compliance funds available for expenditure.	**BFO:** N/A **Goal:** N/A	Police Special Revenue Fund	**$ 26,482**	**$ 0**	**$ 0**
Y - TEC Vacancy Factor Redistribution (VACA) Vacancy must be redistributed at the end of each fiscal year in the adjusted budget from the non-departmental pool to each department according to observed personnel vacancy. This option makes the appropriate adjustment, which is zero-sum fund-wide.	**BFO:** N/A **Goal:** N/A	blank Vacancy Factor	**$-265**	**$-77,426**	**$-66,346**
		Total Approved for Budget Options:	**$ 29,992**	**$ 133,322**	**$ 69,402**
		Total Approved Options for Non-Departmental:	**$ 29,992**	**$ 133,322**	**$ 69,402**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Public Works

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Public Works

General Fund:

Approved

Budget Options

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 1	**Bike Path Maintenance (PCPWBP)** Because of the budget reduction in FY-2010, funding for path maintenance was reduced within the Parks Maintenance Budget. This money was used for doggy bags, tree & shrub pruning along paths, sweeping, sign maintenance, and garbage control. This option was ranked 5th in walkability prioritization.	**BFO:** Park Amenities & Infrastructure **Goal:** Effective Transportation	Parks & Cemetery	**$ 0**	**$ 17,773**	**$ 17,773**
Y - 1	**Reduction in Special Events (PCPWBPO*)** This option will offset the Bike Paths Maintenance option. Minor cuts within Special Events program will cover this budget option.	**BFO:** Special Events **Goal:** World Class Multi-Seasonal Resort Community	Parks & Cemetery	**$ 0**	**$-17,773**	**$-17,773**
Y - CM	**Admin IFT Reallocation (ADMINIFT)** Reallocation of funding determined by Admin IFT study. Change in IFTs, utility charges, and business license revenue.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$-91,050**	**$-91,050**
Y - TEC	**Housing Allowance Adjustment (HAADJ)** This option increases or decreases the housing allowance for each department based on current numbers.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$ 0**	**$ 0**
Y - TEC	**Quinn's Soccer Field Snow Removal (PCPWQA)** Increases budget based on revenues received for this FY.	**BFO:** Parks Snow Removal **Goal:** Open & Responsive Government to the Community	Fields	**$ 2,000**	**$ 0**	**$ 0**
Y - TEC	**Revenue Offset (PCPWQAR*)** Received $14,000 in contributions in FY for snow removal.	**BFO:** N/A **Goal:** N/A	Other Miscellaneous	**$-2,000**	**$ 0**	**$ 0**
Y - TEC	**Pay Plan Adjustments (PLPWTC)** Adjustments recommended by Pay Plan Committee to bring City positions to market.	**BFO:** N/A **Goal:** N/A	Street Maintenance	**$ 0**	**$ 6**	**$ 6**
Y - TEC	**M & S Technical Adjustment (STPWTC)** Correct negative budgets.	**BFO:** N/A **Goal:** N/A	Street Maintenance	**$ 0**	**$ 0**	**$ 0**
Y - TEC	**Technical adjustment to show FY2012 URS cost (TEC1)** URS adjustment	**BFO:** N/A **Goal:** N/A	Operating Departments	**$ 0**	**$ 4,016**	**$ 4,016**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Public Works

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - TEC	**Heath Care Premium (TEC2)** Heath Care premium - medical cost	**BFO:** N/A **Goal:** N/A	Operating Departments	**$ 0**	**$ 22,537**	**$ 22,537**
			Total Approved for Budget Options:	**$ 0**	**$-64,491**	**$-64,491**
			Total Approved Options for Public Works:	**$ 0**	**$-64,491**	**$-64,491**

Not Approved

Budget Options

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
N - COM	**Snow removal service level increase (PCPWSR)** This option will increase snow removal service levels reducing snow berms by 85% in residential driveways. (A CIP request will be made in addition to the operating budget for initial equipment purchase of $184,900 and annual equipment replacement contribution of $184,900 + Fuel/Maintenance $220k)	**BFO:** Streets Snow Operations **Goal:** Effective Transportation	Street Maintenance	**$ 0**	**$ 760,834**	**$ 760,834**
			Total Not Approved for Budget Options:	**$ 0**	**$ 760,834**	**$ 760,834**
			Total Not Approved Options for Public Works:	**$ 0**	**$ 760,834**	**$ 760,834**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Public Works

Water Fund:

Approved

Budget Options

Priority* / Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 1 Quinn's Water Treatment Plant (WOWDQW) O&M was added to budget last year. However, revised O&M estimates due to current conditions of chemical costs and revised quantity estimates are being captured in this option.	**BFO:** Water Quality/Dist & Maint **Goal:** Quality & Quantity of Water	Water Operations	**$ 0**	**$ 128,800**	**$ 128,800**
Y - 1 Reduction in reservation fee. (WOWDQWO*) WBWCD Reservation fee of $125,000 will no longer be charged. The full takedown of 2,500 ac/ft is now being charged and is budgeted in a CIP with capital expenses.	**BFO:** Water Quality/Dist & Maint **Goal:** N/A	Water Operations	**$ 0**	**$-125,000**	**$-125,000**
Y - 2 Fixed Base Meter Reading (WBWDMR) Monthly lease fees, connection fees, and space fees for the towers are the backbone of the Fixed Base System.	**BFO:** Conservation **Goal:** Quality & Quantity of Water	Water Billing	**$ 0**	**$ 9,400**	**$ 9,400**
Y - 2 LOS reduced for service orders/dist & maint (WBWDMRO*) Service Orders reduced LOS (20% or 100 less meters will be rebuilt) and Distribution & Maintenance reduced LOS (reduced work on asset mgmt, which is just now getting started).	**BFO:** Distribution & Maintenance **Goal:** Quality & Quantity of Water	Water Operations	**$ 0**	**$-9,400**	**$-9,400**
Y - CM Admin IFT Reallocation (ADMINIFT) Reallocation of funding determined by Admin IFT study. Change in IFTs, utility charges, and business license revenue.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$-66,179**	**$-66,179**
Y - CM Quinn's Water Treatment Plant Utilities (WOWDQW2) Utility costs for new Quinn's Water Treatment Plant	**BFO:** Water Quality/Dist & Maint **Goal:** Quality & Quantity of Water	Water Operations	**$ 0**	**$ 50,500**	**$ 49,500**
Y - CM Water Contigency (WOWDTQ) The expenses associated with the Thayne's water quality issue were more than $215,000, a water contingency was created to offset water emergencies in the future.	**BFO:** Water Quality/Dist & Maint **Goal:** Quality & Quantity of Water	Contingency General	**$ 100,000**	**$ 100,000**	**$ 100,000**
Y - TEC Base Level Adjustment (BADJ) Zero-sum changes to budget lines within a department.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$ 0**	**$ 0**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Public Works

Priority* Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - TEC Housing Allowance Adjustment (HAADJ) This option increases or decreases the housing allowance for each department based on current numbers.	**BFO:** N/A **Goal:** N/A	Multiple Departments	$ 0	$-3,283	$-3,283
Y - TEC Technical adjustment to show FY2012 URS cost (TEC1) URS adjustment	**BFO:** N/A **Goal:** N/A	Operating Departments	$ 0	$ 3,420	$ 3,420
Y - TEC Heath Care Premium (TEC2) Heath Care premium - medical cost	**BFO:** N/A **Goal:** N/A	Operating Departments	$ 0	$ 15,824	$ 15,824
Y - TEC Contract Employee Fringe (TEC4) This option will ensure that there is sufficient budget for contract employees for fringe benefits.	**BFO:** N/A **Goal:** N/A	Multiple Departments	$ 0	$ 0	$ 0
Y - TEC M & S Technical Adjustment (WOWDTC) Mistake corrected from FY09 Budget Process. Part of 5% budget cuts.	**BFO:** N/A **Goal:** N/A	Water Operations	$ 0	$ 0	$ 0
		Total Approved for Budget Options:	$ 100,000	$ 104,083	$ 103,083
		Total Approved Options for Public Works:	$ 100,000	$ 104,083	$ 103,083

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Public Works

Transit Fund:

Approved

Budget Options

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 1	**Transit Facility Utilities (TDTDTF)** This provides for increases in utilities and cleaning costs for the expanded Ironhorse Transit Storage and Maintenance Facility	**BFO:** Winter/Summer Transit Service **Goal:** Effective Transportation	Transportation Oper	$ 0	$ 88,294	$ 88,294
Y - 1	**Reduce Contract Services (TDTDTFO*)** Offset by cost sharing payments from Summit County as well as reducing contract services.	**BFO:** Winter/Summer Transit Service **Goal:** Effective Transportation	Transportation Oper	$ 0	$-68,870	$-68,870
Y - 1	**Revenue Offset (TDTDTFR*)** Offset by cost sharing payments from Summit County as well as reducing contract services.	**BFO:** N/A **Goal:** N/A	Regional Transit Revenue	$ 0	$-19,425	$-19,425
Y - 2	**Transit Facility Snow Removal (TDTDFS)** This provides for increased snow removal at the expanded transit facility due to expanded parking footprint and reduced snow storage areas.	**BFO:** Winter Transit Service **Goal:** Effective Transportation	Transportation Oper	$ 0	$ 24,331	$ 24,331
Y - 2	**Reduction in Vehicles Admin (TDTDFSO*)** This option can be funded by reallocating the existing budget.	**BFO:** Winter/Summer Transit Service **Goal:** Effective Transportation	Transportation Oper	$ 0	$-12,746	$-12,746
Y - 2	**Revenue Offset (TDTDFSR*)** Offset by cost sharing payments from Summit County.	**BFO:** N/A **Goal:** N/A	Regional Transit Revenue	$ 0	$-11,585	$-11,585
Y - 3	**Bus Driver IV Career Development (TDTDBS)** This provides the reclassification of a bus driver III position that has successfully completed a professional development plan. Incremental cost is offset with reductions in other budget amounts.	**BFO:** Winter/Summer Transit Service **Goal:** Effective Transportation	Transportation Oper	$ 0	$ 6,249	$ 6,249
Y - 3	**Prof. Consulting Reduction (TDTDBSO*)** Incremental cost is offset with reductions in other budget amounts.	**BFO:** Winter/Summer Transit Service **Goal:** Effective Transportation	Transportation Oper	$ 0	$-6,249	$-6,249

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Public Works

Priority* Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 4 Transit Marketing (TDTDTM) This option programs parking revenues to be collected as a result of 2010 paid parking rate increase. Council dedicated a $40,000 increase to a Transit Marketing program.	**BFO:** Winter/Summer Transit Service **Goal:** Effective Transportation	Transportation Oper	**$ 0**	**$ 40,000**	**$ 40,000**
Y - 4 Revenue Offset (TDTDTMR*) Council dedicated increased meter revenues to a Transit Marketing program. This option is funded by new revenues.	**BFO:** N/A **Goal:** N/A	Meter Revenue	**$ 0**	**$-40,000**	**$-40,000**
Y - 5 Public Works Inspector Career Development (ENTDPD) This option modifies the funding for the current FTE Public Works Inspector position located in Engineering. Because the position will be shared 75% by Engineering and 25% Transit, this option funds the position 75% from Engineering funds and 25% from Transit funds. In the interim, field inspection provided by an individual from the Water Department will be funded by the Water Department. This individual is developed by the FTE Public Works Inspector to take over the field inspections once staffing needs are determined in the Water Department after the new Treatment Plant comes online.	**BFO:** Inspections **Goal:** Public Safety	Transportation Oper	**$ 0**	**$ 20,723**	**$ 20,723**
Y - 5 Reduced Contract Services (ENTDPDO*) Reduction in contract services will not decrease LOS.	**BFO:** Transportation Management **Goal:** Effective Transportation	Transportation Oper	**$ 0**	**$-20,723**	**$-20,723**
Y - 6 Shift Supervisor (TDTDSS) This provides the reclassification of a bus driver IV to a Transit Supervisor. Growth in transit employees and scope of services with the County necessitates this additional supervisor. Incremental costs of this option offset with reductions in other budget amounts.	**BFO:** Winter/Summer Transit Service **Goal:** Effective Transportation	Transportation Oper	**$ 0**	**$ 9,225**	**$ 9,225**
Y - 6 Prof. Consulting Reduction (TDTDSSO*) Incremental costs of this option offset with reductions in other budget amounts.	**BFO:** Winter/Summer Transit Service **Goal:** Effective Transportation	Transportation Oper	**$ 0**	**$-9,225**	**$-9,225**
Y - CM Admin IFT Reallocation (ADMINIFT) Reallocation of funding determined by Admin IFT study. Change in IFTs, utility charges, and business license revenue.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$ 25,770**	**$ 25,770**
Y - TEC Base Level Adjustment (BADJ) Zero-sum changes to budget lines within a department.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$ 0**	**$ 0**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Public Works

Priority* Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - TEC Housing Allowance Adjustment (HAADJ) This option increases or decreases the housing allowance for each department based on current numbers.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$ 1,313**	**$ 1,313**
Y - TEC Technical adjustment to show FY2012 URS cost (TEC1) URS adjustment	**BFO:** N/A **Goal:** N/A	Operating Departments	**$ 0**	**$ 8,189**	**$ 8,189**
Y - TEC Heath Care Premium (TEC2) Heath Care premium - medical cost	**BFO:** N/A **Goal:** N/A	Operating Departments	**$ 0**	**$ 48,430**	**$ 48,430**
Y - TEC Contract Employee Fringe (TEC4) This option will ensure that there is sufficient budget for contract employees for fringe benefits.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$ 0**	**$ 0**
		Total Approved for Budget Options:	**$ 0**	**$ 83,702**	**$ 83,702**
		Total Approved Options for Public Works:	**$ 0**	**$ 83,702**	**$ 83,702**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Public Works

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Fleet Services Fund:						
Approved						
Budget Options						
Y - TEC	**Technical adjustment to show FY2012 URS cost (TEC1)** URS adjustment	**BFO:** N/A **Goal:** N/A	Operating Departments	$ 0	$ 1,500	$ 1,500
Y - TEC	**Heath Care Premium (TEC2)** Heath Care premium - medical cost	**BFO:** N/A **Goal:** N/A	Operating Departments	$ 0	$ 7,672	$ 7,672
			Total Approved for Budget Options:	$ 0	$ 9,172	$ 9,172
			Total Approved Options for Public Works:	$ 0	$ 9,172	$ 9,172
Not Approved						
Budget Options						
N - 1	**Tire Mount/Balance Machine (FSFSTM)** This replaces the 12-year old tire machine Fleet Maintenance utilizes each and every day. The current machine has exceeded its useful life by two years. The new machine will incorporate new safety features that helps ensure efficient and safe mounting\dismounting of tires.	**BFO:** N/A **Goal:** N/A	Fleet Services Dept	$ 0	$ 15,000	$ 0
N - 2	**Wheel Lift System (FSFSWL)** This option provides funding necessary to purchase one pair of 30,000lb lift jacks. These units will enable fleet maintenance staff expanded capability to safely and efficiently work on drivelines and suspensions of fleet's heavy equipment.	**BFO:** N/A **Goal:** N/A	Fleet Services Dept	$ 0	$ 18,500	$ 0
			Total Not Approved for Budget Options:	$ 0	$ 33,500	$ 0
			Total Not Approved Options for Public Works:	$ 0	$ 33,500	$ 0

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Public Safety

Approved

Budget Options

Priority* Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 1 Professional Development (POPSPD) Move from Analyst I to Analyst II. Overtime offset. This completes the Professional Development Plan for this position.	**BFO:** Patrol Operations **Goal:** Public Safety	Police	**$ 0**	**$ 6,167**	**$ 6,167**
Y - 1 Overtime Reduction (POPSPDO*) Overtime reduction to pay for professional development.	**BFO:** Patrol Operations **Goal:** Public Safety	Police	**$ 0**	**$-6,167**	**$-6,167**
Y - 3 Contract Services Special (DIPSCS) Same Level Adjustment - 3/5/10 Spillman Technologies notified the department of increase in the maintenance fee from $26,154 to $31,795 effective 8/1/10.	**BFO:** Dispatch **Goal:** Public Safety	Communication Center	**$ 0**	**$ 5,641**	**$ 5,641**
Y - 3 Cost Savings in Contract Services (DIPSCSO*) New contract will yield annual cost savings.	**BFO:** Dispatch **Goal:** Public Safety	Communication Center	**$ 0**	**$-10,000**	**$-10,000**
Y - 4 Contract Services Emer Mgmt (POPSEM) In FY 2011 the contract hours were increased to 25 hr/wk from 20 hr/wk. No increase was made in the FY11 budget to cover the increase hours, taxes and merit bonus costs. The additional cost was covered by a grant in FY11, but there is no guaranteed grant for FY12 and the total cost should be budgeted. If a grant is received it may offset all or part of this increase.	**BFO:** Emergency Management **Goal:** Public Safety	Police	**$ 0**	**$ 2,500**	**$ 2,500**
Y - 4 Reduction in emergency management supplies. (POPSEMO*) May need to take a little from the evergreen replacement fund--hoping to cover the batteries, the one radio, and computer replacement from existing operations or CIP money for FY11, once it is known how the year is looking in a couple of months.	**BFO:** Emergency Management **Goal:** Public Safety	Police	**$ 0**	**$-2,500**	**$-2,500**
Y - 6 Air Cards (POPSAC) Same Level Adjustment - Computer Air Cards give the department interconnectivity from Dispatch to Patrol vehicles. Also ties into long-range goal of Spillman merger between Park City PD and Summit County Sheriff's Office.	**BFO:** Patrol Operations **Goal:** Public Safety	Police	**$ 0**	**$ 16,000**	**$ 16,000**
Y - 6 Crossing Guard Reduction (POPSACO*) These two positions have been absorbed by the Park City School District. There will be no reduction in service.	**BFO:** Crossing Guard **Goal:** Public Safety	Police	**$ 0**	**$-16,027**	**$-16,027**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Public Safety

Priority* / Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 7 Cellular- Admin (POPSCL) Unforeseen but Justifiable Need - Cell Phone service was previously identified as a budget cut for FY 2010. IT and EOC agreed to cover the expense. Police Department was unaware that IT / EOC would not be covering the expense beyond one year.	**BFO:** Patrol Operations **Goal:** Public Safety	Police	**$ 4,990**	**$ 15,500**	**$ 15,500**
Y - 7 Crossing Guard Reduction (POPSCLO*) These two positions have been absorbed by the Park City School District. There will be no reduction in service.	**BFO:** Crossing Guard **Goal:** Public Safety	Police	**$ 0**	**$-16,027**	**$-16,027**
Y - 7 Revenue Offset (POPSCLR*) Revenue from Summit County Health Department.	**BFO:** N/A **Goal:** N/A	Police Charges	**$-4,990**	**$ 0**	**$ 0**
Y - 8 Equipment - Admin (POPSEQ) Same Level of Service - Equipment and labor costs for emergency equipment on vehicles have increased approximately $2,000 / vehicle since FY10 Budget.	**BFO:** Patrol Operations **Goal:** Public Safety	Police	**$ 0**	**$ 8,000**	**$ 8,000**
Y - 8 Drug Education Reduction (POPSEQO*) Commercially printed materials and awards for graduation from the DARE program will be eliminated.	**BFO:** Drug Education **Goal:** Public Safety	Drug Education	**$ 0**	**$-1,000**	**$-1,000**
Y - CM Emergency Management Contingency (EMPSEC) Budget set aside for emergencies.	**BFO:** Emergency Management **Goal:** Public Safety	Emergency Contigency	**$ 0**	**$ 25,000**	**$ 25,000**
Y - CM Increased Taxi Enforcement (POPSTE) Increase Police hours during Sundance in order to enhance taxi business license enforcement.	**BFO:** Special Events **Goal:** World Class Multi-Seasonal Resort Community	Police	**$ 0**	**$ 891**	**$ 891**
Y - TEC Emergency Management Green Account (EMNDGA) Budget includes $8,000 every year. $22,000 carry-forward budget from FY11.	**BFO:** Emergency Management **Goal:** Public Safety	Emergency Management	**$ 0**	**$ 30,000**	**$ 8,000**
Y - TEC Housing Allowance Adjustment (HAADJ) This option increases or decreases the housing allowance for each department based on current numbers.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$-6,566**	**$-6,566**
Y - TEC 911 Grant Reimbursement (POPS911) Buget increase for grant money actually received during the fiscal year	**BFO:** N/A **Goal:** N/A	Communication Center	**$ 28,145**	**$ 0**	**$ 0**
Y - TEC Revenue Offset (POPS911R*) Buget increase for grant money actually received during the fiscal year	**BFO:** N/A **Goal:** N/A	State Contribution	**$-28,145**	**$ 0**	**$ 0**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Public Safety

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - TEC	**Department of Justice Bullet Proof Vest Grant Reimbursement (POPSBPV)** Buget increase for grant money actually received during the fiscal year	**BFO:** N/A **Goal:** N/A	Police	$ 809	$ 0	$ 0
Y - TEC	**Revenue Offset (POPSBPVR*)** Buget increase for grant money actually received during the fiscal year	**BFO:** N/A **Goal:** N/A	Federal Grants	$-809	$ 0	$ 0
Y - TEC	**DUI Overtime Reimbursement (POPSDUI)** Buget increase for grant money actually received during the fiscal year	**BFO:** N/A **Goal:** N/A	Police	$ 3,641	$ 0	$ 0
Y - TEC	**Revenue Offset (POPSDUIR*)** Buget increase for grant money actually received during the fiscal year	**BFO:** N/A **Goal:** N/A	State Contribution	$-3,641	$ 0	$ 0
Y - TEC	**Homeland Security Grant Reimbursement (POPSHS)** Buget increase for grant money actually received during the fiscal year	**BFO:** N/A **Goal:** N/A	Police	$ 3,000	$ 0	$ 0
Y - TEC	**Revenue Offset (POPSHSR*)** Buget increase for grant money actually received during the fiscal year	**BFO:** N/A **Goal:** N/A	Federal Grants	$-3,000	$ 0	$ 0
Y - TEC	**2009 Justice Assistance Grant (JAG) Reimbursement (POPSJAG1)** Buget increase for grant money actually received during the fiscal year	**BFO:** N/A **Goal:** N/A	Police	$ 14,772	$ 0	$ 0
Y - TEC	**Revenue Offset (POPSJAG1R*)** Buget increase for grant money actually received during the fiscal year	**BFO:** N/A **Goal:** N/A	Federal Grants	$-14,772	$ 0	$ 0
Y - TEC	**2010 Justice Assistance Grant (JAG) Reimbursement (POPSJAG2)** Buget increase for grant money actually received during the fiscal year	**BFO:** N/A **Goal:** N/A	Police	$ 7,496	$ 0	$ 0
Y - TEC	**Revenue Offset (POPSJAG2R*)** Buget increase for grant money actually received during the fiscal year	**BFO:** N/A **Goal:** N/A	Federal Grants	$-7,496	$ 0	$ 0
Y - TEC	**2008 Juvenile Justice Program (POPSJJ)** Buget increase for grant money actually received during the fiscal year	**BFO:** N/A **Goal:** N/A	Police	$ 108	$ 0	$ 0
Y - TEC	**Revenue Offset (POPSJJR*)** Buget increase for grant money actually received during the fiscal year	**BFO:** N/A **Goal:** N/A	State Contribution	$-108	$ 0	$ 0
Y - TEC	**Technical adjustment to show FY2012 URS cost (TEC1)** URS adjustment	**BFO:** N/A **Goal:** N/A	Operating Departments	$ 0	$ 24,736	$ 24,736
Y - TEC	**Heath Care Premium (TEC2)** Heath Care premium - medical cost	**BFO:** N/A **Goal:** N/A	Operating Departments	$ 0	$ 40,278	$ 40,278

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Public Safety

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - TEC	**Contract Employee Fringe (TEC4)** This option will ensure that there is sufficient budget for contract employees for fringe benefits.	**BFO:** N/A **Goal:** N/A	Multiple Departments	$ 0	$ 0	$ 0
Y - TECa	**M & S Technical Adjustment (CCPSTC)** Mistake corrected from FY09 Budget Process. Part of 5% budget cuts.	**BFO:** N/A **Goal:** N/A	Communication Center	$ 0	$ 0	$ 0
Y - TECe	**Drug Education Officer Fix (DEPSDE)** Fixes personnel reduction from previous two fiscal years. Adds in personnel to account for State Liquor revenues.	**BFO:** State Liquor Enforcement **Goal:** Public Safety	State Liquor Enforcement	$ 9,953	$ 9,953	$ 9,953
Y - TECe	**Part-time Staff Reduction (DEPSDEO*)** Moves part-time pool money from Police Dept to State Liquor.	**BFO:** Patrol Operations **Goal:** Public Safety	Police	$-9,813	$-9,813	$-9,813
			Total Approved for Budget Options:	$ 139	$ 116,567	$ 94,567
			Total Approved Options for Public Safety:	$ 139	$ 116,567	$ 94,567

Not Approved

Budget Options

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
N - 2	**Telephone - Admin (DIPSTE)** Same Level Service Adjustment - E-911 Grant Money is no longer available to cover monthly E-911 phone expenses. PSAP funds to be determined by City Manager and County Council.	**BFO:** Dispatch **Goal:** Public Safety	Communication Center	$ 0	$ 12,000	$ 12,000
N - 5	**Contract Services Special (DIPSCS2)** Park City / Summit Co. Spillman data merger to add T1 data line to provide integration between City and County systems.	**BFO:** Dispatch **Goal:** Public Safety	Communication Center	$ 0	$ 3,600	$ 3,600
N - 8	**Dry Cleaning Reduction (POPSEQO2*)** This category will have a moderate impact. Officers are responsible for their own dry cleaning and have a tendency to be inconsistent. This leads to premature wear. Some officers have machine-washed their uniforms in the past. This causes discoloration and erosion of the material.	**BFO:** Patrol Operations **Goal:** N/A	Police	$ 0	$-7,000	$-7,000

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Public Safety

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
N - 9	**Contract Services Emer Mgmt (POPSEM2)** There has been no increase in the contract hourly rate for six years. This increases the hourly rate by $2.50/hr (5.8%). This contract includes only an hourly rate, vacation and bonus eligibility, no other benefits are included in the contract. The EM has completed the FEMA Professional Development Series, Advanced Professional Series and has become a Certified Emergency Manager.	**BFO:** Emergency Management **Goal:** Public Safety	Police	$ 0	$ 0	$ 5,000
			Total Not Approved for Budget Options:	$ 0	$ 8,600	$ 13,600
			Total Not Approved Options for Public Safety:	$ 0	$ 8,600	$ 13,600

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Sustainability

Approved

Budget Options

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 1	**Professional Development (CESUPD)** Move Analyst I to Analyst II. This completes the Professional Development Plan for this position.	**BFO:** Leadership **Goal:** Open & Responsive Government to the Community	Community & Environment Economy Spec. Srvc. Cntrt. Ldrshp 2000	**$ 0**	**$ 6,167**	**$ 6,167**
Y - 1	**Prof. Consulting Reduction (CESUPDO*)** Move Analyst I to Analyst II. Professional Development Plan has been completed.	**BFO:** Leadership **Goal:** Open & Responsive Government to the Community	Spec. Srvc. Cntrt. Ldrshp 2000	**$ 0**	**$-6,167**	**$-6,167**
Y - 2a	**Env'l Sust. Project Mgr (CESUES)** This creates an Environmental Sustainability Project Manager position. Current work is performed by a contract employee.	**BFO:** Carbon Reduction **Goal:** Preservation of Park City Character	Community & Environment	**$ 0**	**$ 85,418**	**$ 85,418**
Y - 2a	**Prof. Consulting Reduction (CESUESO*)** Cost is offset partially by a reduction in prof/consulting (Carbon Reduction) budget. There is not capacity within the team to absorb the volume and quantity of work provided by this position that focuses on carbon reduction strategies for the city, including alternative energy, recycling, departmental and community assistance in strategies and technologies, and grant writing. The Plastic Bag Fee discussed at Council Visioning and the percentage of Utility Franchise Fee are potential revenue offsets.	**BFO:** Carbon Reduction **Goal:** Preservation of Park City Character	Community & Environment Economy	**$ 0**	**$-70,418**	**$-70,418**
Y - 2a	**Revenue Offset (CESUESR*)** Special Event fee increase.	**BFO:** N/A **Goal:** N/A	Special Events	**$ 0**	**$-15,000**	**$-15,000**
Y - 2b	**Aff. Housing Project Mgr (CESUAH)** This creates an Affordable Housing Project Manager position. Current work is performed by a contract employee.	**BFO:** Affordable Housing **Goal:** Preservation of Park City Character	Community & Environment	**$ 0**	**$ 95,553**	**$ 95,553**
Y - 2b	**RDA Reduction (IFT to GF) (CESUAHR*)** Potential offset includes revenue generated through affordable housing rental income and profit on the sale of affordable units.	**BFO:** Affordable Housing **Goal:** Preservation of Park City Character	Adm Chg Fr RDA Park Ave FG Admin	**$ 0**	**$ 0**	**$ 0**
Y - 2c	**Trails & Open Space Project Manager (ECSUTM)** This creates a Trails Project Manager position. Current work is performed by a contract employee.	**BFO:** Trails (Backcountry) **Goal:** Recreation, Open Space & Trails	Economy	**$ 0**	**$ 85,418**	**$ 85,418**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Sustainability

Priority* Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 2c Revenue Offset (ECSUTMR*) Flagstaff Transfer Fee move from CIP to GF.	**BFO:** N/A **Goal:** N/A	Other Miscellaneous	**$ 0**	**$-85,418**	**$-85,418**
Y - 3 Walk Snow Removal Bundle (ECSUSN) This option will provide plowing service to all walkability sidewalks 7 days per week 10 hours per day. This also includes 2 snow hauls along sidewalks. This would also increase fuel ($3,750 - 011-40412-09122-000-100) and repair ($4,000 - 011-40412-09121-000-100) costs.	**BFO:** Urban Trails and Walkabilty **Goal:** Effective Transportation	Parks & Cemetery Street Maintenance	**$ 0**	**$ 55,090**	**$ 55,090**
Y - 4a Bonanza Tunnel/Maint (ECSUBT) This option will provide landscaping, lighting, graffiti removal, and utility service to the tunnel. This option is budgeted at Service Level 2. The stairs will require hand shoveling.	**BFO:** Urban Trails and Walkabilty **Goal:** Recreation, Open Space & Trails	Bldg Maint Adm Parks & Cemetery	**$ 0**	**$ 6,700**	**$ 6,700**
Y - 4b Comstock Tunnel Land/Maint (ECSUCT) This option will provide landscaping, lighting, graffiti removal, and utility service to the tunnel. This option is budgeted at Service Level 2. This tunnel has heated stairs.	**BFO:** Urban Trails and Walkabilty **Goal:** Recreation, Open Space & Trails	Bldg Maint Adm Parks & Cemetery Street Maintenance	**$ 0**	**$ 4,350**	**$ 4,350**
Y - 5a Holiday Ranch Landscaping (ECSUHR) This option will provide landscape maintenance. This option is budgeted at Service Level 2.	**BFO:** Urban Trails and Walkabilty **Goal:** Recreation, Open Space & Trails	Parks & Cemetery	**$ 0**	**$ 4,200**	**$ 4,200**
Y - 5b Comstock/Sidewinder Landscape (ECSUCS) This option will provide landscape maintenance. This option is budgeted at Service Level 2	**BFO:** Urban Trails and Walkabilty **Goal:** Recreation, Open Space & Trails	Parks & Cemetery	**$ 0**	**$ 2,800**	**$ 2,800**
Y - 6 308 McHenry Stairs (ECSUMS) Provides snow removal service 7 days a week during winter months plus monthly stair inspections. Stairs and railings are stained/painted every 3 years.	**BFO:** Parks Snow Operations **Goal:** Effective Transportation	Parks & Cemetery	**$ 0**	**$ 3,955**	**$ 3,955**
Y - 7 Quinn's Restroom (ECSUQR) Provides winter service for the restrooms located at the Quinn's Trailhead.	**BFO:** Park Amenities & Infrastructure **Goal:** Recreation, Open Space & Trails	Bldg Maint Adm	**$ 0**	**$ 11,000**	**$ 11,000**
Y - 7 Reduce Service @ Creekside Park Restroom (ECSUQRO*) Reduce service at Creekside Park restroom.	**BFO:** Park Amenities & Infrastructure **Goal:** Recreation, Open Space & Trails	Bldg Maint Adm	**$ 0**	**$-11,000**	**$-11,000**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Sustainability

Priority* Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Y - 8 Back Country Trails O&M (ECSUBC) Annual maintenance of trail system in Round Valley including grading and compaction and magnesium chloride treatments to ensure bonding.	**BFO:** Trails (Backcountry) **Goal:** Recreation, Open Space & Trails	Economy	**$ 0**	**$ 4,000**	**$ 4,000**
Y - 10 Low Carbon Diet (ECSUCD) Based on Council direction received in November 2010, staff launched a new program to address the community carbon footprint. The program, titled the "Low Carbon Diet", will utilize a fund surplus from the Johnson Controls project to engage households and encourage a reduction in CO2 emissions.	**BFO:** Carbon Reduction **Goal:** Recreation, Open Space & Trails	Community & Environment	**$ 8,000**	**$ 19,000**	**$ 0**
Y - CM Environmental Regulatory (ERSUER) The Environmental Regulatory budget is designed to track costs associated with Park City's environmental regulatory activities as they relate to water and soils. In the past, these funds were pull from Risk Management, Water and other available funds as needed. Staff believes this budget to be as accurate as it can be, given what is known to be the level of activity in this area. The Level of Service is a level Staff believes is both necessary and prudent to minimize the risk and find the most cost effective long-term solutions for Park City.	**BFO:** Environmental Regulation/EPA **Goal:** Preservation of Park City Character	Environmental Regulatory Water Operations	**$ 0**	**$ 564,708**	**$ 225,885**
Y - CM Building Personnel/Env Reduction (ERSUERO*) No level of service reduction. The new Environmental Engineer will have responsibility for the activities of the former Environmental Coordinator, plus additional responsibilities.	**BFO:** Environmental Regulation/EPA **Goal:** Preservation of Park City Character	Building Dept.	**$ 0**	**$-123,842**	**$-123,842**
Y - TEC EECBG Projects (CESUDE) Department of Energy (DOE) funds for an intern.	**BFO:** Environmental Regulation/EPA **Goal:** Recreation, Open Space & Trails	Community & Environment	**$ 0**	**$ 5,300**	**$ 0**
Y - TEC Revenue Offset (CESUDER*) Department of Energy (DOE) funds for an intern.	**BFO:** Environmental Regulation/EPA **Goal:** Recreation, Open Space & Trails	Federal Grants	**$ 0**	**$-5,300**	**$ 0**
Y - TEC Contract Employee Fringe (TEC4) This option will ensure that there is sufficient budget for contract employees for fringe benefits.	**BFO:** N/A **Goal:** N/A	Multiple Departments	**$ 0**	**$ 0**	**$ 0**
		Total Approved for Budget Options:	**$ 8,000**	**$ 636,513**	**$ 278,691**
		Total Approved Options for Sustainability:	**$ 8,000**	**$ 636,513**	**$ 278,691**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Budget Option Descriptions (by Team)

Sustainability

Priority*	Option Description	BFO Program/ Council Goal	Department(s)/ Revenue Line	2011 Request	2012 Request	2013 Request
Not Approved						
Budget Options						
N - 9	**Hillside Avenue (ECSUHA)** Provides snow removal service 7 days a week during winter months plus monthly stair inspections. Stairs and railings are stained/painted every 3 years.	**BFO:** Parks Snow Operations **Goal:** Effective Transportation	Parks & Cemetery	**$ 0**	**$ 7,109**	**$ 8,309**
N - 11	**Enchance Recycling (PDSUCR)** There are currently seven bins on the sidewalks of Main Street and these bins are emptied four days a week. Staff has received feedback from residents, visitors, and vendors that the number of recycling bins on Main Street should be increased to more closely mirror the large number of garbage cans in that area. Currently, a significant amount of recyclables are being disposed in the trash due to a lack of visibility and convenience with recycling on Main Street.	**BFO:** Parks Trash Clean-Up **Goal:** Preservation of Park City Character	Parks & Cemetery	**$ 0**	**$ 6,000**	**$ 6,000**
			Total Not Approved for Budget Options:	**$ 0**	**$ 13,109**	**$ 14,309**
			Total Not Approved Options for Sustainability:	**$ 0**	**$ 13,109**	**$ 14,309**
			Total Approved Options:	**$ 310,741**	**$ 1,144,597**	**524,216**
			Total Not Approved Options:	**$ 3,000**	**$ 839,983**	**813,199**

* CM = Proposed during City Manager meetings
TEC = Technical Adjustment
COM = Committee Recommended

Executive Summary

Purpose of Report

This report analyzes the total cost of **administrative interfund transfers** (Admin IFT) to the General Fund from the enterprise funds of Park City. Certain departments within the General Fund provide administrative services, financial management, and other services for the departments within the enterprise funds. This report:

1) Describes the functions of administrative interfund transfers
2) Presents administrative interfund transfer adjustment results
3) Analyzes the methodology and calculations for each department program
4) Discusses the purpose of removing direct costs from the administrative interfund transfer
5) Describes an adjustment made to the revenues of business license fees
6) Provides a plan for the future, if the updated administrative interfund transfer is accepted
7) Provides a recommendation

Administrative Interfund Transfer Description

In 2001, the city contracted Rosenthal & Associates Inc. to perform an Indirect Cost Analysis Summary Report. This report quantified the effective total cost of providing local government services within the City. For the last ten years, the City has used the same figures to calculate administrative interfund transfers from the enterprise funds to the General Fund. This analysis provides an updated estimate of cost of services provided to the enterprise funds from administrative departments within the General Fund.

In Park City, funds are transferred from the three enterprise funds (Golf, Water, and Transit) to compensate for services that are provided to them from different administrative departments in the General Fund. Enterprise funds receive these services and are charged by the General Fund, as if they were a separate business that receives services from department programs. This study identifies a reasonable methodology to understand how much money each enterprise fund should be charged for services they receive.

Results

The results compare the current Admin IFT total that has been used for over the last ten years and the adjusted Admin IFT total. The total difference of the two studies is also provided.

	Water Fund	Golf Fund	Transit Fund	Total Admin IFT
Current Admin IFT Total	$654,629	$101,085	$634,730	$1,390,444
Adjusted Admin IFT Total	$578,331	$104,044	$574,351	$1,256,725
Difference	-$76,298	$2,959	-$60,379	-$133,719

These results were generated by looking at the benefits received by the enterprise funds from the administrative department programs. Each department program created a description of the service it provides. The program descriptions were compiled together to become the Budgeting for Outcomes (BFO) Bid Packet. The dollar amounts were determined using data and logic for each department program.

Methodology

Department programs were created and clearly defined in the Budgeting for Outcomes (BFO) process. Over 130 programs and services were identified and defined in the process. Each program has a current budget. The program budget was used to generate percentages of dispersion from the three enterprise funds to the General Fund. To generate this percentage split, varying demand figures were used. For example, Information Technology programs provide services that work directly with computers. Therefore, Information Technology programs use the amount of computers that each enterprise department has divided by the total amount of computers owned by the City to generate a demand figure.

Direct Costs

Direct costs for enterprise funds include janitorial services and utilities such as natural gas (Questar), electricity (Rocky Mountain Power), and sewer (Snyderville Basin). Currently, the enterprise funds are mostly paying for utilities and janitorial services through the Admin IFT. However, the purpose of the Admin IFT is to charge enterprise funds for indirect services provided from administrative departments. The new study removes janitorial services and utilities from the Admin IFT. New budget options will be created for each enterprise fund to account for those services directly. This change will have an impact on each enterprise fund because they will be fully responsible for the cost of these services.

Business License Fees

As provided in the municipal code: “a separate license must be obtained for each branch establishment or separate location in which business is engaged” within the city limits (i.e., business licenses). The distribution of business licenses is a service provided by the Finance Department to the citizens of Park City. The business license fee itself is broken down into several categories as a way to fund distinct services provided by the City. Two of these categories are the Enhanced Enforcement Fee and the Administrative Fee. The Enhanced Enforcement Fee was developed to provide more police enforcement for taxi regulation during special events like Sundance. The Administrative Fee was developed, per State code, to recover the costs of actually administering the business license fees. These two services are funded within the General Fund, however, the revenues generated by these services has been received into the Transit Fund, but made their way back to the General Fund via the Admin IFT. However, it is being recommended in this study to eliminate this confusion and directly receive the Enhanced Enforcement and Administrative Fee revenues into the General Fund. These fees take up approximately 10% of the overall business license revenue.

Plan for the Future

Adjustments to the current Admin IFT provide specific logic and methods to understand how funds are transferred from the enterprise funds into the General Fund. If this update is to be accepted and used, a plan is necessary for future use of the Admin IFT. The current plan will include an inflationary component. This is not a percentage increase per year, but rather an increase as the costs of programs increase. The Admin IFT will adjust every year with the fluctuating costs of services for each program. A new Admin IFT analysis will be performed every five years.

Recommendation

The Budget department recommends the following:

- $578,000 Admin IFT for the Water Fund
- $104,000 Admin IFT for the Golf Fund
- $573,000 Admin IFT for the Transit Fund
- Admin IFT's should be adjusted each year by a percentage matching the growth rate of budgeted expenditures for administrative support departments
- Enterprise funds will be responsible for direct costs (utilities and janitorial services)
- To directly receive the Enhanced Enforcement and Administrative Fee revenues into the General Fund

The Budget Department recommends this study as an update to the administrative interfund transfer because of the specific logic and methodology used to determine the updated amounts. This is a recommended change because the current Admin IFT was performed over ten years ago, whereas this is a current and up-to-date study that offers clarity and specificity to the indirect costs of services provided to the enterprise funds.

Analysis

Introduction

Ten years ago, the city contracted Rosenthal & Associates Inc. to perform an Indirect Cost Analysis Summary Report. This report quantified the effective total cost of providing local government services within the City. The analysis estimated both the direct cost of final demand and the value of support services. For the last ten years, the City used this data to determine the administrative interfund transfers (Admin IFT) from the enterprise funds to the General Fund. This analysis provides an updated estimate of the cost of services that are provided to the enterprise funds from administrative departments within the General Fund.

Administrative Interfund Transfer Description

An interfund transfer is an accounting transaction which exists to account for indirect administrative costs attributable to enterprise activities in the proper fund. In Park City, funds are transferred from the three main enterprise funds (Golf, Water, and Transit) to compensate for services that are provided to them from different administrative department programs in the General Fund. The services and benefits cost time and resources, so the enterprise funds pay to receive those benefits.

Results

The current administrative interfund transfer amount was determined by cost of service data from Rosenthal's Indirect Cost Analysis. Because it had been ten years since the study, staff felt it was necessary to revisit the Admin IFT amounts and create a new study. Results of this study provide an adjustment to the Admin IFT to determine their viability using specific logic and methodology for an updated amount.

	Water Fund	Golf Fund	Transit Fund	Total Admin IFT
Current IFT Total	$654,629	$101,085	$634,730	$1,390,444
Adjusted IFT Total	$578,331	$104,044	$574,351	$1,256,725
Difference	-$76,298	$2,959	-$60,379	-$133,719

This table shows the current Admin IFT total (Rosenthal's study), the adjusted Admin IFT total (2011 study), and the total difference. These totals represent the accumulated expense that each enterprise fund will be charged based on the services provided to them from department programs. The total Admin IFT cost has decreased over $135,000. This large decrease is the result of attaching reasonable methodologies to programs that benefit each enterprise fund.

Methodology

The goal of this analysis is to provide an accurate calculation of expenses charged toward the enterprise funds for specific services of department programs. Department programs were created and clearly defined in the Budgeting for Outcomes (BFO) process. Throughout the last several months, Council and staff have engaged in the BFO process, which is a modified zero-based budgeting approach. The intent of BFO is to clearly identify all of the services and programs provided by the City, the scope of service or the level at which that service is provided, and to link these to the Council Goals and Community Vision. Over 130 programs and services were identified and defined in the process. Each program has a current budget. The program budget was used to generate percentages of dispersion from the three enterprise funds to the General Fund. To generate this percentage split, varying demand figures were used. The methodology is provided for the following departments: Building Maintenance, Budget, Debt and Grants; City Manager, Human Resources, Legal, Information Technology, and Finance, Building/Engineering/Planning, and programs that are mixed between Multiple departments.

Building Maintenance

The Building Maintenance department offers the following programs included in the administrative interfund transfer: Building Repairs and Maintenance, Inspections and Contract Supervision, and Asset Management. The Building Maintenance department is responsible for the maintenance of 31 city owned facilities, exceeding 240,000 total square feet. Building maintenance provides different levels of service for City buildings. Higher levels of maintenance provided for each building equals a higher weight placed on the square footage of that building. The adjusted total square footage is used to calculate the amount of maintenance required as a service. Building maintenance provides services to buildings used by each enterprise fund. A percentage was created to represent the amount of square footage that building maintenance provides to each enterprise fund divided by the adjusted total square footage. The percentages for each enterprise fund are applied to the overall cost of each building maintenance program.

Program	Overall Cost	Water	Golf	Transit
Bldg Repairs & Maintenance	$282,922	$15,433	$1,789	$21,879
Inspections & Contract Supervision	$83,809	$4,572	$530	$6,481
Asset Mgmt/ Replacement Program	$13,000	$709	$82	$1,005

Budget, Debt, and Grants

The Budget, Debt, and Grants department is responsible for managing, budgeting, and tracking debt issuance, capital budgeting, revenues, resources, and grants for the City. The department personnel spend a majority of their time and services to benefit the General Fund. However, their time and services also benefit the enterprise funds. The methodology associated with these programs use the portion of the budget that each enterprise fund represents.

Program	Overall Cost	Water	Golf	Transit
Debt Issuance	$31,417	$11,037	$94	$804
Capital Budgeting	$31,375	$9,936	$72	$7,088
Budget Prep/Coordination	$97,189	$10,114	$3,714	$15,159
Revenue/Resource Mgmt	$45,227	$4,707	$1,728	$7,054
Analysis Resource	$42,593	$4,432	$1,628	$6,643
Grant Administration	$15,069	$1,507	$151	$2,260
Performance Measures & Benchmarking	$26,031	$1,748	$824	$5,381

City Manager

The City Manager department provides the management of daily operations, support of the governance process, and organizational leadership and support to City employees. For the Staff Support program, the percentage is determined by taking the number of Full Time Equivalents (FTE's) in each enterprise department divided by the overall total amount of FTE's. This method is used for the Staff Support program because it benefits each department. The Assistant City Manager provided an estimate of time and services used to benefit the enterprise funds for Legislative Liaison and City Recorder programs. A negligible amount was provided and applied.

Program	Overall Cost	Water	Golf	Transit
Staff Support	$205,446	$11,300	$9,245	$50,334
Legislative Liaison	$67,328	$1,347	$0	$2,020
City Recorder	$89,962	$3,598	$0	$900

Human Resources

The Human Resources department assists the City in the recruiting process, employee benefits, employee events, and the City's employee culture. For Human Resources, the methodology is determined by taking the number of FTE's in each enterprise department divided by the overall total amount of FTE's. This works well because Human Resources programs provide services to each employee in every department. However, the Benefit Design/Administration program is adjusted because of seasonal employees. A higher weight is placed on full-time regular employees, who receive more benefits, and a lower weight is placed on seasonal employees. This creates a lower percentage for the enterprise funds that have more seasonal employees not receiving the same amount of employee benefits as full-time regular employees.

Program	Overall Cost	Water	Golf	Transit
Performance Mgmt	$399,863	$21,992	$17,994	$97,966
Valuing Employees	$148,247	$8,154	$6,671	$36,321
Local, State, & Federal Compliance	$118,142	$6,498	$5,316	$28,945
Recruitment	$72,029	$3,962	$3,241	$17,647
Pay Plan Design/ Administration	$66,751	$3,671	$3,004	$16,354
Benefit Design/ Administration	$53,159	$3,296	$1,754	$12,546

Legal

The majority of the services and programs provided by the Legal department benefit the General Fund, but some of the services also benefit the enterprise funds. The Water Right/Water Projects program benefits the water fund 100 percent. For the remaining legal programs, each department equally benefits from legal services. Because each department benefits from legal services, a department split was implemented. The department split factors in twenty-three departments containing personnel who benefit from legal services. Each department receives an equal percentage.

Program	Overall Cost	Water	Golf	Transit
Water Rights/Water Projects	$90,243	$90,243	$0	$0
Criminal Prosecution	$183,478	$7,339	$7,339	$7,339
Litigation	$73,559	$2,942	$2,942	$2,942
Contracts/Grants	$64,715	$2,589	$2,589	$2,589
General Legal Support	$55,097	$2,204	$2,204	$2,204
Employment Review	$51,411	$2,056	$2,056	$2,056

Information Technology

The Information Technology department oversees the operation of Park City’s enterprise computer, phone, and network environment and provides a range of internal services including support and training of software and hardware applications, GIS database mapping, records archiving, and high-quality customer service. The logic and methodology for these programs uses the amount of computers that each enterprise department has divided by the total amount of computers owned by the City. For example, the Transit department uses fifteen of the three hundred City owned computers. This equals five percent of the total amount of City owned computers.

Program	Overall Cost	Water	Golf	Transit
Network Support	$252,918	$15,175	$2,529	$12,646
Support/Help Desk	$229,797	$13,788	$2,298	$11,490
Customer Service	$178,615	$10,717	$1,786	$8,931
Systems Support	$176,899	$10,614	$1,769	$8,845
Software Maintenance/Upgrades	$167,656	$10,059	$1,677	$8,383
GIS	$65,392	$3,924	$654	$3,270
Website	$21,707	$1,302	$217	$1,085

Finance

The services provided by Finance department benefits all departments. The amount of time the Finance department employees spend on the Accounting/Audit/Treasury program was estimated to generate an expense to charge each enterprise fund. The personnel costs for each fund were used. The Financial Services program was split into Payroll, Accounts Payable, and Accounts Receivable. For payroll services, the amount of employees per enterprise fund is used. For Accounts Receivable, ninety percent are used for the Water department due to water billing. For Accounts Payable, the total expenses per fund are used. The cost for each enterprise fund uses the combination of these three services to create the amount that they are charged for Financial Services. For Business Licenses, a percentage was identified that yields two percent of the Transit Service Enhancement Fee, which is about $900,000 per year.

Program	Overall Cost	Water	Golf	Transit
Accounting/Audit/Treasury	$297,494	$20,825	$9,422	$61,491
Financial Services	$281,159	$71,939	$8,723	$54,589
Business Licenses	$93,484	$0	$0	$18,000

Building/Planning/Engineering

Services provided by the Building, Planning, and Engineering (BPE) departments provide a small amount of assistance to the enterprise funds, mainly to the Water Fund. For Inspections, a percentage was indentified that yields two percent of impact fees, which is currently budgeted at $1.6 million. The Engineering Manager said that about ten percent of the time and services are given to benefit the Water Fund. The Planning department suggests that ninety percent of Permitting/Current Planning services benefit the General Fund, two percent to the Water Fund, and eight percent to the Transit Fund.

Program	Overall Cost	Water	Golf	Transit
Inspections	$683,055	$32,000	$0	$0
Engineering Project Mgmt	$182,489	$18,249	$0	$0
Permitting/Current Planning	$77,225	$1,545	$0	$6,178

Multiple Departments

The methodology and logic used for programs provided by multiple departments used the expertise and recommendation from the manager who was most heavily involved in the program and service that is provided. A percentage estimate was provided identifying the amount of time and services devoted to each of the three enterprise funds.

Program	Overall Cost	Water	Golf	Transit
Environmental Regulation/EPA	$300,629	$60,126	$0	$0
Community Outreach & Citizen Engagement	$382,603	$38,260	$0	$19,130
Council & Board Support	$308,830	$12,353	$0	$3,088
Policy Creation & Implementation	$198,554	$7,942	$0	$1,986

Direct Costs

Direct costs for enterprise funds include janitorial services and utilities such as natural gas (Questar), electricity (Rocky Mountain Power), and sewer (Snyderville Basin). Currently, the enterprise funds are mostly paying for utilities and janitorial services through the Admin IFT. However, the purpose of the Admin IFT is to charge enterprise funds for indirect services provided from administrative departments. The new study removes janitorial services and utilities from the Admin IFT. New budget options will be created for each enterprise fund to account for those services directly. This change will have an impact on each enterprise fund because they will be fully responsible for the cost of these services.

Business License Fees

As provided in the municipal code: “a separate license must be obtained for each branch establishment or separate location in which business is engaged” within the city limits (i.e., business licenses). The distribution of business licenses is a service provided by the Finance Department to the citizens of Park City. The business license fee itself is broken down into several categories as a way to fund distinct services provided by the City. Two of these categories are the Enhanced Enforcement Fee and the Administrative Fee. The Enhanced Enforcement Fee was developed to provide more police enforcement for taxi regulation during special events like Sundance. The Administrative Fee was developed, per State code, to recover the costs of actually administering the business license fees. These two services are funded within the General Fund, however, the revenues generated by these services has been received into the Transit Fund, but made their way back to the General Fund via the Admin IFT. However, it is being recommended in this study to eliminate this confusion and directly receive the Enhanced Enforcement and Administrative Fee revenues into the General Fund. These fees take up approximately 10% of the overall business license revenue.

Plan for the Future

The adjustments to the current Admin IFT provide specific logic and methods to better understand how funds are transferred from the enterprise funds into the General Fund. A plan is necessary for the future use of the Admin IFT If this update is to be accepted. The current plan will include an inflationary component. This is not a percentage increase per year, but rather an increase as the costs of programs increase. The Admin IFT will adjust every year with the fluctuating costs of services for each program. A new Admin IFT analysis will be performed every five years, which will revisit the methods and logic used to determine the expenses charged toward the enterprise funds.

Recommendation

The Budget department recommends the following:

- $578,000 Admin IFT for the Water Fund
- $104,000 Admin IFT for the Golf Fund
- $573,000 Admin IFT for the Transit Fund
- Admin IFT's should be adjusted each year by a percentage matching the growth rate of budgeted expenditures for administrative support departments
- Enterprise funds will be responsible for direct costs (utilities and janitorial services)
- To directly receive the Enhanced Enforcement and Administrative Fee revenues into the General Fund

The Budget Department recommends this study as an update to the administrative interfund transfer because of the specific logic and methodology used to determine the updated amounts. This is a recommended change because the current Admin IFT was performed over ten years ago, whereas this is a current and up-to-date study that offers clarity and specificity to the indirect costs of services provided to the enterprise funds.

TRANSIT FUND FINANCIAL ASSESSMENT STUDY

Fiscal Year 2011

Prepared by the Budget, Debt, & Grants Department

in coordination with the Transit Department

Table of CONTENTS

INTRODUCTION 3
TRANSIT FUND MODEL 3
TRANSIT FUND STRUCTURE 4
Revenues 4
Sales Tax 5
Federal Contracts Agreements and Grants 5
Regional Transit Revenue 5
Business Licenses 6
Flagstaff Transfer Fees 6
Bus Advertising and Other Fees 6
Parking Fees 6
Expenditures 7
Transit Activity Expenditures 8
Parking Expenditures 9
Capital Projects 9
SHORT & LONG-TERM OUTLOOK 11
Paid Parking Program 11
Transit Short-term Stability 12
Fund Balance 12
Transit 10-Year Projection - Transit Fund Scenarios 13
Scenario 1 – Current Fund Projection (no new services) 14
Scenario 2 – Fund Projection without Federal Operating Grants (no new services) 15
Scenario 3 – Fund Projection (likely new services) 16
Scenario 4 – Fund Projection (All new services and projects with new transit tax levy) 17
Scenario5 – Fund Projection (All new services and projects with new transit tax levy – No Federal Operating Funds) 18
CONCLUSION 19

INTRODUCTION

The Transit Fund Financial Assessment Study was conducted as part of the Fiscal Year 2012 budget process. The study was conducted in order to assess the overall financial health of the Transit Fund and to augment the Park City FIAR report which is presented to City Council during the budget process. The Transit Fund Financial Assessment Study report details the study's 10-year revenue and expenditure forecast for the Transit Fund. The report also describes the revenues and expenditures of the Transit Fund. The bulk of the study consisted of creating the Transit Fund Model as described below. The Short and Long Term Outlook section of the report details several Transit Fund scenarios which show the long-term effects of possible revenue, service level expenditure or capital adjustments to the fund . Each scenario is briefly described and displayed graphically.

One of the primary intents of this report is to highlight the Transit Fund's long-term health with and without federal assistance. Careful evaluation of possible overreliance on ongoing federal operating and capital grant funds must be considered when making any revenue, service level expenditure or capital adjustments to the fund. The effects of federal grants on the long-term stability of the fund are highlighted throughout the report.

TRANSIT FUND MODEL

The Transit Fund Model was created as part of the Transit Fund Financial Assessment Study. The model acts as a 10-year adjustable balance sheet projection. Revenues and expenditures are forecasted using historical data and individual line item type. Projected out over time, the Transit Fund Model shows the operational cash flow and fund balance totals of the Transit Fund.

The revenue section includes a potential revenue adjustment section which allows the user to see the short and long term impacts of hypothetical revenue changes to the fund over time. Potential revenue adjustments built-in to the model include: increasing the transit tax, removing a portion of the resort sales tax, increasing parking fees, and removing a portion of business license fees.

Likewise, the expense section includes a potential service level increase section which allows the user to "turn on" new services and see the projected service level cost and changes to the fund over time. Potential service level increases include: Park and Ride Service, SLC to PC Bus Initial and Expanded Service, PC to Heber Service, PC to Kamas Service, and Bus Rapid Transit SR-224.

In addition to revenues and operating expenditures, the Transit Fund Model includes currently budgeted capital improvement projects and related funding projections. Like the revenue and expenditure sections, the capital projects section includes some potentially new capital projects and their related effect on the short and long term fund net revenue projection and fund balance. New potential projects include Facility Renewal, Bus Rapid Transit, and Transit Expansion Buses.

TRANSIT FUND STRUCTURE

The Transit Fund is one of the City's enterprise funds which is housed in the Public Works Team. The Transit Department provides transit, parking, and transportation services to the City. While these three distinct services are all accounted for within the Transit Department, they are tracked individually through the use of distinct activity codes in the City's general ledger. This allows expenses related to each of the three activities to be accounted for and grouped individually when necessary.

Revenues

Transit Fund revenue types include: transporter sales tax, resort sales tax, federal contract agreements (Fed. Grants), regional transit revenue, business license fees, bus advertising, flagstaff transfer fees, and other miscellaneous revenues. Parking revenues include: parking permits, meter revenue, parking fines and other parking related fees and fines. The following graphs show the percentage breakdown of Transit Fund revenue.

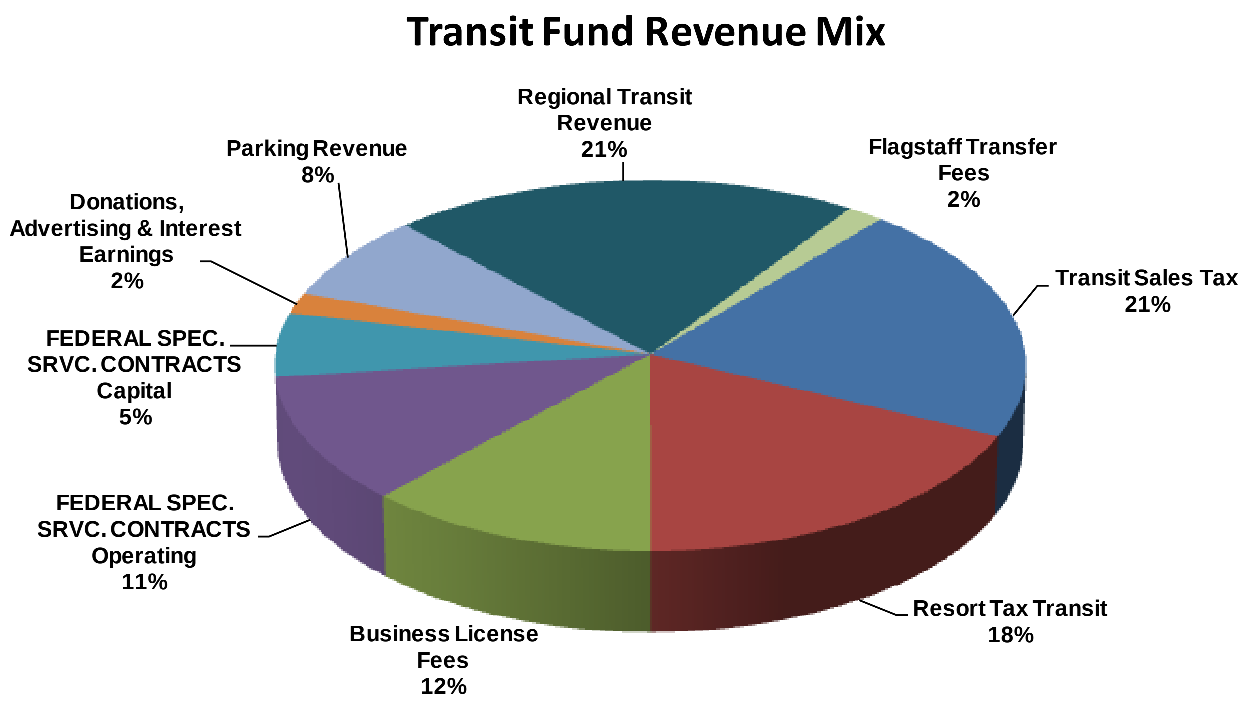


Fig. 1 - *Transit Fund Revenue Mix* – typical revenue mix based on FY2012 budget (Fed. Spec. Srvc. Contracts will vary greatly depending on timing and scope of capital projects)

As shown the Transit Fund traditionally receives a large portion of operating and capital revenue in the form of federal special service agreements and grants. Federal funds are awarded on a yearly basis and are considered a highly volatile and unpredictable funding source. One of the primary intents of this report is to highlight the funds long-term health with and without federal assistance.

Sales Tax

Sales tax represents the largest revenue source for the fund. The City levies a 0.30 percent mass transit sales tax on all goods. The full amount of the mass transit tax is received in the Transit Fund. This amount equated to just over $1.6 million in FY 2010. The City also levies a 1.10 percent resort city sales tax on all goods. Currently twenty-five percent of this amount is received in the Transit Fund with the remaining 75 percent going to the General Fund. The transit portion of the resort city sales tax was approximately $1.5 million in FY2010. Utah code allows the total combined sales and uses tax rates for public transit to be adopted at up to 0.55 percent. Adopting the maximum public transit rate at .55 percent would generate an approximately $1.57 million in additional revenue in FY 2012.

Both the resort and transporter sales tax are projected as part of the City's overall revenue forecasts using the sales tax econometric model. As described in the annual FIAR the econometric model projects sales tax revenue using actual sales tax figures and visitor night data. The transit model's sales tax figures are taken directly from the econometric model. As with sales tax projections in the General Fund, transit and resort tax for the Transit Fund show moderate to strong growth over the next ten years.

Federal Contracts Agreements and Grants

In recent years, the Transit Fund has received several large contract agreements for capital projects and operating expenses from the Federal Transit Administration (FTA). These agreements have been received both directly from the FTA and as pass-through agreements with the Utah Department of Transportation (UDOT). Awards are received though both 5309 and 5311 federal funding programs. Federal funding has played a large part in all capital projects past and ongoing in the Transit Fund. The Transit Fund received over $6.6 million in FY 2010. A large portion of these funds were for construction of the Bus Storage Facility, capital bus replacement and transit operating expenses.

While it is anticipated that federal funding will continue to be available for capital and operating expenses in the future, federal funding is likely to be an erratic and unreliable funding source. It has been the intent of the City to budget and operate the Transit Fund at its current service levels independent of federal money. While the current model shows the funds ability to maintain service levels without federal aid, capital replacement of busses and infrastructure would be severely limited without federal assistance.

Federal funding amounts listed in the Transit Financial Model are projected based on the past history of receiving federal funds and the future likelihood of receiving federal awards as determined by the Transit and Transportation Manager. The transit financial model shows balance sheet projections with and without federal funds in order to stress the risks involved in becoming dependent on federal grant money.

Regional Transit Revenue

The Transit Department is contracted to provide transit services to Summit County. The County provided 100 percent cost recovery of contracted transit services. This amount is calculated based on an estimate of yearly expenses apportioned to services provided to the County. The amount is adjusted for actuals at the end of the year. The County also provides the proper apportion of funding for capital replacement of buses, supporting facilities, and transit studies costs.

In order to provide the appropriate cost share to the County, the City makes a yearly onetime adjustment for federal service agreements received which offset the County portion of contacted transit services. This adjustment fluctuates greatly depending on the proportion of transit service attributed to the County and the amount and type of federal funding received in a given year. Total Regional Transit Revenue received in FY 2010 was just over $2 million. Regional transit revenue projections are based on current and projected service level costs. Due to the 100 percent cost recovery on County services, projecting level of service increases are not necessary in the Transit Financial Model. Any increased cost for County services will be entirely offset with a corresponding increase in regional transit revenues.

Business Licenses

As provided in the municipal code: "a separate license must be obtained for each branch establishment or separate location in which business is engaged" within the city limits (i.e., business licenses). The distribution of business licenses is a service provided by the Finance Department to the citizens of Park City. The business license fee itself is broken down into several categories as a way to fund distinct services provided by the City. A portion of these fees are categorized as the Transit Service Enhancement Fee. These fees are recognized in the Transit Fund and are used to fund transit services.

Two additional categories are the Enhanced Enforcement Fee and the Administrative Fee. The Enhanced Enforcement Fee was developed to provide more police enforcement for taxi regulation during special events like Sundance. The Administrative Fee was developed, per State code, to recover the costs of actually administering the business license fees program. These two services are funded within the General Fund, however, the revenues generated by these services has traditionally landed in the Transit Fund. The reason for this is not exactly clear, but the revenues were intended to make their way back to the General Fund via the Admin IFT. However, it is being recommended in the FY2011 IFT Study to eliminate this confusion and directly receive the Enhanced Enforcement and Administrative Fee revenues into the General Fund. These fees take up approximately 10% of the overall business license revenue.

Flagstaff Transfer Fees

Flagstaff transfer fees are collected on the transfer of properties and land included in the annexed area known as Flagstaff Mountain. As outlined in the Flagstaff Development Agreement, 50 percent of the City's portion of fees is recognized as revenue in the Transit Fund with the other 50 percent going towards open space. The transit portion of the fees is budgeted in the Flagstaff Transit Transfer Fee capital project which is reserved for transit projects related to the Flagstaff Development (as defined in the Flagstaff Development Agreement). Total fees collected vary from year to year ranging from over $600,000 to less than $80,000.

Bus Advertising and Other Fees

Other transit revenue includes bus advertising, rider donations, sales of assets, interest earnings and other miscellaneous revenues. All totaled, these revenues typically make up less that 5 percent of the total Transit Fund revenue.

Parking Fees

The parking functions in the Transit Fund relate to the operating and capital costs associated with the City's parking structures and meters. Parking related revenues pay for these operating and capital costs. The three largest revenue sources for parking include meter revenue, city parking fines, and parking permits. The following graph details the percentage breakdown of parking revenues received by the City.

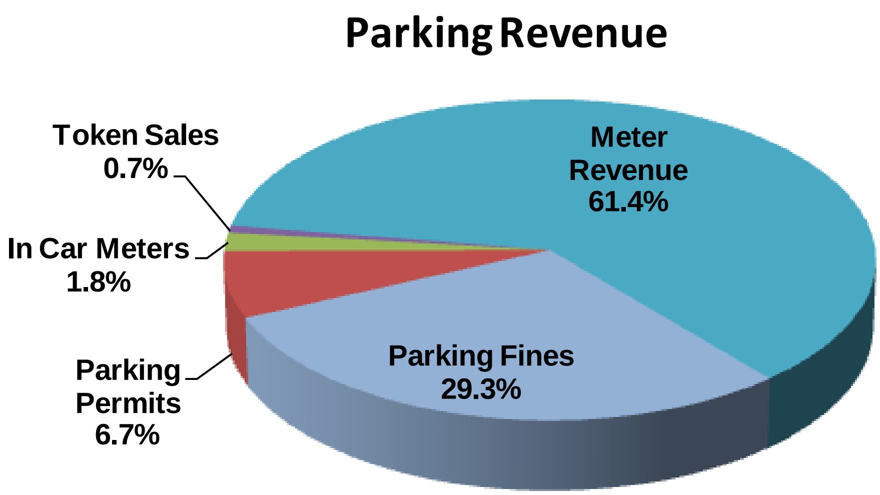


Fig. 2 - *Parking Revenue* – typical parking revenue based on FY2011 year end projected revenue

Parking meter and permit rates are set by the City Council on an annual basis. Revenues fluctuate based on usage and enforcement efforts. Budgeted amounts are typically adjusted to correlate with changes to the rate schedule. The Transit Financial Model does not currently include any adjustments to parking revenue, although the ability to show rate adjustments is included in the model.

Recent changes to the meter rates include Council's decision to raise rates in February of FY 2011 from $1.00 to $1.50. This was expected to boost meter revenue by approximately $160,000 per year. The additional revenue was to be allocated to contracts with the Park Silly Sunday Market, HPCA, and a Transit Marketing Program. Additional remaining funds were to be applied to parking program cost increases and potential subsidies for HPCA free parking programs (such as Thanksgiving thru December 15).

Details showing the paid parking program revenues over expenditures are located in the Short & Long-Term Outlook section of this report.

Expenditures

The Transit Fund consists of two major expenditure types: operating and capital. Personnel costs represent approximately 61 percent of the total operating budget. The Transit Fund operating expenditures have historically been divided into two distinct activity types: transit and parking. Starting in FY 2012 the Transit Fund will be divided into three distinct activity types: transit, parking, and transportation. Transportation activities include traffic mitigation planning and calming as well as managing transportation infrastructure improvements.

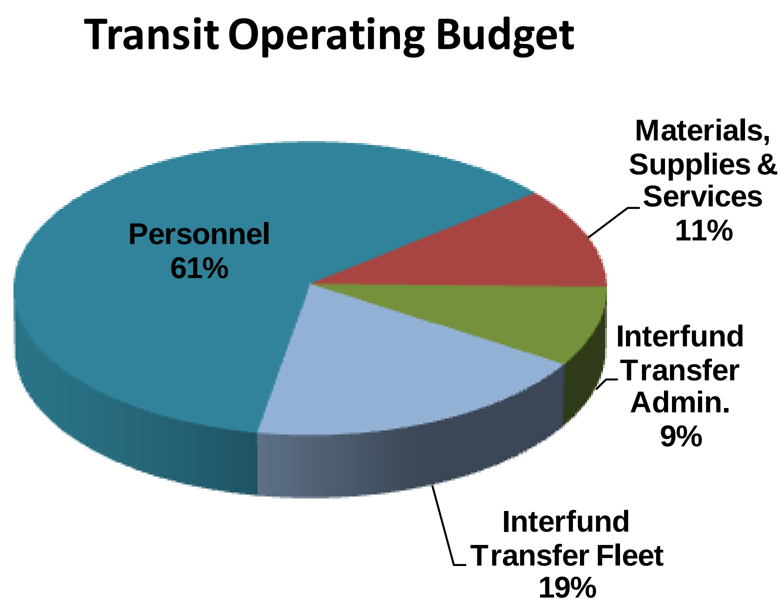


Fig. 3 - ***Transit Operating Budget*** **– typical operating budget based on FY2010 actual**

Transit Activity Expenditures

Transit related expenditures make up 94 percent of the operating budget in the Transit Fund. Transit activities include providing winter and summer transit bus service to the Park City area. The total transit activity budget for FY 2010 was $6,800,498; total transit activity expenditures in FY 2010 were $5,473,796 or approximately 88 percent of budget. Current forecasts for FY 2011 show similar expenditures at 89 percent of budget. This under spending of budget is directly related to savings in personnel costs, due to the current employment market. The Transit Department is budgeted for 39 full time bus driver positions. However the department has been able to take advantage of the market by staffing with a higher part-time ratio than is typically possible. This stagey has generated significant cost savings in the last 2 years. It is anticipated that as employment markets begin to stabilize and UTA continues to expand services in Salt Lake and Utah Valley, it will become necessary for Park City to secure drivers with full time positions in order maintain a quality workforce.

It is anticipated that the transit operating budget will be held at the current level until growth in the fund due to additional services, inflationary impacts, or employment markets expand beyond budgeted levels. As part of the Transit Fund Model, actual operating expenditures are projected based on a linear trend until they reach current budgeted levels in FY 2015. From FY 2015 onward the budget is inflated based on the current Utah public sector inflation rate. The model accounts for increases for new services individually by actual projected service costs which are then also inflated over time.

Transit staff is currently working with consultants to prepare the Short and Long Range Transit Development Plans. These plans will detail recommended transit service improvements and capital projects as well as potential funding sources for improvements. Potential service level increases which have been previously discussed by Council and will likely appear in the transit development plans are included as options in the Transit Fund Model. These potential services include: Park and Ride Service, SLC to PC Initial Service and Enhanced Service, PC to Heber Service, PC to Kamas, Service, and Bus Rapid Transit SR-224. Detailed description of costs and service types are included in the appendix of this report.

Parking Expenditures

Parking expenditures include administrative and operating costs associated with city run paid parking program. The parking operating budget represents approximately 6 percent of the total Transit Fund operating budget.

Details showing the paid parking program revenues over expenditures are located in the short & long-term outlook section of this report.

Capital Projects

The Transit Fund has capital projects which relate to the operation and maintenance of the transit, transportation, and parking activities of the City. As an enterprise fund transit capital projects are budgeted and expenses within Transit Fund and are not part of the City's Capital Improvement Fund 31. However, Transit Fund projects are part of the City's Capital Improvement Plan (CIP) and are therefore evaluated as part of the CIP budget process. Capital projects include items such as Bus replacement and renewal and parking meter replacement as well as large building projects such as the Bus Maintenance & Operations Facility. A table showing current capital projects and funding sources is included in the appendix of this report.

Capital projects are funded using specific funding sources within the Transit Fund. For example: Regional Transit Revenue is used to cover Summit County's share of facility improvements, studies, and bus replacement costs; Flagstaff Transfer Fees are used for projects qualifying under the Flagstaff Development Agreement; and Parking Meter Revenue is used to fund parking meter replacement.

Historically the majority of transit projects have been funded or partially funded with federal grants. It is expected that federal grant money will continue to play a large role in transit projects. Currently, federal grants account for 77 percent of the funding for Transit Fund capital projects. As discussed above federal grant money is a relatively unstable revenue source. Transit projects are typically budgeted well in advance of receiving federal awards. Projects which are budgeted but have not received awards are not moved forward or put out to bid until federal grant awards are secured specifically for the project. Because these projects will not move forward without an offsetting grant award, these projects are not considered liabilities against the Transit Fund revenues or fund balance in the Transit Fund Model.

The CIP section of the Transit Fund Model includes some potentially new capital projects and their related effect on the short and long term fund projection and fund balance. New potential projects include Facility Renewal, Bus Rapid Transit, and Transit Expansion Buses. These projects are projected to be funded through federal grants with a 20 percent local match. As with the operating side of the Transit Fund, the loss of federal funding on the capital side would severely limit the funds ability to support capital projects. Alternate funding strategies could include an additional transit tax, moving resort tax back from the Transit Fund, cuts to operating budgets, delaying capital replacements and improvements, or transit sales tax revenue bonds.

SHORT & LONG-TERM OUTLOOK

Paid Parking Program

The City's Paid Parking Program is contained as an element within the Transportation Fund. The table below contains financial results for the City's Paid Parking program for FY 2010, FY 2011 year to date and forecasted FY 2011 year end.

Parking Operation	FY 2010	FY 2011 YTD Thru May 16	Estimated thru 6/30/2011
Parking Fines	$ 212,654	$ 177,719	$ 195,321
Parking Permits	$ 44,295	$ 44,020	$ 44,829
In Car Meters	$ 10,759	$ 9,199	$ 10,426
Quick Cards	$ 491	$ -	$ -
Token Sales	$ 7,335	$ 3,894	$ 4,737
Meter Revenue	$ 320,126	$ 347,977	$ 409,524
In-Car Meters	$ 2,125	$ 1,350	$ 1,865
Impound Fees	$ 968		$ 25
Total Revenues	**$ 598,753**	**$ 584,159**	**666,726**
Personnel	$ 178,415	$ 138,414	$ 158,450
Materials Supplies Services	$ 15,937	$ 18,749	$ 28,293
Utilities	$ 3,556	$ 2,997	$ 3,591
Contract Services	$ 259,122	$ 202,805	$ 251,520
Interfund Transfer	$ 49,148	$ 39,738	$ 39,738
Capital Equipment Replacement Fund	$ 44,333	$ 44,333	$ 44,333
Insurance	$ 10,139	$ 8,198	$ 8,198
Contribution to Park Silly Market		$ 40,000	$ 40,000
Contribution to HPCA		$ 40,000	$ 40,000
Total Expenses	**$ 560,651**	**$ 535,235**	**$ 614,124**
Net Revenues	**$ 38,102**	**$ 48,924**	**$ 52,602**

Table 1 - Parking *Operation Summary*

On February 25, 2010 City Council approved an increase in the Main Street hourly parking rate from $1.00 to $1.50. Staff initially forecasted this increase would generate an additional $160,000 in parking revenues. Council directed these revenues to be used as follows:

Contribution to Park City Silly Market	$40,000
Contribution to Historic Park City Association	$40,000
Transit Marketing Program	$40,000
Parking Program Cost Increases & Potential Subsidies for HPCA free parking programs (such As Thanksgiving thru December 15)	<u>$40,000</u>
	$160,000

Despite strong early returns, the increase in the City's parking rate has yielded less than initially forecasted. While it is difficult to precisely identify new rate revenue within the already widely fluctuating parking revenue, it is estimated that the new rate generated approximately $120,000 when compared to the same period before the rate was implemented. Additionally, Thanksgiving through December 15th additional revenue value is estimated at approximately $15,000. Therefore the total value generated by the rate increase is estimated at $135,000.

The table above forecasts year end FY 2011 parking program net revenue of $52,602. It is important to note that this net revenue does not include expenses for the Council directed transit marketing program. Staff waited to implement that program until ensuring forecasted revenues were realized. This program is included in the City Manager's recommended FY 2012 budget. When adjusted for this program the parking program forecasted net revenue for FY 2011 would be $12,602.

In 2010 the HPCA requested that the City not charge for parking on Main Street from Thanksgiving through December 15th, 2010. The above table reflects the inclusion of this program. Staff continues to support HPCA's free parking program (Thanksgiving to December 15th) but does not recommend funding additional HPCA free parking programs at this time given the small amount of forecasted net revenues. Staff will update Council on the program's actual financial results in August 2011 following the final closing of the 2011 fiscal year. Staff will coordinate with the HPCA and include any additional HPCA program requests in that update.

Transit Short-term Stability

The short term (3 year) stability of the Transit Fund is strong. This is due in large part to cost savings in part-time personnel, large federal operating and capital grants, and stable revenue growth. As currently budgeted the Transit Fund is expected to see large net revenue returns over the next 3 years. However, while it is anticipated that federal funding will continue to be available for capital and operating expenses in the future, federal funding has proven to be an erratic and unreliable funding source. It has been the intent of the City to budget and operate the Transit Fund at its current service levels without the reliance on federal money. While the current model shows the funds ability to maintain service levels without federal aid, capital replacement of busses and infrastructure would be severely limited without federal assistance.

Additionally, the Transit Department is currently working with transit consultants to update the short and long term transit development plans. It is anticipated that the studies will recommend additional services in the next 1-3 years such as Park and Ride service and SLC to PC service. As currently forecasted the Transit Fund will likely cover these costs without the need to increase additional revenue. However, if federal operating money does not continue at the anticipated amount, the Transit Department will not be able to add services without either increasing transit sales tax revenue, moving 5% of resort tax back from the General Fund, or implementing budget cuts.

Fund Balance

The Transit Fund presently maintains a healthy unreserved fund balance of approximately $12.5 million. Maintaining a sufficient fund balance is important when dealing with large federally funded projects in order to adequately cover cash flow needs. It is also important to maintain an adequate fund balance in order to cover replacement costs of buses, equipment, and facilities and to guard against the risk that future federal capital replacement funding may not be available. As seen in the fund scenarios below, use of fund balance is often necessary to cover the non-uniform ebb and flow of capital costs. Budgeting best practices warn against using fund balance to cover operational costs. It is the Transit Department's intent to use fund balance for capital projects and onetime or emergency expenses.

Transit 10-Year Projection - Transit Fund Scenarios

The Transit Fund's long term projections show the funds ability to continue to cover costs and potentially take on new services. However, the models 10-year projection do shows slowly declining net revenues over time. This is due to in part to increased cost growth compared to projected sales tax revenue growth and unknown growth in federal operating grants. As with the short term projections the funds ability to take on new services is dependent on the continuation of federal operating grants. Without federal money funding new services such as SLC to PC would require either increasing transit sales tax revenue, moving 5% of resort tax back from the General Fund, or implementing budget cuts.

The following are summaries of several possible scenarios. Each scenario is briefly described and displayed graphically. Each scenario is projected to FY 2020. Scenarios are generated using the Transit Fund Model.

Scenario 1 – Current Fund Projection (no new services)

Scenario 1 shows the fund as currently projected with no new service level increases or new capital projects. The scenario assumes continued federal capital and operating funding. The scenario also includes moving 5 percent of the resort sales tax to the General Fund in FY2014 and moving funds related to the administrative costs of Business and Visitor Night Licenses Fees ~$150,000 per year starting in FY 2012.

This scenario shows strong revenue compared to expenditures. The high ratio is due to continued operating grants and the lack of new services or capital projects. This scenario shows large growth in unreserved fund balance.

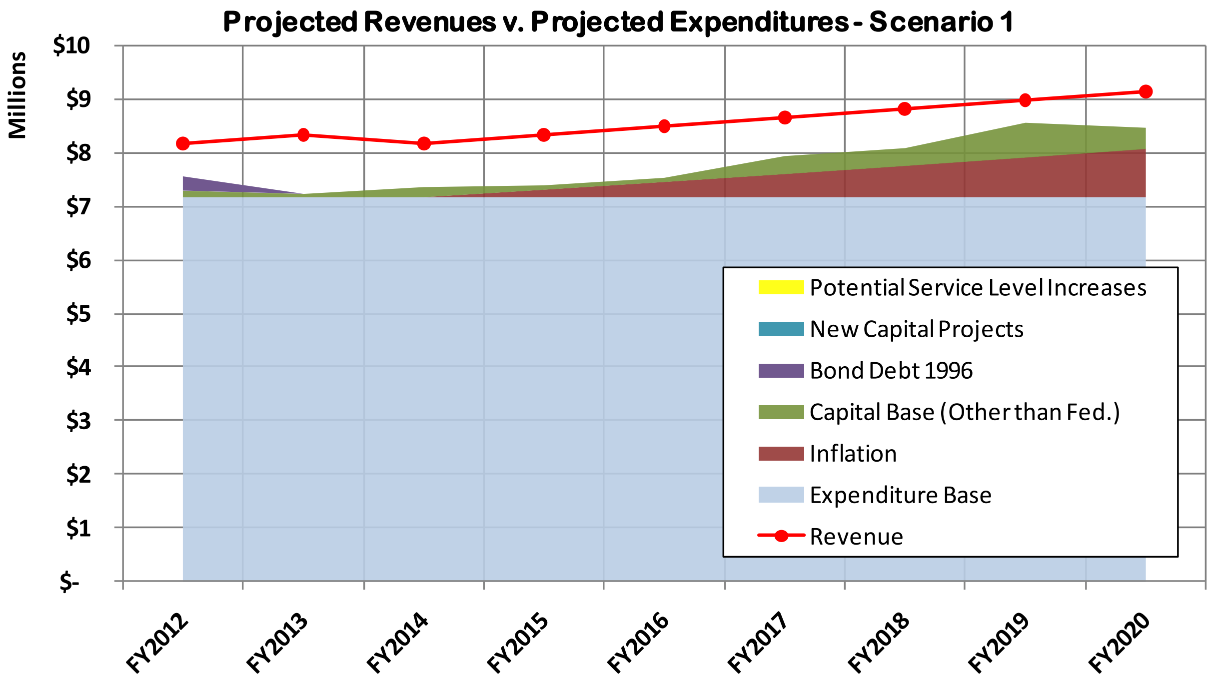


Fig. 4 – *Scenario 1* – Current Fund Projection (no new services)

Scenario 2 – Fund Projection without Federal Operating Grants (no new services)

Scenario 2 shows the fund projected with no federal operating revenue. This scenario assumes moving funds related to the administrative costs of Business and Visitor Night Licenses Fees ~$150,000 per year starting in FY 2012. It does not include moving 5 percent of the resort sales tax to the General Fund in FY2014. It does not include any new transit services or capital projects. As show, the fund continues to cover operating costs; however it would be likely necessary to use fund balance to cover larger capital project years such as FY2019 when large bus replacement costs occur.

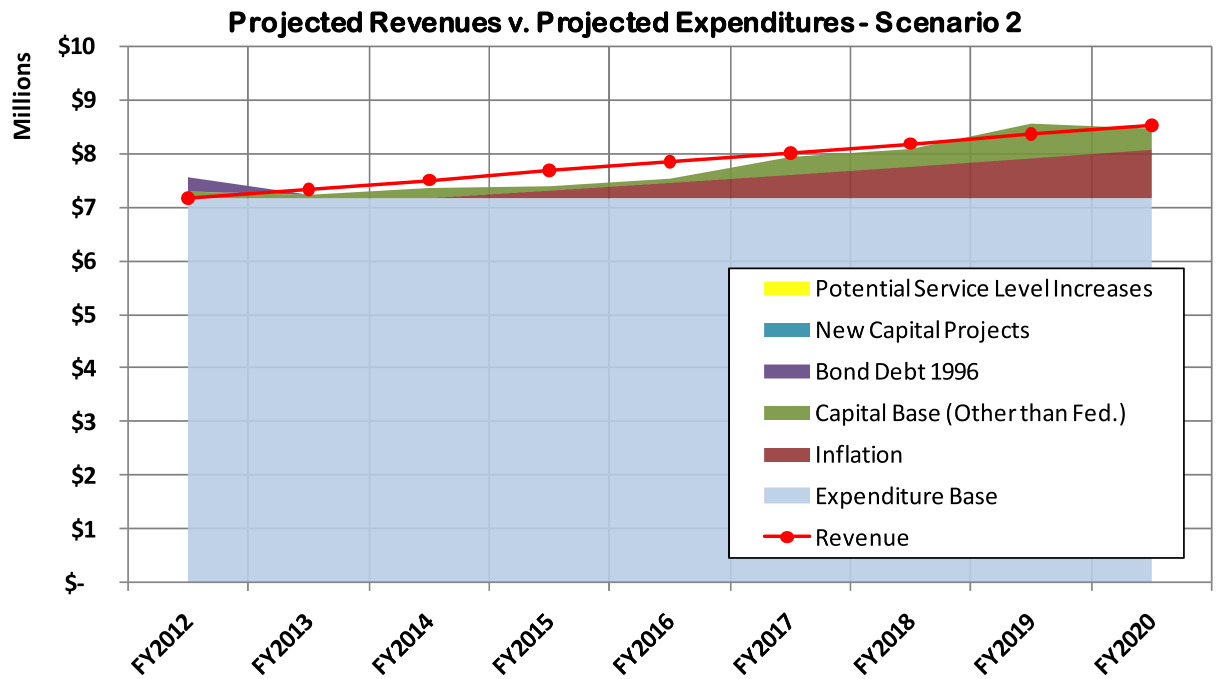


Fig. 5 – *Scenario 2*– No Federal Operating Grants (no new services)

Scenario 3 – Fund Projection (likely new services)

Scenario 3 show fund projections including implementing initial bus service from SLC to PC starting in FY 2012 and Park and Ride bus service starting FY 2013. It also includes a new capital facility renewal plan which would be 80 percent federally funded and 20 percent local. The scenario assumes continued federal capital and operating funding. This scenario also includes moving 5 percent of the resort sales tax to the General Fund in FY2014 and moving funds related to the administrative costs of business and visitor night licenses fees ~$150,000 per year starting in FY 2012.

As shown the fund will continue to cover operating expenses even with the two new services. The fund will however become reliant on federal operating funds and fund balance to help cover ongoing and new capital projects. The amount of fund balance required to cover capital cost in this scenario equates to approximately $350,000 in FY 2019. If federal funding did not continue, the City would need to consider alternate funding options such as: levying additional transit tax, moving resort tax back from the General Fund, cuts to operating budgets, discontinuing new services, delaying capital replacements and improvements, or perhaps transit sales tax revenue bonds.

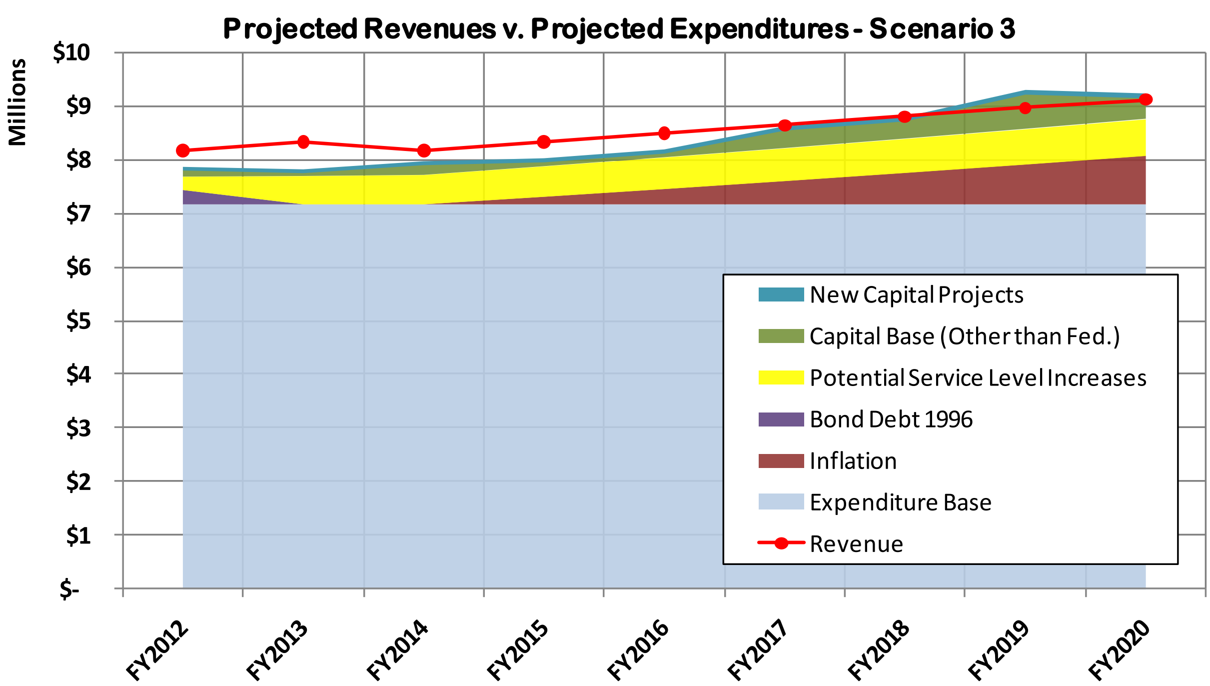


Fig. 6 – *Scenario 3* (likely new services)

Scenario 4 – Fund Projection (All new services and projects with new transit tax levy)

Scenario 4 show fund projections including implementing all new services: initial & enhanced bus service from SLC to PC starting in FY2012, Park and Ride bus service (FY2013), PC to Heber Service (FY2014) ,PC to Kamas Service (FY2014), and Bus Rapid Transit SR-224 (FY2017). It also includes 3 new capital projects which would all be 80 percent federally funded and 20 percent local. Projects include: facility renewal plan (FY2012), Bus Rapid Transit project (FY2015), and Transit Expansion Buses (FY2014 & 2015). The scenario assumes continued federal capital and operating funding. This scenario also includes moving 5 percent of the resort sales tax to the General Fund in FY2014 and moving funds related to the administrative costs of business and visitor night licenses fees ~$150,000 per year starting in FY 2012.

As is shown, this scenario assumes large growth in expenditures due to new services and projects. While a variety of funding solutions may exist, (see alternate funding options listed in scenario 3) this scenario shows the effects of levying an additional transit sales tax. The graph shows an initial .04% transit sales tax levy in FY2014 which correlates with the introduction of the PC to Heber and PC to Kamas Bus Services. An additional .14% transit sales tax levy in FY2017 is show which correlates with the introduction of the Bus Rapid Transit SR-224 service and capital project piece. The total transit sales tax levy in the scenario would therefore be .48%. This would be just .07% from the maximum allowable levy of .55%. This option would allow the fund to maintain its current fund balance. If the rate adjustment were reduced fund balance could cover a portion of capital expenditures in high years such as FY 2017 and 2019.

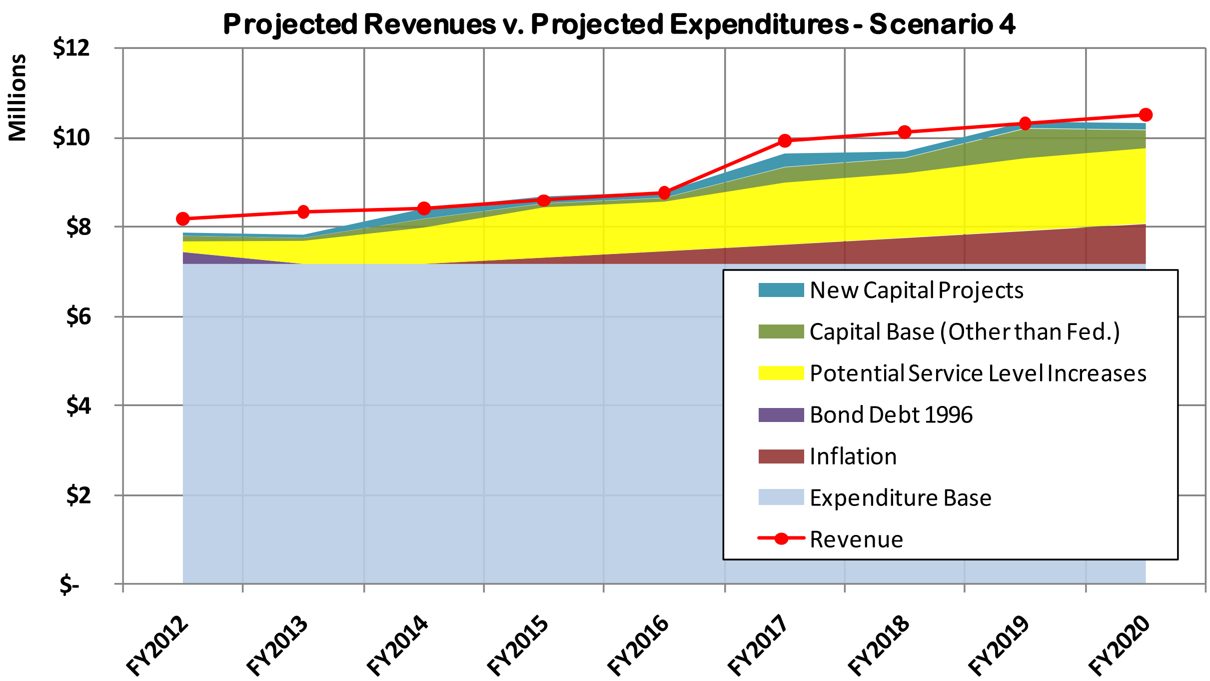


Fig. 7 – *Scenario 4* (All new services and projects with new transit tax levy)

Scenario5 – Fund Projection (All new services and projects with new transit tax levy – No Federal Operating Funds)

Scenario 5 is the same basic scenario as 4 other than is includes no federal operating funds – it includes adding all the new services in the model as well as the capital projects. In this scenario in order to cover the loss of operating transit sales tax rate increases are much larger. It includes a rate .12% increase in FY 2013 and a .13% increase in FY 2017. It also requires not moving 5 percent of the resort sales tax to the General Fund in FY2014. This scenario is purely hypothetical as there is little likelihood that all new services would be approved with the loss of federal assistance. This scenario simply displays the revenue generating ability of the transit sales tax in the absence of federal funds. That said it is important to remember that the transit sales tax revenue is capped at .55%. While increasing this revenue source can potentially generate a large proportion of revenue for the Transit Fund, once this revenue reaches its maximum level it essentially becomes somewhat stagnant. It is suggested that rate increases be reserved of situations when other options have been exhausted.

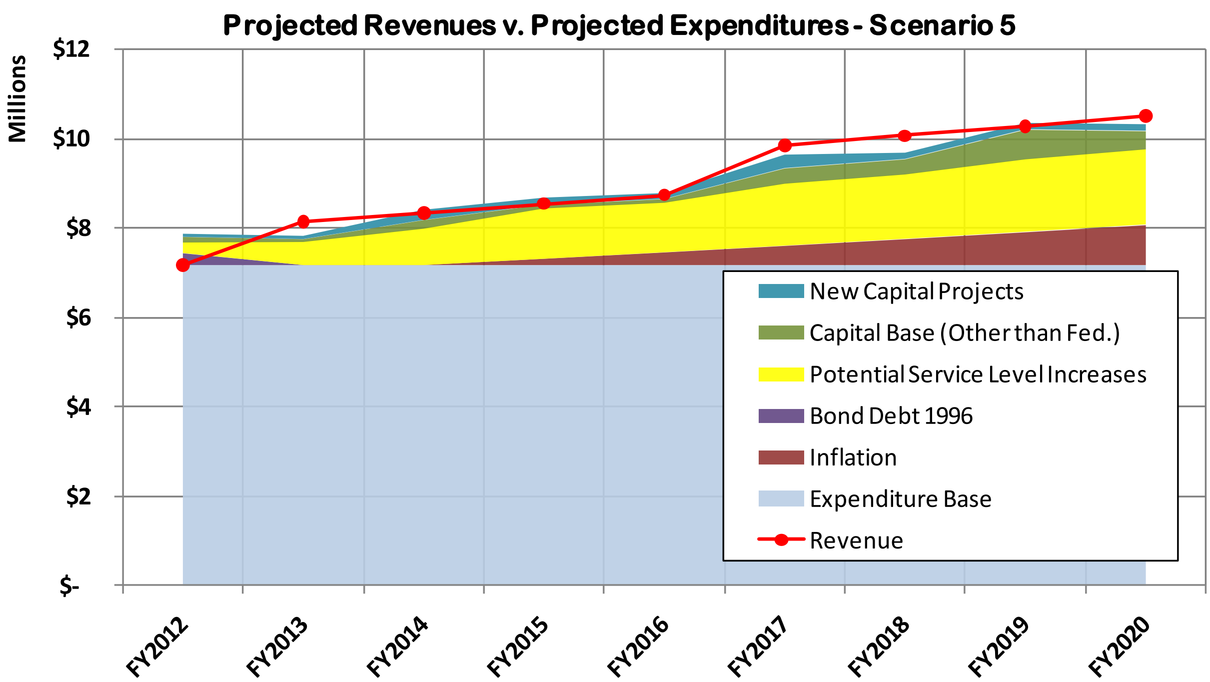


Fig. 8 – ***Scenario 5 (All new services and projects with new transit tax levy – No Federal Operating Funds)***

CONCLUSION

The short and long term health of the Transit Fund is strong. The fund contains a balanced mix of revenue sources which have proven to adequately cover operating and capital costs. The fund maintains sufficient fund balance to cover capital cash flow needs and to guard against the risk that future federal capital replacement funding may not be available to cover replacement costs of buses, equipment, and facilities. The fund shows the ability to cover projected operating costs with and without federal funding, which is consistent with the Transit Department's budgeting goals. It is therefore the view of this study that the Transit Fund, as currently structured, maintains a high level of financial stability and long-term flexibility which will allow the fund to continue to provide the same and expanded levels of quality transit, transportation, and parking service to the City.

It is staff's intent to update the Transit Fund Model yearly in order to monitor the financial health of the fund. Updates will include continued assessment of the fund's ability to receive federal operating and capital grant funds. Future updates will also include recommendations made in the short and long range transit plans.

APPENDIX

Sales Tax Econometric Model – Mass Transit & Resort Sales Tax

Econometric Linear Regression Model

Coefficients	
Intercept	$65,978.98
Visitor Nights	$3.81
CY Quarter 2	-$176,982
CY Quarter 3	-$1,189,079
CY Quarter 4	$84,132

% of Total Sales Tax to Local Option	% of Total Sales Tax to Resort Tax	% of Total Sales Tax to Mass Transit Tax
34.78%	**50.40%**	**14.82%**

Fiscal Year.Quarter	Visitor Nights Forecasts	Quarterly Sales Tax Forecasts
2011.1	793,620	$1,900,084
2011.2	669,829	$2,701,731
2011.3	1,337,057	$5,159,312
2011.4	479,753	$1,716,547
2012.1	931,819	$2,426,535
2012.2	719,941	$2,892,626
2012.3	1,366,075	$5,269,851
2012.4	586,368	$2,122,682
2013.1	959,416	$2,531,660
2013.2	743,535	$2,982,504
2013.3	1,403,055	$5,410,721
2013.4	605,395	$2,195,164
2014.1	987,012	$2,636,784
2014.2	767,129	$3,072,382
2014.3	1,440,035	$5,551,591
2014.4	624,423	$2,267,647
2015.1	1,014,608	$2,741,908
2015.2	790,723	$3,162,259
2015.3	1,477,015	$5,692,461
2015.4	643,450	$2,340,130
2016.1	1,042,205	$2,847,032
2016.2	814,317	$3,252,137
2016.3	1,513,995	$5,833,331
2016.4	662,478	$2,412,612
2017.1	1,069,801	$2,952,157
2017.2	837,911	$3,342,015
2017.3	1,550,975	$5,974,201
2017.4	681,505	$2,485,095
2018.1	1,097,397	$3,057,281
2018.2	861,505	$3,431,892
2018.3	1,587,955	$6,115,072
2018.4	700,533	$2,557,577
2019.1	1,124,994	$3,162,405
2019.2	885,099	$3,521,770
2019.3	1,624,935	$6,255,942
2019.4	719,560	$2,630,060
2020.1	1,152,590	$3,267,529
2020.2	908,692	$3,611,648
2020.3	1,661,915	$6,396,812
2020.4	738,588	$2,702,543

Annual Totals	Total City Sales Tax	Mass Transit Sales Tax	Transit Fund Resort Tax (25% of 1.1% collected)	Total Transit Fund Sales Tax
2011	$11,477,674	$1,700,742	$1,446,130	$3,146,871
2012	$12,711,694	$1,883,597	$1,601,610	$3,485,207
2013	$13,120,049	$1,944,106	$1,653,061	$3,597,167
2014	$13,528,404	$2,004,615	$1,704,512	$3,709,127
2015	$13,936,758	$2,065,124	$1,755,962	$3,821,087
2016	$14,345,113	$2,125,634	$1,807,413	$3,933,047
2017	$14,753,468	$2,186,143	$1,858,864	$4,045,007
2018	$15,161,822	$2,246,652	$1,910,314	$4,156,966
2019	$15,570,177	$2,307,162	$1,961,765	$4,268,926
2020	$15,978,531	$2,367,671	$2,013,216	$4,380,886

The sales tax model is designed to forecast total sales tax for the City. In order to break out the mass transit and resort tax from the total, a distribution percentage is used. The percentages reflecting the portion of total sales tax attributable to mass transit and resort are taken from an average % distribution from 2010. Only 25% of the 1.1% resort tax is Transit Fund sales tax, the remaining 75% goes to the General Fund. Sales tax for FY 2011 was estimated based on some early leading indicators. These indicators included hotel occupancy reports, disposable personal income, and the distributions already received.

Revenue and Expenditure Forecast Summaries

Revenue Forecast Summary

Revenue Source	*FY2012*	*FY2013*	*FY2014*	*FY2015*	*FY2016*	*FY2017*	*FY2018*	*FY2019*	*FY2020*
Transit Sales Tax	$1,883,597	$1,944,106	$2,004,615	$2,065,124	$2,125,634	$2,186,143	$2,246,652	$2,307,162	$2,367,671
Resort Tax Transit	$1,601,610	$1,653,061	$1,704,512	$1,755,962	$1,807,413	$1,858,864	$1,910,314	$1,961,765	$2,013,216
Business License Fees	$1,218,656	$1,234,362	$1,250,068	$1,265,775	$1,281,481	$1,297,188	$1,312,894	$1,328,600	$1,344,307
FEDERAL SPEC. SRVC. CONTRACTS Operating	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
FEDERAL SPEC. SRVC. CONTRACTS Capital	$ 500,000	$ 500,000	$1,750,000	$1,750,000	$1,750,000	$1,750,000	$1,750,000	$1,750,000	$1,750,000
Donations, Advertising & Interest Earnings	$ 163,972	$ 166,883	$ 169,519	$ 171,939	$ 174,179	$ 176,271	$ 178,235	$ 180,090	$ 181,849
Parking Revenue	$ 680,000	$ 680,000	$ 680,000	$ 680,000	$ 680,000	$ 680,000	$ 680,000	$ 680,000	$ 680,000
Regional Transit Revenue	$1,920,104	$1,964,186	$2,008,268	$2,052,351	$2,096,433	$2,140,515	$2,184,598	$2,228,680	$2,272,763
Flagstaff Transfer Fees (low end estimate)	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000

Expenditure Forecast Summary

Expenditure Type	*FY2011*	*FY2012*	*FY2013*	*FY2014*	*FY2015*	*FY2016*	*FY2017*	*FY2018*	*FY2019*	*FY2020*
Personnel Services	$ 4,427,418	$4,427,418	$4,427,418	$4,427,418	$4,550,500	$4,677,004	$4,807,025	$4,940,660	$5,078,010	$5,219,179
Materials, Supplies and Services	$ 661,886	$ 661,886	$ 661,886	$ 661,886	$ 680,286	$ 699,198	$ 718,636	$ 738,614	$ 759,148	$ 780,252
Capital Outlay	$ 148,325	$ 148,325	$ 148,325	$ 148,325	$ 148,325	$ 148,325	$ 148,325	$ 148,325	$ 148,325	$ 148,325
Interfund Transfer	$ 1,981,730	$1,921,351	$1,921,351	$1,921,351	$1,921,351	$1,921,351	$1,921,351	$1,921,351	$1,921,351	$1,921,351
Capital Projects Total FY2011 includes remaining & carry forward budget (listed below by funding source)	$15,826,396	$ 195,661	$ 62,738	$ 960,000	$ 418,750	$ 402,255	$1,706,887	$1,691,369	$3,298,402	$2,012,786
TRANSIT SALES TAX	$ 1,065,900	$ 25,818	$ -	$ 192,000	$ 83,750	$ 80,451	$ 341,377	$ 338,274	$ 659,680	$ 402,557
BEGINNING BALANCE	$ 76,221	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
REGIONAL TRANSIT REVENUE	$ 434,407	$ 69,979	$ 62,738	$ -	$ -	$ -	$ -	$ -	$ -	$ -
FLAGSTAFF TRANSFER FEE	$ 1,807,101	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
METER REVENUE	$ 43,706	$ 28,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
RESORT TAX TRANSPOR	$ 160,496	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
FEDERAL GRANTS	$12,238,566	$ 71,864	$ -	$ 768,000	$ 335,000	$ 321,804	$1,365,510	$1,353,095	$2,638,722	$1,610,229
Total	$23,045,755	$7,219,359	$7,219,359	$7,219,359	$7,360,842	$7,506,258	$7,655,716	$7,809,329	$7,967,213	$8,129,486

Items Anticipated in Long and Short Range Transit Development Plans

Service Elements

	2012	2013	2014	2015	2016	2017	2018	2019	2020
Park and Ride Service [1]		$271,140	$281,389	$292,026	$303,064	$314,520	$326,409	$338,747	$351,552
SLC to PC Bus Initial Service [2]	$250,000	$259,450	$269,257	$279,435	$289,998	$300,960	$312,336	$324,142	$336,395
SL to PC Bus Service Enhanced [3]				$ 558,870	$ 518,900	$ 538,514	$ 558,870	$ 579,996	$ 601,919
PC to Heber Service [4]			$184,253	$191,217	$198,445	$205,946	$213,731	$221,810	$230,195
PC to Kamas Service [5]			$92,126	$95,609	$99,223	$102,973	$106,866	$110,905	$115,097
Bus Rapid Transit SR-224 [6]						$233,580	$242,409	$377,359	$391,623

Capital

	2012	2013	2014	2015	2016	2017	2018	2019	2020
Facility Renewal [7]	$ 343,000	$ 355,965	$ 369,420	$ 383,384	$ 397,876	$ 412,916	$ 428,524	$ 444,722	$ 461,532
Bus Rapid Transit [8]				$ 378,000	$ 250,000	$ 259,450	$ 259,450	$ 259,450	$ 259,450
Transit Expansion Buses [9]			$ 761,872			$ 816,174			

Notes:

1 2 buses 12 hours per day 245 days
2 5 morning buses - 5 evening buses - 303 days
3 10 daily buses - 303 days (Initial and Enhanced service are mutually exclusive and not additive)
4 1 bus 11 hours per day 365 days per year
5 1 bus 11 hours per day 365 days per year
6 2 buses 14 hours per day 365 days per year
7 2% of facility replacement cost for renewal of paint, roofing, HVAC, door systems, sealants and etc.
8 Signal premption and queue jump lanes 7 intersections
9 4 - 35' low floor buses

Transit Fund Capital Improvement Projects (from Capital Improvement Plan)

CIP #	Project Name	Revenue	11 Total	11 YTD Expenses	11 Remainder	12 Total	13 Total	14 Total	15 Total	16 Total	17 Total	18 Total	19 Total	20 Total
CP0002	Information System Enhancement/Upgrades	RESORT TAX TRANSPOR	0	0	160,496	0	0	0	0	0	0	0	0	0
CP0009	Transit Coaches Replacement & Renewal	TRANSIT SALES TAX	225,923	0	521,098	0	0	192,000	83,750	80,451	341,377	338,274	659,680	402,557
		FEDERAL GRANTS	884,071	139,210	1,569,059	0	0	768,000	335,000	321,804	1,365,510	1,353,095	2,638,722	1,610,229
CP0025	Bus Shelters	TRANSIT SALES TAX	37,000	0	59,600	0	0	0	0	0	0	0	0	0
		FEDERAL GRANTS	148,000	936	275,489	0	0	0	0	0	0	0	0	0
CP0043	Public Works Storage Parcel	TRANSIT SALES TAX	0	0	121,350	0	0	0	0	0	0	0	0	0
CP0051	Bus Maintenance & Operations Facility	FEDERAL GRANTS	0	3,909,573	6,752,279	0	0	0	0	0	0	0	0	0
		BEGINNING BALANCE	265,000	280,174	(15,174)	0	0	0	0	0	0	0	0	0
CP0108	Flagstaff Transit Transfer Fee	OTHER CONTRIBUTIONS	0	22,816	1,789,710	0	0	0	0	0	0	0	0	0
CP0115	Public Works Complex Improvements	BEGINNING BALANCE	0	6,150	28,895	0	0	0	0	0	0	0	0	0
		OTHER CONTRIBUTIONS	0	0	17,391	0	0	0	0	0	0	0	0	0
CP0118	Transit GIS/AVL system	FEDERAL GRANTS	293,600	0	1,200,000	0	0	0	0	0	0	0	0	0
		TRANSIT SALES TAX	150,000	0	150,000	0	0	0	0	0	0	0	0	0
		REGIONAL TRANSIT REVENUE	(49,200)	0	150,000	0	0	0	0	0	0	0	0	0
CP0136	County Vehicle Replacement Fund	REGIONAL TRANSIT REVENUE	(34,894)	34,802	138,420	60,911	62,738	0	0	0	0	0	0	0
CP0137	Transit Expansion	TRANSIT SALES TAX	39,490	0	148,960	0	0	0	0	0	0	0	0	0
		REGIONAL TRANSIT REVENUE	30,000	0	145,987	0	0	0	0	0	0	0	0	0
		FEDERAL GRANTS	277,958	0	1,205,856	0	0	0	0	0	0	0	0	0
CP0152	Parking Meter Replacement	METER REVENUE	0	6,475	43,706	28,000	0	0	0	0	0	0	0	0
CP0168	Bus Barn Sewer Connection	TRANSIT SALES TAX	0	0	25,000	0	0	0	0	0	0	0	0	0
CP0169	Bus Stop Lights	TRANSIT SALES TAX	(14,400)	0	0	0	0	0	0	0	0	0	0	0
CP0170	Bus Wash Rehab	TRANSIT SALES TAX	0	4,289	9,129	0	0	0	0	0	0	0	0	0
CP0171	Upgrade OH Door Rollers	TRANSIT SALES TAX	24,000	0	33,000	0	0	0	0	0	0	0	0	0
CP0216	Park & Ride (Access Road & Amenities)	FEDERAL GRANTS	473,591	27,177	1,191,010	0	0	0	0	0	0	0	0	0
CP0232	Traffic Model	FEDERAL GRANTS	0	75,128	44,872	0	0	0	0	0	0	0	0	0
		TRANSIT SALES TAX	0	32,237	(2,237)	0	0	0	0	0	0	0	0	0
CP0244	Transit Contribution to County	TRANSIT SALES TAX	1,292,399	0	0	0	0	0	0	0	0	0	0	0
New 17	Short Range Transit Development Plan	FEDERAL GRANTS	0	0	0	71,864	0	0	0	0	0	0	0	0
		TRANSIT SALES TAX	0	0	0	9,068	0	0	0	0	0	0	0	0
		REGIONAL TRANSIT REVENUE	0	0	0	9,068	0	0	0	0	0	0	0	0
New 31	Soils Repository	BEGINNING BALANCE	62,500	0	62,500	0	0	0	0	0	0	0	0	0
New 33	Tire Mount/Balance Machine (FSFSTM)	TRANSIT SALES TAX	0	0	0	7,500	0	0	0	0	0	0	0	0
New 34	Wheel Lift System (FSFSWL)	TRANSIT SALES TAX	0	0	0	9,250	0	0	0	0	0	0	0	0

Snapshot of Transit Fund Model – The model, as show below, correlates with ***Scenario 3***.

Please note: X's in the far left column indicated option selection. As shown the revenue base is selected which includes ongoing federal operating funds. Revenue adjustments include removing 5% of the Resort Sales Tax in FY2014 and removing a portion of the Business License Fees. Expenses include the base (subtotal all) and new Park and Ride and SLC to PC services. The CIP section includes the CIP base as well as a new facility renewal capital project.

		Budget FY2011	Projections FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
	Revenue										
	Transit	$ 7,880,021	$ 6,637,938	$ 6,810,686	$ 6,983,160	$ 7,155,416	$ 7,327,494	$ 7,499,422	$ 7,671,224	$ 7,842,916	$ 8,014,512
	Parking	$ 693,500	$ 680,000	$ 680,000	$ 680,000	$ 680,000	$ 680,000	$ 680,000	$ 680,000	$ 680,000	$ 680,000
	Federal		$ 1,500,000	$ 1,500,000	$ 2,750,000	$ 2,750,000	$ 2,750,000	$ 2,750,000	$ 2,750,000	$ 2,750,000	$ 2,750,000
	FTA Capital		$ -	$ -	$ 1,250,000	$ 1,250,000	$ 1,250,000	$ 1,250,000	$ 1,250,000	$ 1,250,000	$ 1,250,000
	UDOT Operating	$ 1,045,506	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000
	UDOT Capital		$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000
	Federal Projects (Capital)	$ 12,238,566	$ 277,664	$ 213,579	$ 989,652	$ 565,030	$ 560,530	$ 1,613,259	$ 1,610,210	$ 2,905,555	$ 1,887,148
	Subtotal Non-Federal	**$ 8,573,521**	**$ 7,317,938**	**$ 7,490,686**	**$ 7,663,160**	**$ 7,835,416**	**$ 8,007,494**	**$ 8,179,422**	**$ 8,351,224**	**$ 8,522,916**	**$ 8,694,512**
x	**Subtotal with Fed Operating**	**$ 9,619,027**	**$ 8,317,938**	**$ 8,490,686**	**$ 8,663,160**	**$ 8,835,416**	**$ 9,007,494**	**$ 9,179,422**	**$ 9,351,224**	**$ 9,522,916**	**$ 9,694,512**
	Potential Revenue Adjustments										
	Increase Transit Tax (.25%)		$ 1,569,664	$ 1,620,088	$ 1,670,513	$ 1,720,937	$ 1,771,361	$ 1,821,786	$ 1,872,210	$ 1,922,635	$ 1,973,059
x	Remove 5% of Transit Resort Tax				$ (340,902)	$ (351,192)	$ (361,483)	$ (371,773)	$ (382,063)	$ (392,353)	$ (402,643)
	Increase Meter Revenue					$ -	$ -	$ -	$ -	$ -	$ -
x	Remove Admin. and Enhancement Business License Fees		$ (150,000)	$ (151,912)	$ (153,823)	$ (155,735)	$ (157,646)	$ (159,558)	$ (161,470)	$ (163,381)	$ (165,293)
	Flagstaff Transfer Fees	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Subtotal with Fed Operating with Revenue Adjustments	**$ 9,619,027**	**$ 8,167,938**	**$ 8,338,774**	**$ 8,168,434**	**$ 8,328,489**	**$ 8,488,365**	**$ 8,648,092**	**$ 8,807,691**	**$ 8,967,182**	**$ 9,126,576**
	Subtotal ALL (Capital & Operating)	**$ 21,857,593**	**$ 8,817,938**	**$ 8,990,686**	**$ 10,413,160**	**$ 10,585,416**	**$ 10,757,494**	**$ 10,929,422**	**$ 11,101,224**	**$ 11,272,916**	**$ 11,444,512**
	Expense										
	Personnel Services	$ 4,427,418	$ 4,427,418	$ 4,427,418	$ 4,427,418	$ 4,550,500	$ 4,677,004	$ 4,807,025	$ 4,940,660	$ 5,078,010	$ 5,219,179
	Materials, Supplies and Services	$ 661,886	$ 661,886	$ 661,886	$ 661,886	$ 680,286	$ 699,198	$ 718,636	$ 738,614	$ 759,148	$ 780,252
	Bond Debt 1996	$ 270,366	$ 268,883	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Interfund Transfer	$ 1,981,730	$ 1,981,730	$ 1,981,730	$ 1,981,730	$ 1,981,730	$ 1,981,730	$ 1,981,730	$ 1,981,730	$ 1,981,730	$ 1,981,730
	Decrease Interfund Transfer		$ (60,379)	$ (60,379)	$ (60,379)	$ (60,379)	$ (60,379)	$ (60,379)	$ (60,379)	$ (60,379)	$ (60,379)
	Capital	$ 148,325	$ 148,325	$ 148,325	$ 148,325	$ 148,325	$ 148,325	$ 148,325	$ 148,325	$ 148,325	$ 148,325
x	**Subtotal ALL**	**$ 7,489,725**	**$ 7,427,863**	**$ 7,158,980**	**$ 7,158,980**	**$ 7,300,463**	**$ 7,445,879**	**$ 7,595,337**	**$ 7,748,950**	**$ 7,906,834**	**$ 8,069,107**
	Potential Service Level Increases										
x	Park and Ride Service			$ 271,140	$ 281,389	$ 292,026	$ 303,064	$ 314,520	$ 326,409	$ 338,747	$ 351,552
x	SLC to PC Bus Initial Service		$ 250,000	$ 259,450	$ 269,257	$ 279,435	$ 289,998	$ 300,960	$ 312,336	$ 324,142	$ 336,395
	SL to PC Bus Service Enhanced					$ 558,870	$ 518,900	$ 538,514	$ 558,870	$ 579,996	$ 601,919
	PC to Heber Service				$ 184,253	$ 191,217	$ 198,445	$ 205,946	$ 213,731	$ 221,810	$ 230,195
	PC to Kamas Service				$ 92,126	$ 95,609	$ 99,223	$ 102,973	$ 106,866	$ 110,905	$ 115,097
	Bus Rapid Transit SR-224							$ 233,580	$ 242,409	$ 377,359	$ 391,623
	Subtotal	$ 7,489,725	$ 7,677,863	$ 7,689,570	$ 7,709,626	$ 7,871,923	$ 8,038,940	$ 8,210,817	$ 8,387,695	$ 8,569,724	$ 8,757,054
	Operating Cash Flow with Fed Operating	**$ 2,129,302**	**$ 490,075**	**$ 649,204**	**$ 458,808**	**$ 456,565**	**$ 449,424**	**$ 437,275**	**$ 419,996**	**$ 397,458**	**$ 369,523**
	Operating Cash Flow (No Federal Money)	**$ 1,083,796**	**$ (359,925)**	**$ (198,884)**	**$ (46,467)**	**$ (36,507)**	**$ (31,447)**	**$ (31,394)**	**$ (36,471)**	**$ (46,808)**	**$ (62,541)**

	Operating Cash Flow with Fed Operating	**$ 2,129,302**	**$ 490,075**	**$ 649,204**	**$ 458,808**	**$ 456,565**	**$ 449,424**	**$ 437,275**	**$ 419,996**	**$ 397,458**	**$ 369,523**
	Operating Cash Flow (No Federal Money)	**$ 1,083,796**	**$ (359,925)**	**$ (198,884)**	**$ (46,467)**	**$ (36,507)**	**$ (31,447)**	**$ (31,394)**	**$ (36,471)**	**$ (46,808)**	**$ (62,541)**
	CIP										
	TRANSIT SALES TAX	$ 1,065,900	$ 25,818	$ -	$ 192,000	$ 83,750	$ 80,451	$ 341,377	$ 338,274	$ 659,680	$ 402,557
	BEGINNING BALANCE	$ 76,221	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	REGIONAL TRANSIT REVENUE	$ 434,407	$ 69,979	$ 62,738	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	OTHER CONTRIBUTIONS (Flagstaff Transfer Fees)	$ 1,807,101	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	TRANS FR GEN FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	METER REVENUE	$ 43,706	$ 28,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	RESORT TAX TRANSPOR	$ 160,496	$	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	FEDERAL GRANTS	$ 12,238,566	$ 71,864	$ -	$ 768,000	$ 335,000	$ 321,804	$ 1,365,510	$ 1,353,095	$ 2,638,722	$ 1,610,229
	Subtotal Non-Federal	**$ 3,587,830**	**$ 123,797**	**$ 62,738**	**$ 192,000**	**$ 83,750**	**$ 80,451**	**$ 341,377**	**$ 338,274**	**$ 659,680**	**$ 402,557**
	Subtotal ALL	**$ 15,826,396**	**$ 195,661**	**$ 62,738**	**$ 960,000**	**$ 418,750**	**$ 402,255**	**$ 1,706,887**	**$ 1,691,369**	**$ 3,298,402**	**$ 2,012,786**
x	Facility Renewal		**$ 343,000**	**$ 355,965**	**$ 369,420**	**$ 383,384**	**$ 397,876**	**$ 412,916**	**$ 428,524**	**$ 444,722**	**$ 461,532**
F	Federal Grant		$ 274,400	$ 284,772	$ 295,536	$ 306,707	$ 318,301	$ 330,333	$ 342,819	$ 355,778	$ 369,226
L	Local Match		$ 68,600	$ 71,193	$ 73,884	$ 76,677	$ 79,575	$ 82,583	$ 85,705	$ 88,944	$ 92,306
	Bus Rapid Transit					$ 378,000	$ 250,000	$ 259,450	$ 259,450	$ 259,450	$ 259,450
	Federal Grant					$ 302,400	$ 200,000	$ 207,560	$ 207,560	$ 207,560	$ 207,560
	Local Match					$ 75,600	$ 50,000	$ 51,890	$ 51,890	$ 51,890	$ 51,890
	Transit Expansion Buses				$ 761,872			$ 816,174			
	Federal Grant				$ 609,498			$ 652,939			
	Local Match				$ 152,374			$ 163,235			
	Subtotal Non-Federal	**$ 3,587,830**	**$ 192,397**	**$ 133,931**	**$ 265,884**	**$ 160,427**	**$ 160,026**	**$ 423,961**	**$ 423,979**	**$ 748,625**	**$ 494,864**
	Subtotal ALL	**$ 15,826,396**	**$ 470,061**	**$ 347,510**	**$ 1,255,536**	**$ 725,457**	**$ 720,556**	**$ 2,037,220**	**$ 2,034,188**	**$ 3,654,180**	**$ 2,382,012**

Capital Cash Flow with Fed Operating	$ (1,458,528)	$ 297,678	$ 515,273	$ 192,924	$ 296,138	$ 289,398	$ 13,314	$ (3,982)	$ (351,167)	$ (125,341)
Capital Cash Flow (No Federal Operating Money)	$ (2,504,034)	$ (552,322)	$ (332,815)	$ (312,351)	$ (196,934)	$ (191,473)	$ (455,355)	$ (460,450)	$ (795,432)	$ (557,405)

Fund Balance

Beginning Balance	$ 13,945,235	$ 12,486,707	$ 12,784,385	$ 13,299,658	$ 13,492,582	$ 13,788,721	$ 14,078,119	$ 14,091,433	$ 14,087,451	$ 13,736,284
Unreserved Ending Balance	$ 12,486,707	$ 12,784,385	$ 13,299,658	$ 13,492,582	$ 13,788,721	$ 14,078,119	$ 14,091,433	$ 14,087,451	$ 13,736,284	$ 13,610,943

Council members and Mayor,

Over the past year the HPCA has been working closely with City staff to examine a variety of long term enhancements to the Historic Park City district. The vitality of Park City's downtown core is essential to the local economy and is the underpinning of our brand as a unique and historic mountain town. The HPCA, in a joint venture with the City, have undertaken to identify and define a comprehensive slate of projects/improvements intended to secure and promote the ongoing viability of the Historic District.

We ask you to continue to support our efforts by:

1) Making a commitment in the Capital Improvements Budget for 2013 to begin implementing these enhancements. We acknowledge that funding is TBD, but would like a commitment to the overall concept so we can continue planning.
2) Approving our request to utilize RDA funds to engineer these plans to better define the scope, cost, and sequencing for these projects.
3) *Withholding* funding for the proposed skate rink along Heber and Main at this time. Our Board feels that this proposal is premature and makeshift in its current form. We have asked the City to give us another year to determine the best attractions, and their locations, before moving forward. We did not request, nor do we support 'pilot projects'. We object to the ice rink on the following grounds:
   - It will be sunken and further obscured by shade walls. It will not feel connected to the Street.
   - We do not support the use of public funds for the benefit of a single private business. We *do not* view this rink as a general amenity to the district.
   - Due to its high cost, small size, and obscured location, we feel this could be a spoiler for the more prominent--and fully functional--skate rink that has been part of our study.

We simply ask that you delay municipal funding of the rink until 2012, when we have completed our study and determined the viability of the larger skate rink. If at that time, we determine the larger rink to be too expensive, impractical, or otherwise undesirable, we would be happy to work with the Sky Lodge to support their rink-- hopefully in a manner that is more inclusive of the rest of the district.

Thank you for your consideration. You may contact me directly if you'd like to discuss any of this further.

Sincerely,

Andy Beerman
President HPCA
andy@treasuremountaininn.com
435-731-8366

PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
MAY 12, 2011

Present: **Mayor Dana Williams; Council members Alex Butwinski; Joe Kernan; Cindy Matsumoto; Dick Peek; and Liza Simpson**

Tom Bakaly, City Manager; Mark Harington, City Attorney; Matt Cassel, City Engineer; Bret Howser, Budget Manager; Michael Kovacs, Assistant City Manager; Kathy Lundborg, Water Manager; and Tyler Poulson, Sustainability Analyst

1. Council questions/comments. Alex Butwinski reported that the Planning Commission approved Park City Heights last night and Recycle Utah will be conducting a hazmat collection this Saturday at The Canyons parking lot. He thanked HR for organizing a great service awards party last night. Liza Simpson agreed. She stated that she attended the Mountainlands Community Housing Trust meeting and reported on projects and the need for volunteers to assist with the current self-help project. She appreciated the public works update earlier today. Dick Peek commented that he met with Marianne Cone about co-housing which is gaining momentum. Ms. Matsumoto attended the Peace House board meeting this week and members expressed their appreciation of the service award grant from the City this year. She attended a Utah Heritage Preservation workshop on incentives for historic preservation. Mayor Williams congratulated PCMR for its approval of the first wind turbine within the City limits. He referred to carbon footprint reduction goals and the need for the private sector to invest in green initiatives. He welcomed the Utah Tourism Conference held in Park City this week.

2. Capital Improvement Projects Budget. Bret Howser pointed out that the City produces a bi-annual budget and this is the first year of the process. The CIP committee prioritizes all capital projects in the five-year CIP not just new requests. New requests are reviewed in off years. He described the extensive process, including scoring projects based on criteria outlined in the budget. Attachment A in the meeting packet lists all of the projects, associated scores and their alternative funding category. He referred to a list of new projects or projects receiving funding for the first time as part of the process and a list of requests that were not recommended by the committee. Capital projects compete for surplus from operating funds and he pointed out funding sources for projects that are flexible and those that are earmarked. $1.8 million surplus funds are already dedicated for FY 2011 and there may be $500,000 in additional surplus for a total of $2.3 million which is consistent with historic funding levels. In response to a question from Cindy Matsumoto, Mr. Howser explained that funding for historic preservation is an operating expense and not recommended for funding in the CIP. Ms. Simpson asked how many items on the unfunded list are being covered by operating surplus or other sources. Bret Howser responded that there are a few but he will get back to her with specifics. A number of clarifications were made regarding projects and carry-forward amounts were explained.

Bret Howser spoke about exceptions made by the CIP committee or the City Manager. Ms. Simpson pointed out the $30,000 request for a street light at Marsac Avenue and Guardmans Road which was denied. Mr. Howser acknowledged public input received from the neighborhood on this improvement and Council has the discretion to override the recommendation and approve the street light. Liza Simpson believed that the intersection is dangerous and signage is inadequate. Mr. Howser recalled this request being made for the past two years but not going through the RELS process. The request should go through RELS to identify all options and to explore the request further; a meeting is set up for next week. The timing for funding for the street light and stairs was discussed which could be as early as this year. Mayor Williams suggested that stairs be funded with walkability money but that the request still go through RELS.

Discussion ensued on revenues and expenditures in the Transit Fund and it was explained that a plan for water projects has not been finalized for the tentative budget but will be for the final budget. Mr. Howser noted that the carry-forward numbers are not shown but he can provide them to members. He referred to OTIS which was discussed earlier in April pointing out that decisions on OTIS projects do not necessarily need to be made during this budget process. Final decisions may be a couple of years out and in the past OTIS projects were scheduled in the five-year CIP using debt financing. Mr. Howser stated that the debt service shows up in future years in the long range financial plan analysis which staff felt should be re-examined in terms of project costs and scope. The 2002 study was updated by Alliance Engineering and included in the meeting packet. Costs are categorized by type and the total remaining project costs are estimated at about $16 million. Of that about $4 million is attributable to water projects which have not been finalized and removed from this analysis, leaving $12 million for all aspects identified in 2002.

Michael Kovacs pointed out that an option in better managing capital funding for the OTIS program is to further examine and prioritize projects. OTIS projects could be downscaled deleting some of the extras and staying within the rights-of-ways so that the scope of improvements includes street reconstruction, water line replacement, and gutters. This plan does not contemplate building additional infrastructure which must be maintained in the future and represents some long term savings. Mr. Kovacs explained that by removing some of the conduit, stairs and sidewalks results in a reduced cost of $7 million and represents a savings of $5.3 million. The Mayor suggested meeting with the neighborhoods about the scope of projects and options before setting policy. Liza Simpson agreed that resident input is important.

Alex Butwinski brought up the timing for improving Empire Avenue as it is tied to the Treasure Project. Ms. Matsumoto didn't feel holding up Empire until Treasure gets built is realistic as it may take 10 years. Discussion ensued on this issue, specifically the impacts of construction traffic on the road and the condition of the water line. Kathy Lundborg recommended not waiting on replacing the water line but understood Mr. Butwinski's point about pending development which is the reason it has been delayed in the past. The line has broken several times this year and is causing property damage.

It is in bad shape and she again recommended that it be replaced. It is a distribution line and she was unsure of the exact location of Treasure's water line. Cindy Matsumoto understood that the public wanted traffic to use Lowell Avenue and to limit access to Empire Avenue. Mayor Williams felt it is logical that Empire is rated a top priority. Liza Simpson stated that she is not interested in changing prioritization but this is a project that should be looked at very carefully to decide if phasing is an efficient approach. Ms. Lundborg added that these decisions have to be made beforehand and to limit consideration to the water line doesn't make a lot of sense because some construction elements have to be done at the same time because of utilities.

Joe Kernan believed there will be some savings by omitting some of the higher level improvements from projects. Cindy Matsumoto agreed with the Mayor and Ms. Simpson about engaging the neighborhoods first because Norfolk residents were not happy with the result and in some instances, there is no reason to spend the money. She suggested that maybe Empire should receive a new water line, curb and gutter, and storm drains but not sidewalks which could be installed as mitigation by Treasure at a later date if deemed necessary. The conduit portion of projects were discussed and Dick Peek suggested that lines be blue staked or that conduit be installed in consistent locations to better utilize and protect this asset.

Bret Howser explained that the City and the HPCA commissioned a study performed by IBI regarding potential downtown enhancement projects. The list of projects is estimated at $14 million and includes plazas, parks, bulb-outs, street and sidewalk reconstruction, snowmelt system, etc. The staff report contains a preliminary assessment of the operating costs and environmental impacts in terms of carbon output related to the snowmelt portion of the project. It is recommended to include downtown projects in the City's long-term budgeting and details will be available in a few weeks. He believed this is the beginning of a very long discussion about selecting and funding projects and none of these projects will impact the 2012 budget year. Jon Weidenhamer added that there is existing Main Street RDA money intended to be used for feasibility and cost work. The Mayor pointed out the use of natural gas for the snowmelt system and assumed solar was not economically feasible and Tyler Poulson confirmed that the offset in carbon for solar would be about $2.8 million. Discussion ensued on snow removal costs. Liza Simpson recalled preliminary discussions among HPCA members being to heat only the curb and not the entire sidewalk. Replacing curb is much less invasive than sidewalks and would take care of the snow berm nuisances. Dick Peek stated that he is not inclined to support snowmelt unless problems like run-off are adequately addressed.

Mr. Howser noted that the soils repository is another project that does not have much detail but is budgeted over a span of two years as the cost of the project is estimated at $6.6 million. Most of the funding is anticipated from the eventual sale of PC Heights at about $5.5 million. The $5.5 million in funding was needed for the acquisition and came from various sources but about $3 million came from other projects. It is felt that these projects will be completed with either alternative funding or not doing them which would not have a huge impact. Staff is comfortable taking the $5.5 million and putting it toward the soils repository. He referred to a long term plan, allocating $12 million to OTIS, split between debt and cash financing; $14 million in downtown enhancement projects and $5.5 million for the soils repository, with downtown being all debt financing and soils being mostly cash. In order to fund these projects about $500,00 of operating cuts in 2014 and another $500,000 in 2017 are recommended as well as taking 5% of the 25% Resort Cities Sales Tax going to the Transit Fund. It is recommended to consider 6% property tax increases every other year starting in 2014 to cover the debt service balance in future years. He recognized the amount of discussion this deserves including input from the public. Staff is recommending talking to the Lodging Association, HCPA, Chamber/Bureau, HOAs, and Rotary about funding alternatives and getting input. There may be ideas out there that have not been considered. Bret Howser spoke about then transitioning to a public outreach program and/or using focus groups like the Citizen Technical Advisory Committee which was active years ago. He expressed the importance of formulating a broad plan for addressing the future.

3. Historic Preservation Board interviews – Members interviewed applicants Roger Durst, John Thomas, Melanie Young, and Katherine Matsumoto-Gray for vacancies on the HPB. Cindy Matsumoto left the meeting room during her daughter's interview.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
MAY 12, 2011

I ROLL CALL

Mayor Dana Williams called the regular meeting of the City Council to order at approximately 6 p.m. at the Marsac Municipal Building on Thursday, May 12, 2011. Members in attendance were Dana Williams, Alex Butwinski, Joe Kernan, Cindy Matsumoto, Dick Peek, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Pace Erickson, Operations Manager; Thomas Eddington, Planning Manager; and Mark Harrington, City Attorney.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Liza Simpson relayed that pavers are being replaced on portions of Park Avenue.

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

None.

IV WORK SESSION NOTES AND MINUTES OF MEETING OF APRIL 28, 2011

Alex Butwinski made a spelling correction to the minutes "I move approval of the work session notes and minutes of the meeting of April 28, 2011, as corrected". Joe Kernan seconded. Motion carried.

Alex Butwinski	Aye
Joe Kernan	Aye
Cindy Matsumoto	Aye
Dick Peek	Aye
Liza Simpson	Abstention

V RESIGNATIONS AND APPOINTMENTS

Consideration of reappointment of Rod Ludlow to the Board of Adjustment for a term expiring June 1, 2016 – Joe Kernan, "I move we appoint Rod Ludlow to the Board of Adjustment for a term expiring June 1, 2016". Liza Simpson seconded. Motion carried.

Alex Butwinski	Aye
Joe Kernan	Aye
Cindy Matsumoto	Abstention
Dick Peek	Aye
Liza Simpson	Aye

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

1. Consideration of an Ordinance approving a plat amendment for 573 Main Street, Park City Utah – The Mayor opened the public hearing and with no comments from the public, asked for a motion to continue. Liza Simpson, "I move we continue the Ordinance approving a plat amendment for 573 Main Street to a date uncertain". Alex Butwinski seconded. Motion unanimously carried.

2. Consideration of an Ordinance approving a plat amendment for 259, 261, 263 Norfolk Avenue, Park City, Utah – The Mayor opened the public hearing; there was no public input. Joe Kernan, "I move we continue New Business Item 2 to a date uncertain". Cindy Matsumoto seconded. Motion unanimously carried.

3. Consideration of a Resolution adopting a tentative revised budget for fiscal year 2011 and the budget for fiscal year 2012 for Park City Municipal Corporation and its related agencies – The Mayor opened the public hearing and there were no comments from the audience. Joe Kernan, "I move we continue the budget discussion, New Business Item 3, to May 26th". Liza Simpson seconded. Motion unanimously carried.

4. Consideration of acceptance of the 2011 Pavement Management Program and authorization to enter into professional services agreements, approved in form by the City Attorney:

(a) Kilgore Paving for pavement overlays in the amount of $395,387
(b) M&M Asphalt Services for slurry seals in the amount of $82,562
(c) Bonneville Asphalt for crack seal in the amount of $59,400
(d) CTS Utilities for utility adjustments in the amount of $64,650

Pace Erickson explained the bid process and remarked on a new pavement mix which provides a lot more flexibility and hopefully fewer problems in the long term. A total of 14 bids were received and all were qualified bidders and could have done the job. Staff is recommending that Council accept the lowest qualified bidders listed. He believed that the City got a great deal on the pavement program which was below the engineer's estimate. The Mayor invited public input. There was none. Alex Butwinski, "I move we accept the 2011 Pavement Management Program and authorize the City Manager to enter into professional services agreements, approved in form by the City Attorney". Dick Peek seconded. Motion unanimously carried.

5. Consideration of a Resolution approving an amendment to the Park City General Plan changing the description of the planning areas and the Land Use Map – Planning Director Thomas Eddington explained that the Resolution amends the Land Use Map in the current General Plan. The last time the General Plan Map was amended was in 1997 and since that time, the City limits, the annexation declaration and open space have changed and this amendment is simply updating the Land Use Plan to reflect current conditions. The Land Use Plan reflects the current City limits, annexation

declaration areas, and some of the new land uses in the Community Transition Zone. The Planning Commission reviewed this on April 27, 2011 and forwarded an unanimous positive recommendation. The Mayor opened the public hearing. There were no comments from the audience. Liza Simpson, "I move we approve a Resolution approving an amendment to the Park City General Plan changing the description of the planning areas and the Land Use Map". Alex Butwinski seconded. Motion unanimously carried.

VII ADDITIONAL DISCUSSION – AGENDA ITEMS

VIII ADJOURNMENT

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

MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 2 p.m. Members in attendance were Mayor Dana Williams, Alex Butwinski, Joe Kernan, Cindy Matsumoto, Dick Peek, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Tom Daley, Deputy City Attorney; Jon Weidenhamer, Economic Development Manager; Phyllis Robinson, Public Affairs Manager; Michael Kovacs, Assistant City Manager; Thomas Eddington, Planning Manager; and Mark Harrington, City Attorney. Alex Butwinski, "I move to close the meeting to discuss property, litigation and personnel". Liza Simpson seconded. Motion carried unanimously. The meeting opened at approximately 3:30 p.m. Liza Simpson, "I move to open the meeting". Dick Peek seconded. Motion unanimously carried. The closed session posted on the agenda at the adjournment of the City Council meeting was not held.

The meeting for which these minutes were prepared was noticed by posting at least 24 hours in advance and by delivery to the news media two days prior to the meeting.

Prepared by Janet M. Scott, City Recorder

Resolution No.

**RESOLUTION DESIGNATING JUNE 11 TO JUNE 18, 2011
AS SUMMIT COUNTY INVASIVE WEED AWARENESS WEEK
IN PARK CITY, UTAH**

WHEREAS, it is the role and duty of government to protect property from invasive weeds and proactively address measures for their control; and

WHEREAS, it is the City Council's desire to publicly support the Summit County Weed Board in its weed control programs to abate noxious and invasive species; and

WHEREAS, it is appropriate to recognize local, state and federal programs improving Park City's quality of life and observe National Invasive Weed Awareness Week;

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council designate June 11 through June 18, 2011 as

SUMMIT COUNTY INVASIVE WEED AWARENESS WEEK
IN PARK CITY, UTAH

PASSED AND ADOPTED this 26TH day of May, 2011.

PARK CITY MUNICIPAL CORPORATION

____
Mayor Dana Williams

Attest:

____
Janet M. Scott, City Recorder

Approved as to form:

____
Mark D. Harrington, City Attorney

City Council
Staff Report

DATE: **May 26th, 2011**
DEPARTMENT: **Transit Department**
AUTHOR: **Kent Cashel, Transit & Transportation Manager**
TITLE: **Resolution adopting FTA Substance Abuse Policy.**
TYPE OF ITEM: Legislative

SUMMARY RECOMMENDATION:

Council should review this report and draft substance abuse policy, pass the resolution adopting the policy as the City's updated Federal Transit Administration substance abuse program.

Background

49CFR40 sets forth the requirement that any transit provider that accepts funds from the Federal Transit Administration (FTA) must adopt a substance abuse policy and maintain a drug and alcohol testing program that complies with regulations set forth in 49CFR655.

In 1999 the City adopted its first FTA compliant substance abuse policy, this policy was last updated in 2002.

The attached draft policy applies only to specified "safety sensitive" transit employees including

- Transit Supervisors
- Transit Dispatchers
- Transit Drivers
- Mechanics

The City maintains a separate substance abuse policy for non-transit employees. That policy is contained in the City's Employee Policy and Procedures Manual and is not the subject of this report or resolution.

Changes in both 49CFR40 and 49CFR655 necessitate the City update its policy.

Analysis

The attached report includes edits, clarifications and additions that reflect changes in federal regulations and guidance. These program requirements are non-negotiable and the City must adhere to them if it receives FTA funding.

ALTERNATIVES

A. **Approve The Recommendation.** Council should review this report and draft substance abuse policy, pass the resolution adopting the policy as the City's updated Federal Transit Administration substance abuse program.

B. **Deny The Recommendation**. Council could deny Staff's recommendation. Failure to amend the City's FTA drug and Alcohol program will leave the City out of compliance with federal regulations. Consequences of non-compliance could be loss of federal transit funding.

C. **Defer the item to a later date.** Council could defer this item to a later date. Delay would expose the City to findings of non-compliance on FTA Drag and Alcohol program audit currently scheduled for June 20 – 21.

D. **Do Nothing**. Council could do nothing this alternative would have the same effect as Alternatives B&C.

SIGNIFICANT IMPACTS

On May 5th, 2011 The Federal Transit Administration notified the City that it has been selected for a substance abuse program audit. Any delay in adoption of this updated policy will likely to lead to the City receiving an audit findings related to the policy

RECOMMENDATION

Council should review this report and draft substance abuse policy, pass the resolution adopting the policy as the City's updated Federal Transit Administration substance abuse program.

Attached: Resolution
Draft Substance Abuse Policy

Resolution No. XX-11

RESOLUTION ADOPTING AN AMENDED FEDERAL TRANSIT AUTHORITY SUBSTANCE ABUSE POLICY FOR PARK CITY MUNICIPAL CORPORATION

WHEREAS, the City operates a public transit system; and

WHEREAS, the City is committed to the safety and welfare of the general public that utilize its public transit system; and

WHEREAS, the City receives Federal Transit Administration (FTA) 5309 and 5311 funds; and substance abuse policy and testing program are required under 49 Code of Federal Regulations Part 40 for all recipients of Federal Transit Administration 5309 and 5311 funds.

NOW, THEREFORE, BE IT RESOLVED :

Section 1. Policy Adopted: The City formally adopts the attached Federal Transit Administration Substance Abuse Policy.

Section 2. Effective Date. This Resolution becomes effective upon adoption.

PASSED AND ADOPTED this 26th day of May, 2011.

PARK CITY MUNICIPAL CORPORATION

____
Mayor Dana Williams

Attest:

____
Janet M. Scott, City Recorder

Approved as to form:

____
Mark D. Harrington, City Attorney

City Council Staff Report

Subject: MTB Race Productions
Author: Tommy Youngblood
Department: Sustainability
Date: May 26, 2011
Type of Item: Application - Master Festival License

Summary Recommendations:
Review the Master Festival License application, conduct a public hearing, and approve the license for the Drew Free for the MTB Race Productions, as conditioned, on Saturday June 25, 2011 from 4:00pm to 7:30pm to be held in the Round Valley Trail System and at Quinn's Sports Complex Parking.

Description:
Review the Master Festival License Application, submitted by Brooke Howard for the MTB Race Productions in Round Valley Trail System and at Quinn's Sports Complex Parking on Saturday June 25, 2011.

Background:
MTB Race Productions submitted an application requesting a Master Festival License to hold their Cross Country Mountain Bike Race as part of the Utah State Championship Series. MTB Race Productions, LLC: established in 2010 by Bob Saffell, Drew Free, Shannon Boffeli, and Ty Hansen as a means to develop a sustainable series of mountain bike events. The founding partners have a combined 50+ years of mountain bike race experience from races like Trans-Alps to the local weekly race. Expanding beyond the cycling community, MTB Race Productions is working on a partnership with the Huntsman Cancer Foundation; MTB Race Productions will donate $5 of each race entry as well as all series opportunity drawing proceeds to the foundation. MTB Race Productions is proposing a cross country mountain bike race that will showcase the world class trails that Park City has to offer. This Race will be a lapped race where each rider will ride identical laps starting and finishing at Quinn's Sports Complex. Through a series of meetings the organizer has demonstrated and good knowledge of working with this type of event. All relevant city departments have been notified and will be involved in the coordination should Council approve the event. The organizer will allow a maximum of 225 entrants. The MTB Race Productions charges a fee for participation.

The MTB Race Productions is a recreation use and is consistent with the City Council's Goal #4 which is to continue to promote Park City as multi-seasonal resort by maintaining its status as a World Class Resort which hosts such events as this and to increase the number of events.

Analysis:

The MTB Race Productions

The event organizers have requested to hold their event on Saturday June 25, 2011 to be held in the Round Valley Trail System and at Quinn's Sports Complex Parking. The MTB Race Productions is a mountain bike race within Round Valley Trail System starting at 1:00pm, completing at 8:30pm including setup and teardown with the event time from 4:00pm – 7:30pm.

Parking

Parking for the staff and participants will be at the first three parking lots adjacent to the Quinn's Sports Fields. The Ice Arena lot and the Dog Park Parking lot cannot be used for this events parking. Overflow parking will be directed to the Richardson Flats Park n Ride lot. The applicant will supply signage and employ volunteers to assist in the location and direction to event parking.

Traffic Circulation

There will be no full or partial road or trail closures associated with this event.
At the time of this report there are no projects planned that would hinder this activity.

Marketing

This event will be publicized with the Park City Chamber/Bureau and Local newspaper outlets. It is also currently listed on various event & social networking websites. The organizer has also contacted local business about mutually beneficial cross-marketing opportunities.

Park City Council Review:

This application is being reviewed as a Master Festival License due to the request for use of the Round Valley Trail System and use of Quinn's Sports Complex Parking consistent with Park City Municipal Code, Title 4, Chapter 8.

Department Review:

PCMC event operational departments consisting of Special Events, Police, Planning, Building, Business Licensing, Parks, Building Maintenance, Public Works, Parking Services, Transit and the appropriate external governmental agencies have reviewed the application for the MTB Race Productions and their comments have been incorporated into the report.

Alternatives:

Approve the Request:

Approve the Master Festival License allowing the MTB Race Productions

Deny the Request:
Deny the Master Festival License, preventing the addition of the MTB Race Productions to Park City's schedule of events.

Continue the Item:
The City Council may continue the discussion in order to receive additional information.

Significant Impacts:
The event, as described, should incur no significant Impacts
Park City has held similar events to the MTB Race Productions

Consequences of not taking the recommended action:
The MTB Race Productions would not take place, as described, within Park City Limits

RECOMMENDATION:
Staff recommends the City Council conduct a public hearing and approves, a Master Festival for the MTB Race Productions on, Saturday June 25, 2011 from 4:00pm to 7:30pm based on the following Findings of Fact, Conclusions of Law and Conditions of Approval.

Findings of Fact:

1. The MTB Race Productions will be held on Saturday June 25, 2011. The event will last from 1:00pm, completing at 8:30pm including setup and teardown with the event time from 4:00pm – 7:30pm on the Round Valley Trail System and the Quinn's Sports Complex Parking.
2. Parking for the staff and participants will be at the first three parking lots adjacent to the Quinn's Sports Fields Complex. The Ice Arena lot and the Dog Park Parking lot cannot be uses for this events parking. Overflow parking will be directed to the Richardson Flats Park n Ride lot. The applicant will supply signage and volunteers to assist in the location of event parking.
3. Conducting the MTB Race Productions will not substantially interrupt or prevent the safe and orderly movement of public transportation or other vehicular and pedestrian traffic in the area of its venue other than noted.
4. The events associated with the MTB Race Productions will not require the diversion of so great a number of police, fire, or other essential public employees from their normal duties as to prevent reasonable police, fire, or other public services protection to the remainder of the City.
5. The event will be held at Quinn's Sports Complex Parking and on the Round Valley Trails System. The concentration of persons, vehicles, or animals will not unduly interfere with the movement of police, fire, ambulance, and other emergency vehicles on the streets or with the provision of other public health or safety services.
6. There are no other Master Festival or Special Event licenses that have been granted on the dates requested.

7. The size of the crowd and nature of the event will not create an imminent possibility of violent disorderly conduct likely to endanger public safety or cause significant property damage.
8. The applicant has been working with City Staff and applicable departments to address all event concerns. The Applicant demonstrates an ability and willingness to conduct the event pursuant to the terms and conditions of this Chapter and has not failed to conduct a previously authorized event in accordance with the law or the terms of a license, or both.

Conclusions of Law:

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

Conditions of Approval:

1. The applicant, at its' cost, shall incorporate such measures as directed by Staff in order to ensure that any safety, health, or sanitation equipment, and services or facilities reasonably necessary to ensure that the event will be conducted with due regard for safety are provided and paid for by the applicant.
2. Applicants shall provide proof of liability insurance in the amount of two million dollars ($2,000,000) or more as may be required by the Special Events Manager or the City Attorney's Office, and shall further name Park City Municipal Corporation as additional insured. All Applicants shall further indemnify the City from liability occurring at the event except for any claim arising out of the sole negligence or intentional torts of the City or its employees.
3. The applicant use of barricade and signage will be in accordance with the Manual of Uniform Traffic Control Devices (MUTCD) for the duration of the event.
4. All plans for tents, fireworks, stages, signs and other temporary structures shall be submitted to the Building Department for review and permitting by June 4th , 2010
5. The applicant is responsible for a Parking Management Plan in a form approved by the Park City Municipal Event Manager and Chief of Police.
6. Applicant is advised they are utilizing city open space protected by Conservation Easements. Race activity shall be limited to existing trails and the Quinn's Junction Sports Complex. Participants and spectators shall be advised to stay on trails and minimize impacts. Writing/spray painting messages (other than official pre-approved trail markings) and discarding water bottles, empty food packets or other litter on trails is prohibited.
7. The Park City Trail Coordinator may cancel use of the Trail System if it is determined that such use by the event may harm the trails due to there current condition and/or potential weather that would effect that condition.

Attachments

Exhibit A- Applicant's Application Page 1

Exhibit A

Submit by Email

Special Events
435.615.5150
specialevents@parkcity.org

PARK CITY 1884

Park City Municipal Corporation

Master Festival & Special Event Application

Master Festival (MFL) & Special Event Applications **MUST** be complete and submitted to the Special Events Department no Less than **90 Days Prior** to a MFL and no less than **60 Days Prior** to a Special Event for staff review. Applications not submitted within that timeframe may not be granted approval. Refer to Park City Special Event Planning Guide for answers to the most frequently asked event related questions

This application **DOES NOT** constitute a valid permit until approved by the Special Events Department and/or Park City Council

APPLICATION FEES

All new applications require a $100.00 non-refundable application processing fee
All applications for returning events require a $50.00 non-refundable application processing fee

Additional fees for other services, including Health Department, Fire Department, and City Services will be estimated and provided to the applicant.

EVENT INFORMATION

MASTER FESTIVAL CRITERIA (PUBLIC EVENT) (If one box is checked the event is automatically an MFL)	☐ Attraction of crowds over 500 participants and or spectators	☐ Requires Partial or Full Street Closure or use of Public Right of Way	☒ Use of City park, buildings or other properties	☒ Use of off –site parking facility	☒ Use of Amplified Music
SPECIAL EVENT CRITERIA (PUBLIC OR PRIVATE EVENT)	☐ Causes significant public impacts via disturbance, crowd, traffic, and or parking	☐ Disruption of the normal routine of the community or affected neighborhood	☐ Necessitates temporary business or liquor licensing	☒ Event signs visible from public property or right of way	☒ Temporary structures, including inflatable's

EVENT TYPE

☐ Street Fair/Festival	☐ Run - Walk	☐ Parade	■ Trail Event	☐ Concert	☐ Road Bike Event

Other Type of Event (Please Specify): Cross Country Mountain Bike Race

APPLICANT AND SPONSORING ORGANIZATION INFORMATION

NAME: MTB Race Productions
POSITION: Director
STREET ADDRESS: 2964 S. 460 W.
CITY, STATE, ZIP CODE: Salt Lake City, UT 84115
MAILING ADDRESS: (If different from above)
CITY, STATE, ZIP CODE:
TELEPHONE (WORK): 801-889-7339
MOBILE PHONE: 801-889-7339
OTHER:
EMAIL ADDRESS: drewfree79@gmail.com
FAX NUMBER:
SPONSORING ORGANIZATION:
Is organization a registered non-profit? ☐ Yes ■ No
(If yes, please provide copy of registration paperwork)
ONSITE CONTACT: (day/s of event) Drew Free
MOBILE PHONE: 801-889-7339
NAME OF EVENT: Round Valley
■ FIRST TIME EVENT ☐ ANNUAL EVENT (How many years?)
Will a fee be charged for attendance or participation? ■ Yes ☐ No

Overall Event Description (Briefly explain event and activities): We are proposing a cross country mountain bike race that will showcase the Round Valley trail System. This Race will be lapped race where each rider will ride the same lap

EVENT DATES AND TIMES

EVENT DATE(S): 6/25/11
EVENT HOURS - START TIME: 4:00 PM
END TIME: 7:30
SET-UP DATE/S: 6/25/11
TIME/S: 1:00 PM
BREAKDOWN DATE/S: 6/25/11
TIME/S: 8:30 PM
ESTIMATED ATTENDANCE - PARTICIPANTS: 225
SPECTATORS: 75
TOTAL: 300
EVENT LOCATION: Round Valley. We are expecting around 175 cars. We will encourage that the racers carpool.

EVENTS WITH ATTENDANCE HIGHER THAT 500 REQUIRES A SUMMIT COUNTY MASS GATHERING PERMIT

City Council Staff Report

Subject: City Park Classical Music Series
Author: Tommy Youngblood
Department: Sustainability
Date: May 26, 2011
Type of Item: Application - Master Festival License

Summary Recommendations:
Review the Master Festival License application, conduct a public hearing, and approve the license for the City Park Classical Music Series, as conditioned, on Monday's July 18, 25 & Aug 8, 15, 2011 from 5pm to 8pm at South City Park Gazebo.

Description Topic:
Review the Master Festival License Application, submitted by Mountain Town Music for the City Park Classical Music Series at South City Park Gazebo on Monday's July 18, 25 & Aug 8, 15, 2011.

Background:
Mountain Trails Foundation submitted an application requesting a Master Festival License to hold their City Park Classical Music Series. This is a first time event for the organizer in the area. Through a series of meetings the organizer has demonstrated and good knowledge of working with this type of event. PCPD has been notified and will be involved in the public safety coordination should Council approve the event. The organizer expects 100 spectators. City Park Classical Music Series is free to the public.

City Park Classical Music Series is a recreation use and is consistent with the City Council's Goal #4 which is to continue to promote Park City as multi-seasonal resort by maintaining its status as a World Class Resort which hosts such events as this and to increase the number of events.

Analysis:
City Park Classical Music Series
The event organizers have requested to hold their event on Monday's July 18, 25 & Aug 8, 15, 2011. The City Park Classical Music Series will take place from 5pm – 8pm. The event is designed to offer classical music to locals and visitors in a park setting. The organizer has paid for the rental of South City Park for this event. All of the residents of the area have been notified and have provided feedback for this report. No negative remarks have been reported. The organizer will do noise level monitoring during each concert for compliance with the ordinance.

Parking
Parking for the staff and participants will be at Mawhinney Lot and surrounding public parking. Staff and the applicant will be monitoring attendance and parking use per event and will make arrangements of off site parking or event cancellation if the expected attendance grows beyond parking capacity. The applicant will supply signage and employ volunteers to assist in the location and direction to event parking.

Traffic Circulation & Trail Monitoring
There will be no full or partial road or trail closures associated with this event. All City Park accesses will be maintained. At the time of this report there are no projects planned that would hinder this activity.

Marketing
This event will be publicized within the organizers event community and the Park City Chamber/Bureau and Local newspaper outlets. It is also currently listed on various event & social networking websites. The organizer has also contacted local business about mutually beneficial cross-marketing opportunities.

Park City Council Review:
This application is being reviewed as a Master Festival License due to the use of amplified music and the request for use of City Park; consistent with Park City Municipal Code, Title 4, Chapter 8.

Department Review:
PCMC event operational departments consisting of Special Events, Police, Planning, Building, Business Licensing, Parks, Building Maintenance, Public Works, Parking Services, Transit and the appropriate external agencies have reviewed the application for City Park Classical Music Series and their comments have been incorporated into the report.

Alternatives:

Approve the Request:
Approve the Master Festival License allowing City Park Classical Music Series

Deny the Request:
Deny the Master Festival License, preventing the addition of City Park Classical Music Series to Park City's schedule of events.

Continue the Item:
The City Council may continue the discussion in order to receive additional information.

Significant Impacts:
The event, as described, should incur no significant Impacts
Park City has held similar events to the City Park Classical Music Series

Consequences of not taking the recommended action:
City Park Classical Music Series would not take place, as described, within Park City Limits

RECOMMENDATION:
Staff recommends the City Council conduct a public hearing and approves, a Master Festival for City Park Classical Music Series on, on Monday's July 18, 25 & Aug 8, 15, 2011 based on the following Findings of Fact, Conclusions of Law, and Conditions of Approval.

Findings of Fact:

1. The event organizers have requested to hold their event on Monday's July 18, 25 & Aug 8, 15, 2011. The City Park Classical Music Series will take place from 5pm – 8pm South City Park Gazebo.
2. Parking for the staff and participants will be at Mawhinney Lot and surrounding public parking. Staff and the applicant will be monitoring attendance and parking use per event and will make arrangements of off site parking or event cancellation if the expected attendance grows beyond parking capacity. The applicant will supply signage and employ volunteers to assist in the location and direction to event parking.
3. Conducting City Park Classical Music Series will not substantially interrupt or prevent the safe and orderly movement of public transportation or other vehicular and pedestrian traffic in the area of its venue other than noted.
4. The events associated with City Park Classical Music Series will not require the diversion of so great a number of police, fire, or other essential public employees from their normal duties as to prevent reasonable police, fire, or other public services protection to the remainder of the City.
5. The event will take place in South City Park Gazebo. The concentration of persons, vehicles, or animals will not unduly interfere with the movement of police, fire, ambulance, and other emergency vehicles on the streets or with the provision of other public health or safety services.
6. There are no other Master Festival or Special Event licenses that have been granted on the dates requested.
7. The size of the crowd and nature of the event will not create an imminent possibility of violent disorderly conduct likely to endanger public safety or cause significant property damage.

8. The applicant has been working with City Staff and applicable departments to address all event concerns. The Applicant demonstrates an ability and willingness to conduct the event pursuant to the terms and conditions of this Chapter and has not failed to conduct a previously authorized event in accordance with the law or the terms of a license, or both.

Conclusions of Law:

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

Conditions of Approval:

1. The applicant, at its' cost, shall incorporate such measures as directed by Staff in order to ensure that any safety, health, or sanitation equipment, and services or facilities reasonably necessary to ensure that the event will be conducted with due regard for safety are provided and paid for by the applicant.
2. Applicants shall provide proof of liability insurance in the amount of two million dollars ($2,000,000) or more as may be required by the Special Events Manager or the City Attorney's Office, and shall further name Park City Municipal Corporation as additional insured. All Applicants shall further indemnify the City from liability occurring at the event except for any claim arising out of the sole negligence or intentional torts of the City or its employees.
3. The applicant use of barricade and signage will be in accordance with the Manual of Uniform Traffic Control Devices (MUTCD) for the duration of the event.
4. All plans for tents, fireworks, stages, signs and other temporary structures shall be submitted to the Building Department for review and permitting by July 1, 2011.
5. The applicant is responsible for a Pedestrian Management Plan in a form approved by the Park City Municipal Event Manager and Chief of Police.
6. All Summit County permit approvals shall be secured by July 1, 2011 and submitted to Park City Municipal in writing for review.

Attachments

Exhibit A- Applicant’s Application Part 1

Exhibit A
Page 1

Exhibit A

Submit by Email

Park City Municipal Corporation

Master Festival & Special Event Application

Special Events
435.615.5150
specialevents@parkcity.org

Master Festival (MFL) & Special Event Applications **MUST** be complete and submitted to the Special Events Department no Less than **90 Days Prior** to a MFL and no less than **60 Days Prior** to a Special Event for staff review. Applications not submitted within that timeframe may not be granted approval. Refer to Park City Special Event Planning Guide for answers to the most frequently asked event related questions

This application **DOES NOT** constitute a valid permit until approved by the Special Events Department and/or Park City Council

APPLICATION FEES

All new applications require a $100.00 non-refundable application processing fee
All applications for returning events require a $50.00 non-refundable application processing fee

Additional fees for other services, including Health Department, Fire Department, and City Services will be estimated and provided to the applicant.

EVENT INFORMATION

MASTER FESTIVAL CRITERIA (PUBLIC EVENT) (If one box is checked the event is automatically an MFL)	☐ Attraction of crowds over 500 participants and or spectators	☐ Requires Partial or Full Street Closure or use of Public Right of Way	☑ Use of City park, buildings or other properties	☐ Use of off –site parking facility	☑ Use of Amplified Music
SPECIAL EVENT CRITERIA (PUBLIC OR PRIVATE EVENT)	☐ Causes significant public impacts via disturbance, crowd, traffic, and or parking	☑ Disruption of the normal routine of the community or affected neighborhood	☑ Necessitates temporary business or liquor licensing	☐ Event signs visible from public property or right of way	☐ Temporary structures, including inflatable's

EVENT TYPE

☐ Street Fair/Festival	☐ Run - Walk	☐ Parade	☐ Trail Event	■ Concert	☐ Road Bike Event

Other Type of Event (Please Specify):

APPLICANT AND SPONSORING ORGAIZATION INFORMATION

NAME: Mountain Town Music	POSITION: Executive Director
STREET ADDRESS: 2710 Butch Cassidy Court	CITY, STATE, ZIP CODE: Park City, Utah 84060
MAILING ADDRESS: (If different from above)	CITY, STATE, ZIP CODE:
TELEPHONE (WORK): 435.901.7664	MOBILE PHONE: / OTHER:
EMAIL ADDRESS: brian@mountaintownmusic@.org	FAX NUMBER: N/A
SPONSORING ORGANIZATION: Mountain Town Music	Is organization a registered non-profit? ■ Yes ☐ No (If yes, please provide copy of registration paperwork)
ONSITE CONTACT: (day/s of event) Brian Richards	MOBILE PHONE: 435.962.3333

NAME OF EVENT: City Park Classical Music Series

■ FIRST TIME EVENT ☐ ANNUAL EVENT (If annual, how many years?)

Overall Event Description (Briefly explain event and activities):
Live classical performances in City Park

EVENT DATES AND TIMES

EVENT DATE(S): July 11, 2011 - August 29, 2011		EVENT HOURS	START TIME: 6:00	END TIME: 8:00
SET-UP:	DATE/S: Same	TIME/S: 5:00	BREAKDOWN DATE/S: Same	TIME/S: 8:00
ESTIMATED ATTENDANCE	PARTICIPANTS: 1-10		SPECTATORS: 100	TOTAL: 110

EVENT LOCATION: City Park Gazebo

EVENTS WITH ATTENDANCE HIGHER THAT 500 REQUIRES A SUMMIT COUNTY MASS GATHERING PERMIT

City Council
Staff Report

Author: Phyllis McDonough Robinson
Subject: Loan to Habitat for Humanity
Date: June 2, 2011
Type of Item: Legislative/Administrative

PARK CITY 1884

Sustainability

Summary Recommendations: Approve a $100,000 bridge construction line of credit to Habitat for Humanity – Summit and Wasatch for the affordable housing project located at 154 – 156 Marsac Avenue subject to the conditions outlined.

Description:

Topic:
Approve a $100,000 bridge construction loan to Habitat for Humanity – Summit and Wasatch for the affordable housing project located at 154 Marsac Avenue.

Background:
On February 7, 2008, Council approved the donation of city-owned property at 154 Marsac Avenue to Habitat for Humanity (HFH) of Summit and Wasatch Counties for the development of ownership housing for modest income households. The land transfer was contingent upon HFH receiving all necessary approvals including, but not limited to Subdivision, Planning Commission and Historic District Design Review. HFH received final approvals for this project at 154-156 Marsac Avenue in May 2010 for two single-family homes or approximately 1,200 square feet. They anticipate these units will be priced in the $175,000 - $225,000 range and are deed restricted affordable units. HFH will provide first and second mortgages to the homeowners.

In March 2008, City Council agreed to waive the application fees totaling $1,500 for Subdivision and Plat Amendment, a Conditional Use Permit, including a Steep Slope CUP, and Architectural and Design Review. Council further agreed to consider addition fee waivers at time of submission of building plans should HFH receive Planning Commission Approval. In July 2010 approved the waiver of up to $5,000 in Police, Roads and Parks impact fees consistent with LMC Section 11-12-13 and Building Permit and Inspection fees consistent with LMC Section 11-13-4(a). Water impact fees are not part of the general fund and are cannot be waived.

In April 2011, the Public Service Contract Committee awarded a $20,000 special service contract to support the construction of these two homes subject to final adoption of the City budget.

HFH was founded in 1995. It is an independently organized local affiliate of Habitat for Humanity International. To date, HFH has completed 10 homes for working families. HFH also provides its families with mortgage financing at 0% interest and with a modest down payment. HFH receives technical assistance from the Habitat for Humanity International on a broad range of policies, procedures and guidance for administration, governance and programs including construction management, mortgage servicing, and volunteer programs. On an annual basis, HFH completes Habitat for Humanity International's Quality Assurance internal audit process as part of its affiliate responsibilities for Good Standing.

Analysis:
Habitat for Humanity is requesting a construction line of credit to assist in completing construction of the homes at 154 -156 Marsac Avenue. Construction including excavation and footings and foundations will begin the second week of July and framing in late August. A 9-month construction period is anticipated.

Staff has reviewed the request and met with HFH about this request. Pursuant to those discussions, HFH modified their request to a $100,000 line of credit for one home since construction for the second home is not anticipated until spring/summer 2012. Funds will be used for purchasing construction materials that are not donated as well as contracting for professional trade services. The total projected construction cost for the house is $250,000. To date they have secured $100,000 in donated/in-kind services and $50,000 in grant funds. New Star will act as the General Contractor for this project. Salt Lake Valley Community College is contributing labor as part of their construction program. Habitat is currently engaging corporate team-build partners, in-kind donors, and plans a capital campaign to support the Marsac build. A copy of their 2011 Fundraising plan is attached.

Staff recommends approving the request. This will allow HFH to move forward with its construction in a timely manner in advance of securing the remaining funds for the project build. HFH is able to begin site work, excavation, and footing and foundations with the resources secured to date. They are eager to begin the project, but are also cautious and do not want to begin a project unless they are confident they will be able to complete it. The line of credit will provide HFH with the funds to continue the project in a timely manner. It will also assist them in their fund raising because experience has shown in other HFH projects that the level of community interest and support increases once a project is under construction. HFH is hopeful that it will not fully expend the line of credit, and are confident they can raise funds necessary to repay the line of credit within 18 months. The intent is to pay down the line of credit throughout the construction period as funds are received rather than waiting until the end of the term.

The City has funded promissory note only bridge loans for other nonprofit housing projects including Holiday Village Apartments ($400,000) and the Line Condominiums ($100,000). Both of these loans were repaid in an exemplary manner.

Staff recommends approval based on the following conditions to ensure the timely completion of the project and protect City investment.

Conditions of Approval

1. The loan is structured as a line of credit of up to $100,000 for capital expenses. Funds may not be used for general operating expenses, administration, and project management or developer fees.

2. The term of the loan will be 12 months from the initial draw with one automatic 6-month extension.

3. Disbursed funds will accrue interest at a rate of 2.5 percent per annum. This is consistent with the “prudent man rule” of the Utah Money Management. Interest will accrue as funds are drawn.

4. Funds may be disbursed in advance for the purchase of building materials when accompanied by a written estimate of quantity and cost. Receipts must be submitted to the City within 5 days of the disbursement. Additional draw requests will not be processed until documentation for prior requests is satisfactory. The City will conduct a physical inspection of the materials purchased.

5. Draw requests to pay for professional services must be accompanied by an invoice. The City will inspect the work to ensure it is complete and meets applicable codes and regulations.

6. All checks will be made payable to Habitat for Humanity who will have the responsibility of ensuring timely payment of accounts. This relieves the City of the responsibility of preparing checks to vendors with whom we have not received services.

7. The note is structured as a promissory note between the City and HFH. This is consistent with prior loan structures.

8. HFH will make quarterly reports to the City including construction and fund raising progress.

Department Review:
Finance, Legal and the City Manager have reviewed this staff report.

Alternatives:

A. **Approve the Request:**
Council could approve the staff recommendation for a $100,000 line of credit with a term of 12 months at an interest rate with one six-month extension at a rate of 2.5 percent.

B. **Modify the Request:** Council could modify the request by either adjusting the term, the amount or interest rate of the loan. An increase in the interest rate or a decrease in the term or amount could affect HFH’s ability to proceed with the project this year.

C. Deny the Request:
Council could deny the request.

D. Continue the Item:
Council could continue the item and direct Staff to return with additional information. This could have the impact of delaying the start of the project.

Significant Impacts:
This bridge loan will allow HFH to move forward with this project this summer and to secure the services of the Salt Lake Valley Community College. The funding for this loan is available in the Housing CIP. The accumulated interest offsets the loss of earnings in the CIP.

Recommendation:
Approve a $100,000 construction line of credit to Habitat for Humanity – Summit and Wasatch for the affordable housing project located at 154 – 156 Marsac Avenue subject to the conditions outlined.

Attachments:
1. Request from Lisa Schneider, Executive Director, Habitat for Humanity Summit & Wasatch County.
2. HFH Overview
3. Fundraising Plan
4. Operating Budget
5. New Star Letter of Support
6. Construction Estimates

May 9, 2011, 2011
Phyllis Robinson
Park City Municipal Corporation
445 Marsac Avenue/PO Box 1480
Park City, Utah 84060

Dear Phyllis,

On behalf of Habitat for Humanity of Summit & Wasatch Counties ("Habitat"), I am writing to request consideration of financial assistance from Park City Municipal Corporation to support construction expenses related to the "Pechnik Build".

When the prospect of building in Old-Town was embraced by Habitat three years ago we were in different economic times. Since 2009, Habitat has raised $55,000 of construction-restricted funds toward this project and spent approximately $14,000 dollars. We have partnered with New Star Construction and have obtained some in-kind pledges for building materials and professional services from local businesses and trades people. Additionally, we are establishing a partnership with the Salt Lake Community College construction program. The partnerships and in-kind contributions are helping us manage construction costs, but the $150,000 required to build one home on the Pechnik property have not be raised through traditional fundraising means. Though we have funds to start the project we are mindful of the risks of starting the project without being able to finish. We are committed to starting projects that we're able to successfully complete.

The fundraising challenges we're facing include: Decrease in program assistance through Habitat International's Gifts In Kind program, decrease in grants that fund construction projects and inability to go back to grantors who have funded us until we can fulfill their team-build days on the Pechnik Build, challenges in securing additional in-kind contributions from the building community, added project costs due to the complexities of this build – over and above the cost of a typical Habitat build, and decreased revenues from individual donors and corporate partners.

To help overcome these hurdles and keep us on schedule for the successful completion of one home on the "Pechnik" property this year and the second home next year, we would like to engage Park City Municipal in a conversation about establishing a construction line of credit of $300,000 that would accommodate the way Habitat's programs are structured and our lean operating budget. Specifically, we would like to explore with Park City Municipal loan terms that might include: low interest rate, funds re-payment after mortgages are closed with Habitat home buyers, debt forgiveness over time, and options for payment deferral because Habitat mortgage income is directly tied to home owners' payment consistency. Notably, in Habitat's 15 year history serving Summit and Wasatch Counties we have never had a home owner foreclosure on a Habitat home loan.

We believe if we can get started on this project more resources will come – including corporate sponsorships and in-kind contributions of materials and professional labor. But we need help to get this project up and running to its full capacity.

Please find attached the Pechnik project construction budget, our 2011 fundraising plan and 2011 budget. We look forward to an opportunity to explore the possibility of this request with Park City Municipal Corporation.

Kind Regards,

Lisa R. Schneider

Lisa R. Schneider
Executive Director
Habitat for Humanity of Summit & Wasatch Counties

ABOUT US

Every family needs a place to call home; a place where they can dream, grow and become part of their community. But for many families, no matter how hard they work, having a home of their own will always be out of reach. That is why Habitat for Humanity is essential. Since its founding in 1976, Habitat for Humanity has built over 400,000 houses, providing shelter for more than 2 million people in over 90 countries around the world. Currently at work in 100 countries, HFHI builds, on average, one house every 21 minutes. **In 2009, HFHI was ranked No. 8 among home builders** in the United States.

This innovative program offers a hand up not a hand out. Habitat for Humanity does not give away homes, it provides a way for hard-working, lower income families to own homes in a market where housing is beyond their financial reach. Habitat partners with the community to provide affordable housing and no-profit, zero-percent interest mortgages to our partner families. In turn, partner families are required to invest hundreds of hours of sweat equity building their home and helping build homes for other partner families.

Habitat for Humanity of Summit and Wasatch Counties (Habitat) is an independently organized local affiliate of HFHI. Now **celebrating its 16th anniversary,** Habitat has **completed 10 homes for working families** that might not otherwise have had access to permanent, affordable housing. Habitat plans to begin construction on two homes in Park City in 2011.

Habitat is not only a developer, it is also a mortgage lender. Through the generosity of individual, corporate and foundation donors, Habitat is able to **provide financing at 0% interest and with a modest down-payment**. Based on recent figures, Habitat estimates that **as many as 16% of families in Summit County, and 22% of families in Wasatch County**, may meet its lending criteria.

Habitat is unique among housing providers. It is the only affordable housing developer that:

- builds and sells homes targeted specifically to **"very low income" buyers** (e.g., those between 30% and 60% of area median income)
- can ensure its homes are priced so they are truly affordable for buyers
- requires a **sweat equity commitment** by each and every adult home buyer of at least 200 hours of construction or other volunteer labor
- collects its mortgage payments in a separate account, the proceeds of which are used only to build new homes for families in need

While Habitat relies on donations of construction and finish materials to keep its home prices as low as possible, it also requires monetary donations to secure specialty trade labor and to pay general operating expenses and on the help of volunteers in our community to enhance lives and build community through affordable home ownership.

03+000 2011 Fundraising Plan000000

Strategy	Goal(s) #, $, %	Action Steps	Who	When	Cost	Type (restricte unrestricted, o
Individual Contributions	$ 10,000.00	Annual Campaign Mailings: 1.5% return rate x 5000 mailed = 75	staff,volunteers	May - June	$ -	programs, management,fun
	$ 5,000.00	Annual Campaign Personal Asks: Most people will give 3x more when asked personally	staff, board	May - June	$ -	programs, management,fun
	$ -	Board Contributions	board	year round		programs, mana fundraising
	$ -	Solicitations at Events	staff, board	year round	$ -	programs, management,fun
	$ -	Build Campaign	staff	tbd	$ -	Restricted
	$ -	Special Appeals	staff	tbd	$ -	variable
	$ 2,500.00	cars for homes	n/a	year round	$ -	programs, management,fun
	$ 35.00	Good Search	n/a	year round	$ -	programs, management,fun
Corporate Contributions	$ 50,000.00	Build & Team Sponsorships	staff, board	May - Sept		Restricted
	$ 60,000.00	In-kind (Construction)	staff, board	May - Sept	$ -	Restricted
	$ 15,000.00	corporate sponsorships	staff, board	year round	$ -	variable
	$ 28,500.00	In-kind (Rent, Advertising, Printing, IT/Website	year round		$ -	programs, mana
Grants	$ 28,000.00	Private Foundations	staff	year round	$ -	variable
		Govt Grant Programs	staff	variable	$ -	restricted

03+000 2011 Fundraising Plan000000

		H4H International	staff	variable	$ -	variable
Events	$ 65,000.00	Annual Gala	Staff,Board & volunteers	October	$ 20,000.00	programs, mana fundraising
	$ 4,000.00	Hosted Events (Chili Cookoff, OctoberFest, Etc.)	Community groups/churches	variable	$ -	programs, mana fundraising
	$ 5,000.00	Hosted Ask Events (Poker games, house concerts, etc.)	Board, staff, volunteers	Quarterly	$ -	programs, mana fundraising
Other	$ 14,000.00	Heber Bond Refund	n/a	June		as needed
	$ 32,990.64	Mortgage Income	staff	year round		restricted
		Fundraising expenses	staff, misc.	year round	$ 28,165.64	fundraising
		Program expenses	staff, supplies, etc...		$ 37,840.00	programs
		Construction Project Expenses			$ 118,000.00	restricted
		In-Kind Expenses			$ 88,500.00	variable
		Management expenses			$ 26,520.00	management
		HFHI Tithing			$ 1,000.00	programs
Total	$ 320,025.64				$ 320,025.64	

Habitat for Humanity of Summit and Wasatch Counties
Annual Operating Budget - 2011(In-Kind & Build) **DRAFT**

	2011 Budget	2011 Actual	2011 Difference	2010 Budget	2010 Actual	2010 Difference	Notes
REVENUES							
Earned Income							
Interest/Dividends			53.09				
Fundraising Events:							
Annual Gala Event (Casino Night/Other)	65,000.00			65,650.00	30,266.71	(35,383.29)	
Other	5,000.00				-		
Golf Event	-			-	31,935.78	31,935.78	
Annual Request Letter	10,000.00			3,733.00	5,660.00	1,927.00	
Total Earned Income	**80,000.00**			**69,383.00**	**67,915.58**	**(1,520.51)**	
Public Support							
State	-			-	-		
County (build restricted)	-			15,000.00	15,000.00	-	
Total Public Support	**-**			**15,000.00**	**15,000.00**	**-**	
Private Support							
Foundations	28,000.00			60,000.00	26,435.00	(33,565.00)	
Corporations	15,000.00			25,000.00	7,972.08	(17,027.92)	
Home Sponsorship	50,000.00			100,000.00	-	(100,000.00)	
Individuals	5,000.00			10,000.00	4,924.03	(5,075.97)	
Churches	4,000.00			5,000.00	3,737.27	(1,262.73)	
In-Kind Contributions - Misc.							
Construction Materials/Services	60,000.00			-	14,840.00	14,840.00	
Rent	8,500.00			-	6,000.00	6,000.00	
Printing	5,000.00			-	1,490.00	1,490.00	
Advertising/Public Relations	10,000.00			-	700.00	700.00	
IT/Website	5,000.00			-	900.00	900.00	
Land	-			-	204,000.00	204,000.00	
Total Private Support	**190,500.00**			**200,000.00**	**270,998.38**	**70,998.38**	
Fund for Humanity							
Mortgage income	32,990.64			31,788.00	30,729.33	1,058.67	
Other Miscellaneous Income							
Cars for Homes	2,500.00			3,000.00	1,360.00	1,640.00	
Good Search/Good Shop	35.00			-	9.84	9.84	
Other Misc	14,000.00			-	-	-	
Total Revenue	**320,025.64**			**319,171.00**	**386,013.13**	**2,708.51**	
EXPENSES							
Management Costs							
Payroll-Related Expense	15,870.00			23,000.00	22,329.44	670.56	
Bank/Credit Card Fees	1,000.00			1,000.00	1,009.36	(9.36)	
Dues & Memberships	700.00			500.00	54.00	446.00	
Liability Insurance	2,500.00			1,200.00	2,477.37	(1,277.37)	
Workers Comp Insurance	1,250.00			500.00	1,217.00	(717.00)	
Accounting & Legal	4,000.00			7,500.00	8,666.50	(1,166.50)	
Management Costs - Misc.	1,200.00			1,000.00	1,167.32	(167.32)	
Total Management Costs	**26,520.00**			**34,700.00**	**36,920.99**	**(2,053.67)**	
Program Costs							

Payroll-Related Expense	31,740.00	23,000.00	24,117.22	(1,117.22)
Office Rent	8,500.00	6,000.00	6,000.00	-
Utilities (cleaning, internet)	1,000.00	200.00	-	200.00
Office Equipment/Software	500.00	250.00	300.00	(50.00)
Telephone/DSL	600.00	600.00	1,462.59	(862.59)
IT/Website	5,000.00	-	914.95	(914.95)
Office Supplies	3,000.00	4,000.00	3,071.18	928.82
Depreciation	-	-	-	-
Program Costs - Misc.	1,000.00	1,000.00	2,304.70	(1,304.70)
Total Program Costs	**51,340.00**	**35,050.00**	**38,170.64**	**(3,120.64)**
Fundraising Costs				
Payroll-Related Expense	15,870.00	23,000.00	22,331.91	668.09
Advertising/Public Relations	10,000.00	2,000.00	3,112.15	(1,112.15)
General Fundraising	9,375.00	1,500.00	-	1,500.00
Postage	2,420.64	300.00	628.21	(328.21)
Fundraising Events:				
Gala Event	20,000.00	20,621.00	20,657.94	(36.94)
Other events	-	-	-	-
Golf Event	-	-	2,755.00	(2,755.00)
Printing	5,000.00	-	1,490.00	(1,490.00)
Misc.	500.00	-	606.57	(606.57)
Annual Appeal Letter	-	1,000.00	2,379.98	(1,379.98)
Total Fundraising Costs	**63,165.64**	**48,421.00**	**53,961.76**	**(5,540.76)**
Project Costs				
Pechnik (Park City) Build	118,000.00	200,000.00	10,625.00	189,375.00
Construction materials/services	60,000.00	-	14,840.00	14,840.00
Land Acquisition	-	-	204,000.00	204,000.00
Total Project Costs	**178,000.00**	**200,000.00**	**229,465.00**	**408,215.00**
Habitat for Humanity International Tithe	1,000.00	1,000.00	500.00	500.00
Grand Total Expenses	320,025.64	**319,171.00**	**359,018.39**	**(39,847.39)**
Gross Revenues	320,025.64	**319,171.00**	**386,013.13**	**(66,842.13)**
Net Income/Deficit	**-**	**-**	**26,994.74**	**(106,189.52)**

NEW STAR GENERAL CONTRACTORS
2610 West 2590 South , Salt Lake City , UT 84119
Phone 801 - 972 - 6227 Fax 801 - 972 - 6002

Date: May 20, 2011

To: Habitat for Humanity Summit & Wasatch Counties

Attn: Jeff Graham

Project: Habitat for Humanity - 154 & 156 Marsac Avenue Park City, Utah

Subject: *Letter of Intent*

It has been a pleasure for New Star General Contractors to be involved with Habitat for Humanity over the last year & half. We have been providing planning & estimating services up to this point for the two new homes that will soon be built at 154 & 156 Marsac Avenue.

It is our intent to continue to provide Construction Management Services, on site supervision as needed, and whatever else we can contribute to the successful completion of the future Habitat Home's

Let me know if you should need any further assistance.

New Star General Contractors

By: *JL Pettit*

Print Name: Jeff Pettit – VP Projects

NEW STAR GENERAL CONTRACTORS

2610 West 2590 South S.L.C., Utah 84119 (801) 972-6227 / FAX 972-6002

Habitat for Humanity - North House
154 Marsac Avenue
Park City, Utah

Preliminary Estimate # 4

Per: ARCHIPLEX GROUP - Plans Issued For Permit dated: June 04, 2010

SCHEDULE OF VALUES

AS OF: **02-May-11**
TOTAL SF **1,585**

SPEC. #	DESCRIPTION OF WORK	Habitat for Humanity - North House Total with Donations North Home	COST SQ. FT.	Habitat for Humanity - Park City Total Costs North Home	COST SQ. FT.	Estimated Donations North Home # 1
1000	GENERAL CONDITIONS	27,206.20	17.16	54,104.41	34.14	(26,898.21)
1000	WEATHER ALLOWANCE	0.00	0.00	0.00	0.00	0.00
2110	DEMOLITION	0.00	0.00	0.00	0.00	0.00
2000	SITE WORK	1,435.32	0.91	16,592.22	10.47	(15,156.90)
3000	CONCRETE	16,048.51	10.13	30,646.84	19.34	(14,598.33)
4000	MASONRY	0.00	0.00	0.00	0.00	0.00
5000	METALS	0.00	0.00	0.00	0.00	0.00
6000	WOOD FRAMING	12,623.62	7.96	29,749.16	18.77	(17,125.54)
6200	EXTERIOR WOOD SIDING & TRIM	4,955.29	3.13	14,222.22	8.97	(9,266.93)
6400	INT. FINISH CARPENTRY	7,677.35	4.84	26,243.72	16.56	(18,566.37)
7000	THERMAL/MOISTURE PROTECT	4,731.00	2.98	6,745.35	4.26	(2,014.35)
8000	DOORS/WINDOWS	11,170.18	7.05	13,226.43	8.34	(2,056.25)
9000	FINISHES	13,746.00	8.67	25,661.00	16.19	(11,915.00)
10000	SPECIALTIES	334.84	0.21	334.84	0.21	(0.00)
11000	EQUIPMENT	2,008.38	1.27	2,121.30	1.34	(112.92)
12000	FURNISHINGS	0.00	0.00	0.00	0.00	0.00
13000	SPECIAL CONSTRUCTION	0.00	0.00	0.00	0.00	0.00
14000	CONVEYING SYSTEMS	0.00	0.00	0.00	0.00	0.00
15000	MECHANICAL	17,185.00	10.84	21,690.00	13.68	(4,505.00)
16000	ELECTRICAL	0.00	0.00	2,535.38	1.60	(2,535.38)
400	WORK ORDERS	0.00	0.00	0.00	0.00	0.00
	SUB TOTAL	**119,121.68**	75.16	**243,872.87**	153.86	**(124,751.19)**
	FEE @	0.00	0.00	14,632.37	9.23	(14,632.37)
	SUB TOTAL	**119,121.68**	75.16	**258,505.25**	163.09	**(139,383.56)**
	CONTINGENCY	5,956.08	3.76	12,925.26	8.15	(6,969.18)
	TOTAL BUILD	**125,077.77**	**78.91**	**271,430.51**	**171.25**	**(146,352.74)**
	Design Fees, Survey, Misl	5,000.00	3.15	25,000.00	15.77	(20,000.00)
	Permits & Associated Fees	20,000.00	12.62	25,000.00	15.77	(5,000.00)
	Total Build & Soft Costs	**150,077.77**	**94.69**	**321,430.51**	**202.80**	**(171,352.74)**

NEW STAR GENERAL CONTRACTORS

2610 West 2590 South S.L.C., Utah 84119 (801) 972-6227 / FAX 972-6002

Habitat for Humanity - South Home
154 Marsac Avenue
Park City, Utah

Preliminary Estimate # 5

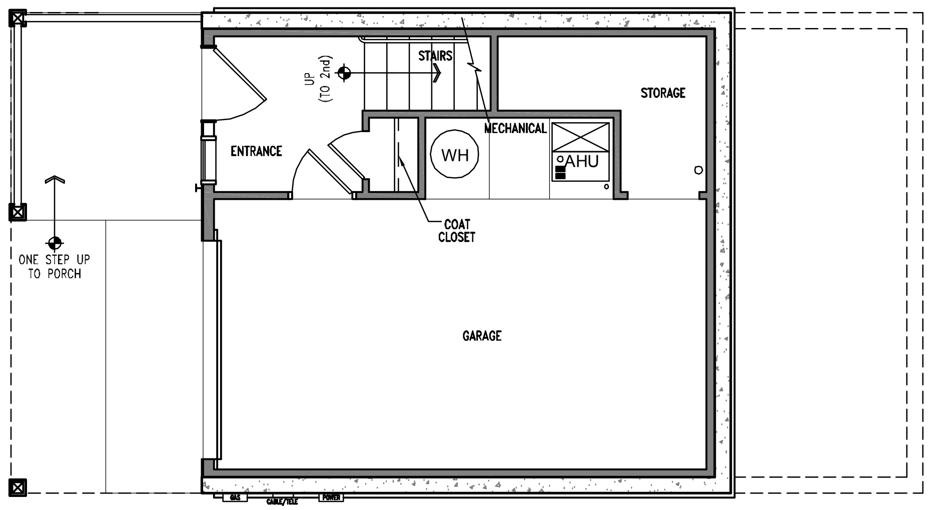
Per: ARCHIPLEX GROUP - Plans Issued For Permit dated: June 04, 2010

SCHEDULE OF VALUES

AS OF: **03-May-11**

TOTAL SF **1,585**

SPEC. #	DESCRIPTION OF WORK	Habitat for Humanity - South Home Total with Donations South Home	COST SQ. FT.	Habitat for Humanity - Park City Total Costs South Home	COST SQ. FT.	Estimated Donations South Home # 1	COST SQ. FT.
1000	GENERAL CONDITIONS	25,306.20	15.97	53,104.41	33.50	(27,798.21)	(17.54)
1000	WEATHER ALLOWANCE	0.00	0.00	0.00	0.00	0.00	0.00
2110	DEMOLITION	0.00	0.00	0.00	0.00	0.00	0.00
2000	SITE WORK	1,435.32	0.91	16,592.22	10.47	(15,156.90)	(9.56)
3000	CONCRETE	16,427.90	10.36	30,930.84	19.51	(14,502.94)	(9.15)
4000	MASONRY	0.00	0.00	0.00	0.00	0.00	0.00
5000	METALS	0.00	0.00	0.00	0.00	0.00	0.00
6000	WOOD FRAMING	12,697.62	8.01	29,823.16	18.82	(17,125.54)	(10.80)
6200	EXTERIOR WOOD SIDING & TRIM	7,017.44	4.43	17,198.73	10.85	(10,181.29)	(6.42)
6400	INT. FINISH CARPENTRY	7,677.35	4.84	26,243.72	16.56	(18,566.37)	(11.71)
7000	THERMAL/MOISTURE PROTECT	4,819.88	3.04	6,834.23	4.31	(2,014.35)	(1.27)
8000	DOORS/WINDOWS	10,496.00	6.62	12,417.41	7.83	(1,921.41)	(1.21)
9000	FINISHES	13,746.00	8.67	25,661.00	16.19	(11,915.00)	(7.52)
10000	SPECIALTIES	334.84	0.21	334.84	0.21	(0.00)	(0.00)
11000	EQUIPMENT	2,008.38	1.27	2,121.30	1.34	(112.92)	(0.07)
12000	FURNISHINGS	0.00	0.00	0.00	0.00	0.00	0.00
13000	SPECIAL CONSTRUCTION	0.00	0.00	0.00	0.00	0.00	0.00
14000	CONVEYING SYSTEMS	0.00	0.00	0.00	0.00	0.00	0.00
15000	MECHANICAL	17,185.00	10.84	21,690.00	13.68	(4,505.00)	(2.84)
16000	ELECTRICAL	0.00	0.00	2,535.38	1.60	(2,535.38)	(1.60)
400	WORK ORDERS	0.00	0.00	0.00	0.00	0.00	0.00
	SUB TOTAL	**119,151.92**	75.17	**245,487.24**	154.88	**(126,335.32)**	(79.71)
	FEE @	0.00	0.00	14,729.23	9.29	(14,729.23)	(9.29)
	SUB TOTAL	**119,151.92**	75.17	**260,216.47**	164.17	**(141,064.55)**	(89.00)
	CONTINGENCY	5,957.60	3.76	13,010.82	8.21	(7,053.23)	(4.45)
	TOTAL BUILD	**125,109.52**	**78.93**	**273,227.30**	**172.38**	**(148,117.78)**	**(93.45)**
	Design Fees, Survey, Misl.	5,000.00	3.15	25,000.00	15.77	(20,000.00)	(12.62)
	Permits & Associated Fees	20,000.00	12.62	25,000.00	15.77	(5,000.00)	(3.15)
	Total Build & Soft Costs	**150,109.52**	**94.71**	**323,227.30**	**203.93**	**(173,117.78)**	**(109.22)**



HOUSE 156 FIRST FLOOR PLAN – 85 SF; 355 SF (GARAGE/STORAGE/MECH)

REF. SCALE: 1/4"" = 1'-0"

PLAN NORTH

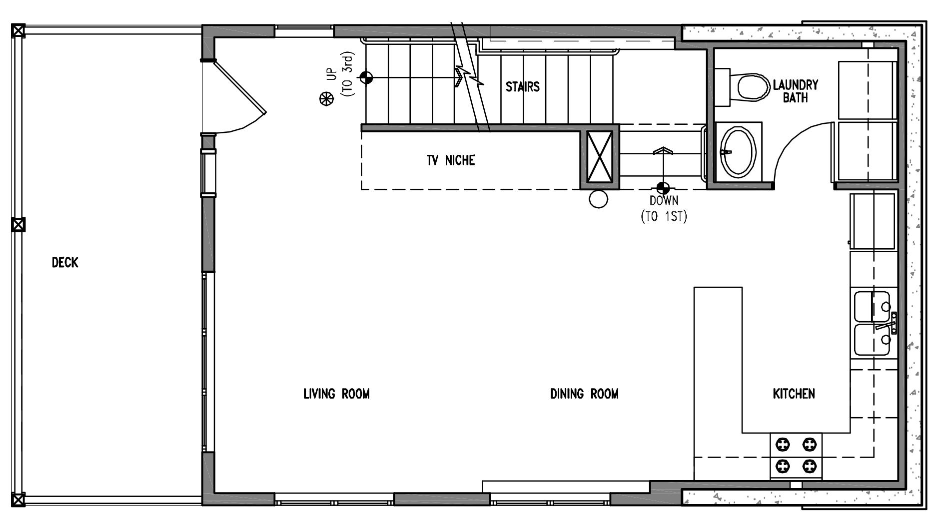
CLIENT

Habitat for Humanity

154 & 156 MARSAC AVE.
PARK CITY, UTAH

DESIGNER

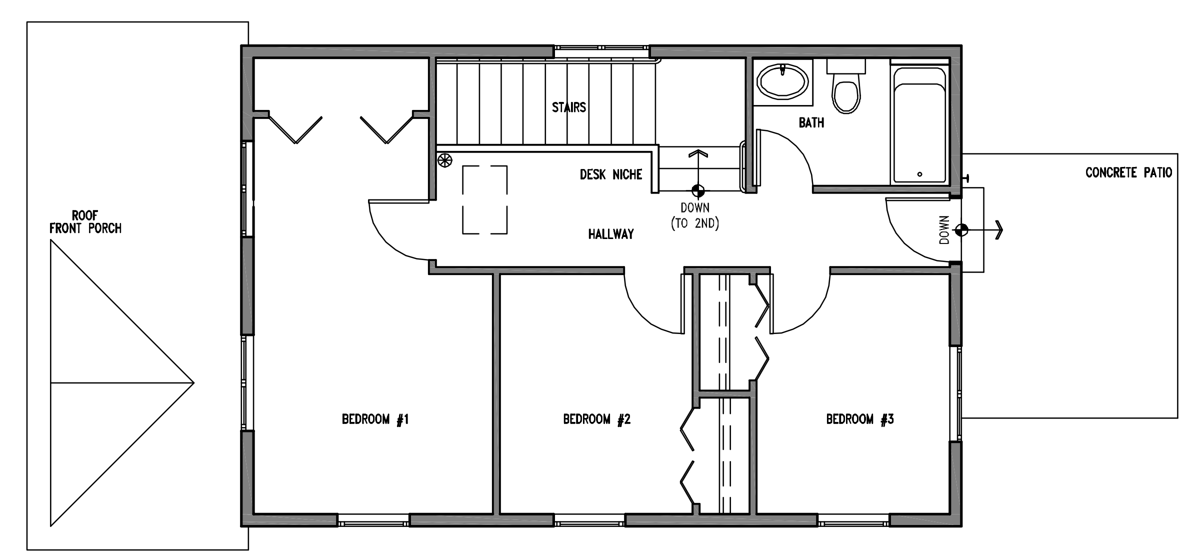
ARCHIPLEX GROUP
architecture · planning · design services
255 Crossroad Square
Salt Lake City, UT 84115
P:(801) 961-7070
F:(801) 961-7373



HOUSE 156 SECOND FLOOR PLAN – 600 SF: 159 SF (DECK)

REF. SCALE: 1/4"" = 1'-0"

PLAN NORTH



HOUSE 156 THIRD FLOOR PLAN – 600 SF

REF. SCALE: 1/4"" = 1'-0"

PLAN NORTH

Salt Lake Community College

May 23, 2011

Shellie Barrus
Office & Programs Manager
Habitat for Humanity of Summit
& Wasatch Counties

Dear Ms. Barrus,

On behalf of Salt Lake Community College, its students and instructors in the Building Construction program, we are excited for the possibility of partnering with Habitat for Humanity of Summit & Wasatch Counties on the project in Park City.

It is our intention through our various Building Construction classes (please see attached list) of involving our students and faculty with your organization, volunteers, donors and partners on the Habitat for Humanity home.

Our partnership would begin during our Fall 2011 semester and run through the project's completion, assuming adequate enrollments in our various classes are attained.

Building Construction program Coordinator, Mr. Chad Fail, will serve as the lead construction contact for Salt Lake Community College, while I will be the administrative liaison. Please be sure to provide us with updated information and timelines for the project so that appropriate planning on behalf of Salt Lake Community College and Habitat for Humanity can occur. This is an exciting project that will allow our students to not only to learn the trades, but experience service learning first hand.

Thank you for allowing Salt Lake Community College to partner with your organization in this endeavor.

Sincerely,

Rick Bouillon
Interim Dean, School of Aerospace/Aviation,
Apprenticeship and Technical Specialties
(801) 957-5158

Enclosure

db

Taylorsville Redwood Campus
Aviation, Apprenticeship & Technical Specialties
4600 South Redwood Road · CT Building · Salt Lake City, Utah 84130-0808
Phone: (801) 957.2609 · Fax: (801) 957.2662 · www.slcc.edu

Salt Lake Community College

Building Construction Department

Hands-on Training (approximately 270 contact hours per subject)

Typical Subjects Covered

Items marked with an asterisk (*) are on an as needed, time permitting basis.

Structural Construction (BCCM 1045 & 2045)

- Project layout on property for excavation
- **Assist with concrete footing & foundation forming, rebar placement & pouring*
- **Assist with concrete flatwork for basement, garage floors & exterior concrete slabs*
- All stages of framing carpentry; bearing walls, floors, interior & exterior walls, roofs (stick & truss) & stairs
- Install exterior doors & windows
- Exterior decks, stairs & railings
- Exterior siding

Interior Finishes (BCCM 1145 & 2145)

- **Assist in drywall hanging, finishing & repair*
- Hang & case interior doors
- Install base, chair rail, wainscot, window jambs, sills & casing & other trim mouldings
- Install handrails & balusters
- Install finished stair treads, skirts, hardwood caps, etc.
- Build & install built-in closet systems
- Other built-in woodwork; fireplace facings, shelving, etc.
- Install hardwood flooring
- Install tile floors
- **Assist with interior paint preparation*
- **Assist with interior painting*

Cabinetmaking (BCCM 1245 & 2235)

- Propose potential design of cabinetry prior to certain construction phases (framing, plumbing, HVAC & electrical) to make end product more coordinated & user friendly
- Measure existing spaces designated for custom cabinetry
- Design custom cabinetry to fit style, budget & customer needs
- Build custom cabinetry from scratch to meet specs
- Apply professional coloring & finishes
- Build most custom woodworking projects not completed by interior finishes class (fireplace mantle, built-in shelving & entertainment units, etc.)
- Deliver & install cabinets into home (prefer to do this after painting has been completed)
- **Template, design, build & install solid surface (Corian Style) countertops*

City Council Staff Report

Subject:	**Transit GPS\AVL System**
Author:	**Kent Cashel, Transit\Transportation Manager** **Darren Davis, Transit Administrative Team Leader**
Department:	**Transit**
Date:	**May 26, 2011**
Type of Item:	**Administrative**

Summary Recommendations:
Authorize the City Manager to execute a Professional Service Agreement with Avail Technologies, Inc in the amount of $ **1,235,008** for the purchase and installation of an Automatic Vehicle Location Global Positioning System.

Background:

Pursuant to Council's goal of increasing transit ridership, Park City Transit staff has been AVL\GPS technologies since 2009. AVL\GPS technologies utilize the Global Positioning System (GPS) satellites to provide real time vehicle location(s). These locations are then used by the system to provide transit users and operators with:

- estimated bus arrival times
- number of passengers on each vehicle
- vehicle speed and operating information
- Automatic Voice Announcements
- passenger boarding and alighting information (passenger counts)
- on-time performance reporting

This data is provided to transit riders and operators via a wide assortment of mediums that include:

- the internet
- smart and traditional cell phones
- telephone
- digital signs and flat screen monitors

.
When the GPS\AVL system is fully implemented transit users will have the ability to use their smart phone or computer to plan their route and determine when the next bus will arrive at their stop. Access to this level of travel information will simplify navigating the transit system and determining just how early one should arrive at a bus stop. This improved convenience has proven to increase ridership and passenger satisfaction for transit systems that have implemented GPS\AVL.

In 2009 Park City Transit secured a Federal Transit Administration Grant that will finance 80% of system cost.

In December 2010 Staff began seeking proposals for a GPS\AVL system.. The proposals were evaluated and ranked by a selection committee made up of the following members:

Team Member	Department
Steve Arnoldus	IT
Spencer Lace	IT
Nate Rockwood	Budget
Brian Andersen	Fleet
Destry Pollard	Transit
Antonio Ribiero	Transit
Darren Davis	Transit
Destry Pollard	Transit
Kent Cashel	Transit

A sub-committee of the selection committee visited the corporate offices and several customer sites of each of the top two ranked firms and then recommended Staff begin negotiating with the top ranked firm Avail Technologies, Inc (Avail).

Staff has completed negotiations with Avail Technologies and requests Council authorization to execute a contract with this firm.

Analysis:

A GPS\AVLsystem will offer numerous benefits to Park City Transit's riders, operators and management. Those benefits include:

- Real time "Next Bus" information readily available via digital signs, internet, smart phones, telephone and text messaging.
- Automated stop announcements and digital signage inside the bus.
- Automated Passenger Counters will count passengers boarding\alighting enhancing the usefulness of data gathered and providing real time load information to supervisors.
- Head signs can change automatically when bus begins new route.
- Ability for supervisor's to monitor and control bus fleet operations from a desktop computer, laptop or smart phone.
- Ability to monitor bus mechanical status (such as engines, transmissions, and air conditioning) from transit offices.
- Covert emergency messages can be sent from bus to dispatch, dispatch to bus.
- Ability to monitor on time performance.
- Ability to integrate traffic signal prioritization capability into our bus system.

- Enhanced ability to report and track performance measures.

- Enhanced efficiency in producing mandated federal reports.

- Enhanced schedule adherence reporting that will provide for ongoing analysis of routes and schedules to improve on-time performance.

Staff has conducted a procurement process in compliance with federal and City procurement requirements. A total of six proposals were received in response to the City's Request for Proposal. The selection committee reviewed and ranked each proposal on the following criteria set forth in the Request for Proposal (RFP):

- Quality of proposal,
- Timeline including completion of project dates
- Operating strength and experience
- Nature and extent of any requested changes to a standard City contract
- Quality of references
- Other criteria deemed appropriate

The selection committee selected the top three ranked firms to make formal presentations. Following the presentations the selection committee again ranked the three firms based upon the criteria detailed above. The two top ranked firms (Avail and RouteMatch) were then selected for further consideration.

The selection committee then directed a five member sub-committee with the task of conducting site visits of the corporate offices and at least two customer sites for each of the two top ranked firms. The subcommittee conducted the site visits, ranked the firms and then recommended to the full selection committee that Staff begin price negotiations with the top ranked firm, Avail.

Staff successfully negotiated a reduction in contract price from Avail's initial price offer of $1,384,791 down to a final contract price of $1,235,008.(10% reduction). Additionally, the firm agree to include at no extra cost:

1. Extension of system warranty from 18 months to 2 years
2. 24 hour, 365 day technical support package
3. Smart phone application that will enable supervisors to utilize the system when they are in the field.

Staff has secured a Federal Transit Administration grant that will fund 80% ($988,006.) of this purchase local match funding of 20% ($247,002) will be proportionally shared between the City (78% or $192,662) and County (22% or $54,341). This proportional share was calculated using the number of buses each entity owns and operates.

The I.T.S. System and Accompanying Technologies purchase is included in the 2011 CIP budget and funds are held in account CP0118.

The AVL\GPS project will take approximately fourteen months to implement with completion tentatively scheduled for July 2012.

Department Review:
The staff report was reviewed by City Manager's Office, Legal, Information Technologies (IT), Budget and Public Works. All comments received have been addressed in this report.

Alternatives:

A. Approve:
Authorize the City Manager to execute a Professional Service Agreement with Avail Technologies Inc, in the amount of $1,235,008 for the purchase and installation of an AVL\GPS system. This is staffs recommendation.

B. Deny:
Deny Staff's request. This would delay project implementation and jeopardize federal funding secured to finance the project. Staff does not recommend this alternative.

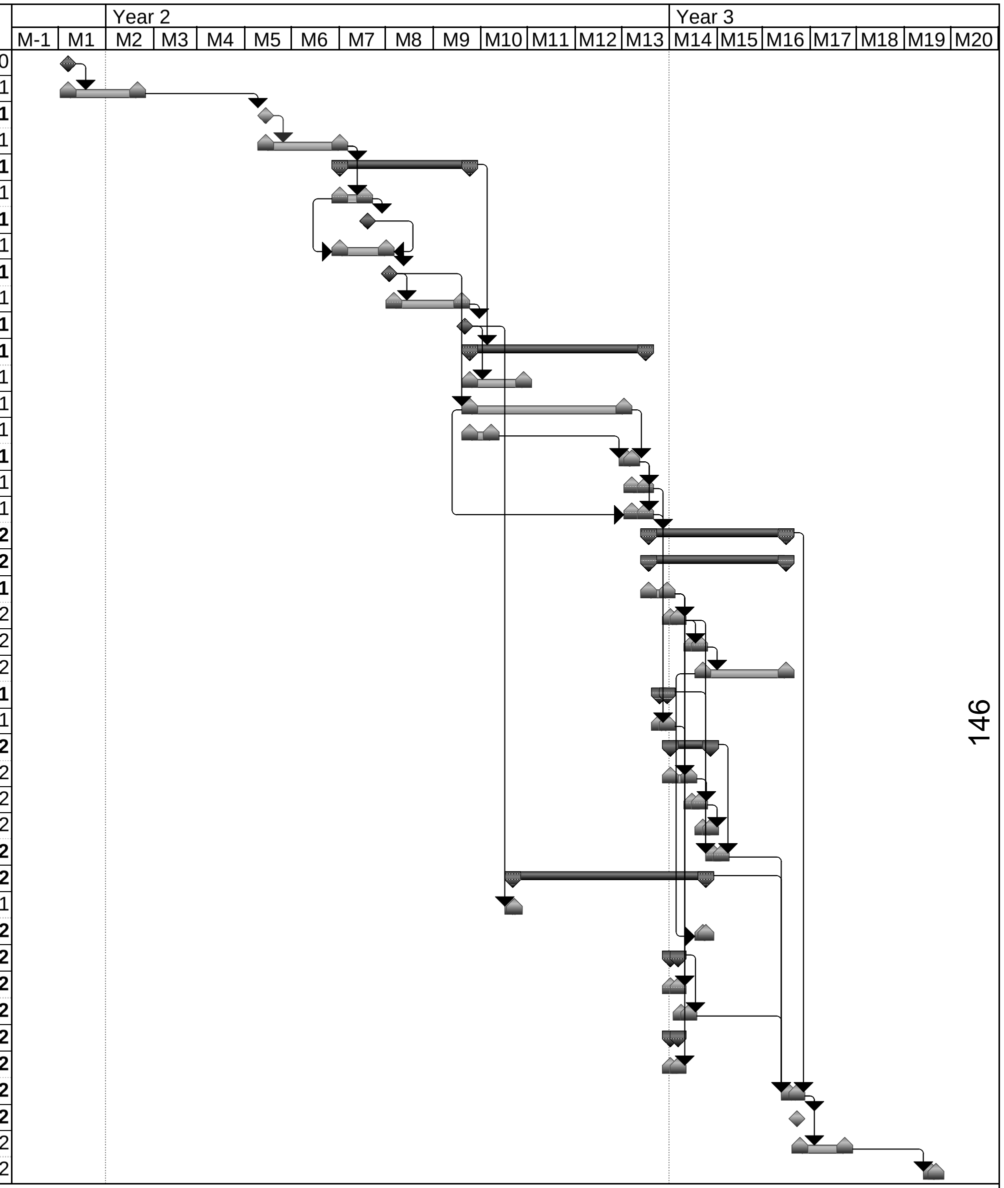
C. Continue the Item:
Council could continue the item. Proposals expire on June 5, 2011. Any delay beyond that date would expose the city to risk the vendor would not honor proposals. This is not staff's recommendation.

D. Do Nothing:
Council could choose to do nothing at this time. This would have the same effect as alternatives B & C. Staff does not recommend this alternative.

Recommendation:
Authorize the City Manager to execute a Professional Service Agreement with Avail Technologies, Inc in the amount of $ **1,235,008** for the purchase and installation of an AVL\GPS system.

Attachment:: Scope of services

ID	Task Name	Start	Finish
1	Proposal Submissions due to Park City	Wed 12/08/10	Wed 12/08/10
2	Park City proposal review process	Wed 12/08/10	Fri 01/21/11
3	**Park City Notice of Award**	**Fri 04/15/11**	**Fri 04/15/11**
4	Contract Negotiations	Fri 04/15/11	Wed 06/01/11
5	**Requirements and Design**	**Thu 06/02/11**	**Wed 08/24/11**
6	Kickoff Review	Thu 06/02/11	Fri 06/17/11
7	**Kickoff meeting at Park City**	**Mon 06/20/11**	**Wed 06/22/11**
8	Requirements Definition and Review	Thu 06/02/11	Fri 07/01/11
9	**Requirements Review meeting at Park City**	**Mon 07/04/11**	**Wed 07/06/11**
10	Critical Design and Review	Thu 07/07/11	Fri 08/19/11
11	**Critical Design Review meeting at Park City**	**Mon 08/22/11**	**Wed 08/24/11**
12	**Integration and Test**	**Thu 08/25/11**	**Fri 12/16/11**
13	**Enter and validate schedule data**	Thu 08/25/11	Wed 09/28/11
14	Order/Receive Equipment	Thu 08/25/11	Fri 12/02/11
15	Setup Test Environment	Thu 08/25/11	Wed 09/07/11
16	**Factory Acceptance Test (FAT) at Avail**	**Mon 12/05/11**	**Wed 12/07/11**
17	Pack and Ship	Thu 12/08/11	Fri 12/16/11
18	Schedule installations	Thu 12/08/11	Fri 12/16/11
19	**Installation**	**Mon 12/19/11**	**Fri 03/16/12**
20	**Vehicle**	**Mon 12/19/11**	**Fri 03/16/12**
21	**Vehicle Pilot Installation**	**Mon 12/19/11**	**Fri 12/30/11**
22	**Pilot Testing**	Mon 01/02/12	Fri 01/06/12
23	**Pilot Acceptance**	Mon 01/16/12	Fri 01/20/12
24	Fleet Rollout	Mon 01/23/12	Fri 03/16/12
25	**Software**	**Mon 12/26/11**	**Fri 12/30/11**
26	Backend Installations	Mon 12/26/11	Fri 12/30/11
27	**Communications**	**Mon 01/02/12**	**Fri 01/27/12**
28	Install System	Mon 01/02/12	Fri 01/13/12
29	Setup Network	Mon 01/16/12	Fri 01/20/12
30	Network testing	Mon 01/23/12	Fri 01/27/12
31	**System Testing**	**Mon 01/30/12**	**Fri 02/03/12**
32	**Training**	**Thu 09/22/11**	**Tue 01/24/12**
33	Implementation and Training Plan Approved	Thu 09/22/11	Thu 09/22/11
34	**Maintenance**	**Mon 01/23/12**	**Tue 01/24/12**
35	**Dispatchers**	**Mon 01/02/12**	**Fri 01/06/12**
36	**Fixed Route and Paratransit**	**Mon 01/02/12**	**Fri 01/06/12**
37	**System Administrators**	**Mon 01/09/12**	**Fri 01/13/12**
38	**Drivers (Train the Trainer)**	**Mon 01/02/12**	**Fri 01/06/12**
39	**Fixed Route and Paratransit Drivers**	**Mon 01/02/12**	**Fri 01/06/12**
40	**System Acceptance Test (SAT) at Park City**	**Mon 03/19/12**	**Fri 03/23/12**
41	**Start of Two Year Warranty and Support**	**Fri 03/23/12**	**Fri 03/23/12**
42	30-day Operational Validation	Mon 03/26/12	Mon 04/23/12
43	**Follow-on Technology Adoption Visit**	Tue 06/19/12	Thu 06/21/12



Project: Park City Project Preliminary Schedule
Section 4 Project Plan

Task — Progress — Summary
Split — Milestone

Quantity of Hours by Task name:

									Costs by Sub Task	
Integrate AVL an GPS Into Vehicles	Units	Costs								
Number of AVL Units (Cost per Unit)	37	$ 5,363.00						$	198,431.00	
AVL Units Installation total (per Unit)	37	$ 1,000.00						$	37,000.00	
	Principle Engineer	Project Manager	Service Enginee	Engineer	Field Engineers	Assembly / Tech	Admin			
Hours by employee Category	0	0	0	0	0	0	0	$	-	
								$	-	
								$	-	
Total hours per employee Category	0	0	0	0	0	0	0	$	-	
37 vehicles based on, 31 fixed route, 6 paratransit								$	235,431.00	Total Fees for AVL

Integrate APC Into Vehicles	Units	Costs								
Number of APC Units (Cost per Unit)	37	$ 2,261.00						$	83,657.00	
APC Units Installation total (per Unit)	37	$ 441.00						$	16,317.00	
	Principle Engineer	Project Manager	Service Enginee	Engineer	Field Engineers	Assembly / Tech	Admin			
Hours by employee Category	0	0	0	0	0	0	0	$	-	
								$	-	
								$	-	
Total hours per employee Category	0	0	0	0	0	0	0	$	-	
								$	99,974.00	Total Fees for APC

Integrate Annunciation Into Vehicles	Units	Costs								
Number of AVA Units (Cost per Unit)	31	$ 3,457.00						$	107,167.00	
AVA Units Installation total (per Unit)	31	$ 578.00						$	17,918.00	
	Principle Engineer	Project Manager	Service Enginee	Engineer	Field Engineers	Assembly / Tech	Admin			
Hours by employee Category	0	0	0	0	0	0	0	$	-	
								$	-	
								$	-	
Total hours per employee Category	0	0	0	0	0	0	0	$	-	
								$	125,085.00	Total Fees for AVA Voice

Software and Control Center Equipment	Licenses Units	Server Units	Work Stations		3rd Party Software	Costs				
Number Of:	Site License	4	3		Included					
Units Installation total (per Unit)	$ 95,569.00	$ 18,559.00	$ 4,734.00		$ 9,216.00			$	128,078.00	
	Principle Engineer	Project Manager	Service Enginee	Engineer	Field Engineers	Assembly / Tech	Admin			
Hours by employee Category	0	0	0	0	0	0	0	$	-	
								$	-	
								$	-	
Total hours per employee Category	0	0	0	0	0	0	0	$	-	
								$	128,078.00	Total Fees. Software & Control Eq.

Installation/Labor/System Integrations	Project Manager	Principle Engineer	Systems I&T En	Engineer	Field Engineers	Assembly / Tech	Admin			
Project Management	756	64	546	601	698	170				
Design Engineering										
System integration										
Factory and on-Site Testing										
Total hours per employee Category	756	64	546	601	698	170	0		2,835	
Labor Cost								$	292,932.00	
Warranty and Support for 2 years (labor only)								$	42,775.00	
Travel and other Expenses								$	43,468.00	
								$	379,175.00	Total Fees: Installation & Integrations

Onsite Training	Units									
Hours	672 hours									
Travel Expenses								$	15,915.00	
	Project Manager	Principle Engineer	Systems I&T En	Engineer	Field Engineers	Assembly / Tech	Admin			
Hours by employee Category	168			504						
Total hours per employee Category	168	0	0	504	0	0	0	$	68,310.00	
								$	84,225.00	Total Fees: Onsite - Training

Tools and Manuals	Units									
Tools	Misc programming and debugging utilities							$	1,000.00	
Manuals	Custom as needed									
	Project Manager	Principle Engineer	Systems I&T En	Engineer	Field Engineers	Assembly / Tech	Admin			
Hours by employee Category	28		80	100	192					
Total hours per employee Category	28	0	80	100	192	0	0	$	35,265.00	
								$	36,265.00	Total Fees Tools and Manuals

Spare Equipment	Units	Unit Costs				Costs				
Includes the following major items:	6	$ 9,800.00				$ 58,800.00		$	58,800.00	
- 6 Vector 9000s										
- 6 Interface Expansion Boxes	Project Manager	Principle Engineer	Systems I&T En	Engineer	Field Engineers	Assembly / Tech	Admin			
- 6 Closed Mic Handset/Speaker Combos										
- 3 AVA Voice Annunciators										
- 3 AVA LED Signs										
- 3 APC Passenger Counters										
- 1 LED Sign Spare Parts Kit										
Hours by employee Category								$	-	
								$	-	
Total hours per employee Category	0	0	0	0	0	0	0	$	-	
								$	58,800.00	Total Fees: Spare Equipment

LED signs & Installation	Units	Unit Costs				Costs			
Sign cost	10	$ 5,955.00				$ 59,550.00		$ 59,550.00	
Installation Cost									
	Project Manager	Principle Engineer	Systems I&T	En Engineer	Field Engineers	Assembly / Tech	Admin		
Hours by employee Category								$ -	
								$ -	
Total hours per employee Category	0	0	0	0	0	0	0	$ -	
								$ 59,550.00	Total Fees Signs and installations

Option # 5	Units	Unit Costs				Costs			
Includes:									
- InfoPoint Web for Fixed Route						$ 24,648.00		$ 24,648.00	
- InfoPoint IVR Lite for Fixed Route						$ 37,158.00		$ 37,158.00	
	Project Manager	Principle Engineer	Systems I&T	En Engineer	Field Engineers	Assembly / Tech	Admin		
Hours by employee Category								$ -	
								$ -	
Total hours per employee Category	0	0	0	0	0	0	0	$ -	
								$ 61,806.00	Total Fees Option #5

StrataGen ADEPT Software	Units	Unit Costs				Costs			
Includes:						$ 24,000.00		$ 24,000.00	
- StrataGen ADEPT Paratransit Sceduling License									
	Project Manager	Principle Engineer	Systems I&T	En Engineer	Field Engineers	Assembly / Tech	Admin		
Hours by employee Category								$ -	
								$ -	
Total hours per employee Category	0	0	0	0	0	0	0	$ -	
								$ 24,000.00	Total Fees StrataGen ADEPT

ALL Totals	
Base Proposal	$ 1,230,583.00
Option #5 (InfoPoint Web and IVR Lite)	$ 61,806.00
Bus in a Box Training Unit	$ 6,750.00
Cellular AVL Tracking for 5 Supervisor Vehicles	$ 6,450.00
Supervisor Lite	Included
Credit - Closed Mic Interface	$ (35,615.00)
Credit - Labor for stop geocoding	$ (33,966.00)
TOTAL	$ 1,235,008.00

6.3 Proposed Payment Terms

Avail's proposal is based on the following standard payment milestone schedule. Once Avail receives authorization from Park City that a milestone has been successfully completed, Avail will invoice for the amount noted with payment due Net 30.

Milestone	Description	% of Contract Payment
1	Kickoff Review	2%
2	Requirements Review Approval	8%
3	Preliminary Design Review Approval	5%
4	Critical Design Review Approval	10%
5	Factory Acceptance Test	20%
6	Implementation and Training Plan Approval	5%
7	Pilot Test Complete	10%
8	Bus Equipment Delivery – 50%	10%
9	Bus Equipment Delivery – 100%	10%
10	Installations Complete	5%
11	System Acceptance Test Approval	10%
12	30 Day Operational Test Approval	5%

Exhibit 1-1

Additional Federal Contract Clauses

Buy America - The SERVICE PROVIDER agrees to comply with 49 U.S.C. 5323(j) and 49 C.F.R. Part 661, which provide that Federal funds may not be obligated unless steel, iron, and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. General waivers are listed in 49 C.F.R. 661.7, and include final assembly in the United States for 15 passenger vans and 15 passenger wagons produced by Chrysler Corporation, and microcomputer equipment and software. Separate requirements for rolling stock are set out at 49 U.S.C. 5323(j)(2)(C) and 49 C.F.R. 661.11. Rolling stock must be assembled in the United States and have a 60 percent domestic content.

A bidder or offeror must submit to the FTA recipient the appropriate Buy America certification (below) with all bids or offers on FTA-funded contracts, except those subject to a general waiver. Bids or offers that are not accompanied by a completed Buy America certification must be rejected as nonresponsive. This requirement does not apply to lower tier subcontractors.

Energy Conservation - The SERVICE PROVIDER agrees to comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

Clean Water - (1) The SERVICE PROVIDER agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. The SERVICE PROVIDER agrees to report each violation to the Purchaser and understands and agrees that the Purchaser will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office.

(2) The SERVICE PROVIDER also agrees to include these requirements in each subcontract exceeding $100,000 financed in whole or in part with Federal assistance provided by FTA.

Byrd Anti-Lobbying Amendment, 31 U.S.C. 1352, as amended by the Lobbying Disclosure Act of 1995, P.L. 104-65 [to be codified at 2 U.S.C. § 1601, et seq.] - Contractors who apply or bid for an award of $100,000 or more shall file the certification required by 49 CFR part 20, "New Restrictions on Lobbying." Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on its behalf with non-Federal funds with respect to that Federal contract, grant or award covered by 31 U.S.C. 1352. Such disclosures are forwarded from tier to tier up to the recipient.

Use of "Disclosure of Lobbying Activities," Standard Form-LLL set forth in Appendix B of 49 CFR Part 20, as amended by "Government wide Guidance For New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96) is mandated by 49 CFR Part 20, Appendix A.

Access to Records - The following access to records requirements apply to this Contract:

1. Where the Purchaser is not a State but a local government and is the FTA Recipient or a subgrantee of the FTA Recipient in accordance with 49 C.F.R. 18.36(i), the SERVICE PROVIDER agrees to provide the Purchaser, the FTA Administrator, the Comptroller General of the United States or any of their authorized representatives access to any books, documents, papers and records of the SERVICE PROVIDER which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions. SERVICE PROVIDER also agrees, pursuant to 49 C.F.R. 633.17 to provide the FTA Administrator or his authorized representatives including any PMO Contractor access to SERVICE Provider's records and construction sites pertaining to a major capital project, defined at 49 U.S.C. 5302(a)1, which is receiving federal financial assistance through the programs described at 49 U.S.C. 5307, 5309 or 5311.

2. The SERVICE PROVIDER agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

3. The SERVICE PROVIDER agrees to maintain all books, records, accounts and reports required under this contract for a period of not less than three years after the date of termination or expiration of this contract, except in the event of litigation or settlement of claims arising from the performance of this contract, in which case SERVICE PROVIDER agrees to maintain same until the Purchaser, the FTA Administrator, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto. Reference 49 CFR 18.39(i)(11).

4. FTA does not require the inclusion of these requirements in subcontracts.

Federal Changes - SERVICE PROVIDER shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between Purchaser and FTA, as they may be amended or promulgated from time to time during the term of this contract. SERVICE Provider's failure to so comply shall constitute a material breach of this contract.

Clean Air - (1) The SERVICE PROVIDER agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq. The SERVICE PROVIDER agrees to report each violation to the Purchaser and understands and agrees that the

Purchaser will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office.

(2) The SERVICE PROVIDER also agrees to include these requirements in each subcontract exceeding $100,000 financed in whole or in part with Federal assistance provided by FTA.

Recovered Materials - The SERVICE PROVIDER agrees to comply with all the requirements of Section 6002 of the Resource Conservation and Recovery Act (RCRA), as amended (42 U.S.C. 6962), including but not limited to the regulatory provisions of 40 CFR Part 247,

and Executive Order 12873, as they apply to the procurement of the items designated in Subpart B of 40 CFR Part 247.

No Obligation by the Federal Government.

(1) The Purchaser and SERVICE PROVIDER acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this contract and shall not be subject to any obligations or liabilities to the Purchaser, SERVICE PROVIDER, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying contract.

(2) The SERVICE PROVIDER agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

Program Fraud and False or Fraudulent Statements or Related Acts.

(1) The SERVICE PROVIDER acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § 3801 et seq. and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 C.F.R. Part 31, apply to its actions pertaining to this Project. Upon execution of the underlying contract, the SERVICE PROVIDER certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying contract or the FTA assisted project for which this contract work is being performed. In addition to other penalties that may be applicable, the SERVICE PROVIDER further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil
Remedies Act of 1986 on the SERVICE PROVIDER to the extent the Federal Government deems appropriate.

(2) The SERVICE PROVIDER also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) on the SERVICE PROVIDER, to the extent the Federal Government deems appropriate.

(3) The SERVICE PROVIDER agrees to include the above two clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

Suspension and Debarment

This contract is a covered transaction for purposes of 49 CFR Part 29. As such, the SERVICE PROVIDER is required to verify that none of the SERVICE PROVIDER, its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945.

The SERVICE PROVIDER is required to comply with 49 CFR 29, Subpart C and must include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into.

By signing and submitting its bid or proposal, the bidder or proposer certifies as follows:

The certification in this clause is a material representation of fact relied upon by **the City**. If it is later determined that the bidder or proposer knowingly rendered an erroneous certification, in addition to remedies available to **the City**, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The bidder or proposer agrees to comply with the requirements of 49 CFR 29, Subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

Civil Rights - The following requirements apply to the underlying contract:

(1) Nondiscrimination - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, the SERVICE PROVIDER agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, the SERVICE PROVIDER agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

(2) Equal Employment Opportunity - The following equal employment opportunity requirements apply to the underlying contract:

(a) Race, Color, Creed, National Origin, Sex - In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the SERVICE PROVIDER agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 et seq., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The SERVICE PROVIDER agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the SERVICE PROVIDER agrees to comply with any implementing requirements FTA may issue.

(b) Age - In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § 623 and Federal transit law at 49 U.S.C. § 5332, the SERVICE PROVIDER agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the SERVICE PROVIDER agrees to comply with any implementing requirements FTA may issue.

(c) Disabilities - In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the SERVICE PROVIDER agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, the SERVICE PROVIDER agrees to comply with any implementing requirements FTA may issue.

(3) The SERVICE PROVIDER also agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance provided by FTA, modified only if necessary to identify the affected parties.

Disadvantaged Business Enterprises

a. This contract is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, *and Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs*. The national goal for participation of Disadvantaged Business Enterprises (DBE) is 10%. The agency's overall goal for DBE participation is 3 %. A separate contract goal of 3 % DBE participation has been established for this procurement.

b. The SERVICE PROVIDER shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The SERVICE PROVIDER shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of this DOT-assisted contract. Failure by the SERVICE PROVIDER to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the City deems appropriate. Each subcontract the SERVICE PROVIDER signs with a subcontractor must include the assurance in this paragraph (*see* 49 CFR 26.13(b)).

c. Bidders/offerors are required to document sufficient DBE participation to meet these goals or, alternatively, document adequate good faith efforts to do so, as provided for in 49 CFR 26.53. Award of this contract is conditioned on submission of the following **concurrent with and accompanying sealed bid**:

1. The names and addresses of DBE firms that will participate in this contract;

2. A description of the work each DBE will perform;

3. The dollar amount of the participation of each DBE firm participating;

4. Written documentation of the bidder/offeror's commitment to use a DBE subcontractor whose participation it submits to meet the contract goal;

5. Written confirmation from the DBE that it is participating in the contract as provided in the prime contractor's commitment; and

6. If the contract goal is not met, evidence of good faith efforts to do so; must be provided.

Bidders must present the information required above **with initial proposals** (*see* 49 CFR 26.53(3)).

The SERVICE PROVIDER is required to pay its subcontractors performing work related to this contract for satisfactory performance of that work no later than 30 days after the SERVICE Provider's receipt of payment for that work from the CITY. In addition, **the SERVICE PROVIDER may not hold retainage from its subcontractors. [is required to return any retainage payments to those subcontractors within 30 days after the subcontractor's work related to this contract is satisfactorily completed. is required to return any retainage payments to those subcontractors within 30 days after incremental acceptance of the subcontractor's work by the The CITY and SERVICE Provider's receipt of the partial retainage payment related to the subcontractor's work.**

e. The SERVICE PROVIDER must promptly notify **The City**, whenever a DBE subcontractor performing work related to this contract is terminated or fails to complete its work, and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. The SERVICE PROVIDER may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of the City.

Incorporation of Federal Transit Administration (FTA) Terms - The preceding provisions include, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, as set forth in FTA Circular 4220.1E, are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Agreement. The SERVICE PROVIDER shall not perform any act, fail to perform any act, or refuse to comply with any City requests which would cause The City to be in violation of the FTA terms and conditions.

DISPUTE RESOLUTION

Dispute Clauses for FTA assisted contracts

Disputes - Disputes arising in the performance of this Contract which are not resolved by agreement of the parties shall be decided in writing by Park City Municipal Corporation's Transit Manager. This decision shall be final and conclusive unless within ten (10) days from the date of receipt of its copy, the Contractor mails or otherwise furnishes a written appeal to the Transit Manager. In connection with any such appeal, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the Transit Manager shall be binding upon the Contractor and the Contractor shall abide be the decision.

Performance During Dispute - Unless otherwise directed by Park City Municipal, Contractor shall continue performance under this Contract while matters in dispute are being resolved.

Claims for Damages - Should either party to the Contract suffer injury or damage to person or property because of any act or omission of the party or of any of his employees, agents or others for whose acts he is legally liable, a claim for damages therefore shall be made in writing to such other party within ten (10) days after the first observance of such injury of damage.

Remedies - Unless this contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the (Recipient) and the Contractor arising out of or relating to this agreement or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State of Utah.

Rights and Remedies - The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by Park City Municipal Corporation, or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.