PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
MAY 24, 2012

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building, City Council Chambers, 445 Marsac Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, May 24, 2012.

Work Session

2:00 p.m.	Council questions/comments	
2:10 p.m.	Tour of Utah	P. 6 - 17
2:30 p.m.	Air quality monitoring	P. 18 - 39
3:00 p.m.	Continuation of Capital Improvement Program Budgets Operating expenditures • Strategic Plan Team presentations	P. 40 - 77
4:15 p.m.	Historic Preservation Board interviews	(separate packet)

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 the agenda)*

IV 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 authorization to enter into a Construction Agreement with Intermountain Wind and Solar for installation of a solar photovoltaic (PV) array on the roof at the Police Facility, 2060 Park Avenue, in an amount not to exceed $113,500, in a form approved by the City Attorney P. 78 - 85

2. Consideration of awarding a franchise agreement to Yogui's Ice Cream to allow ice cream vending within the public right-of-way for a one year term with automatic renewal for four successive one year terms, in a form approved by the City Attorney P. 86 - 99

3. Consideration of awarding a franchise agreement to Z-Cycles Ice Cream to allow ice cream vending within the public right-of-way for a one year term with automatic renewal for four successive one year terms, in a form approved by the City Attorney P. 100 - 113

4. Consideration of awarding a franchise agreement to Deliciouz Ice Cream Inc. to allow ice cream vending within the public right-of-way for a one year term with automatic renewal for four successive one year terms, in a form approved by the City Attorney P. 114 - 128

5. Consideration of authorization to execute amendment No. 1 to the Service Provider/Professional Services Agreement with Stanley Consultants for construction engineering management and post construction services related to the 2012 reconstruction of Empire Avenue in the amount of $130,805, in a form approved by the City Attorney P. 129 - 135

V NEW BUSINESS

1. Consideration of an Ordinance approving the 80 Daly Avenue plat amendment located at 80 Daly Avenue, Park City, Utah

(a) Public hearing
(b) Motion to continue to July 12, 2012

2. Consideration of authorization to execute a construction agreement for the re-construction of Empire Avenue with Condie Construction in a form approved by the City Attorney and in an amount of $2,831,127, in a form approved by the City Attorney P. 136 - 139

3. Consideration of a Resolution adopting the Revised Budget for Fiscal Year 2012-2013 and the Proposed Budget for Fiscal Year 2013-2014 for Park City Municipal Corporation and its related agencies
(a) Public hearing
(b) Motion to continue to June 7, 2012

4. Consideration of an appeal of the rejection of the crack seal bid submitted by Bonneville Asphalt and Repair relating to the 2012 Pavement Management Program P. 140 - 145
(a) Staff presentation
(b) Appellant presentation
(c) Public hearing
(d) Action

5. Consideration of acceptance of the 2012 Pavement Management Program and authorization to enter into professional services agreements, approved in form by the City Attorney: P. 146 - 151
(a) Kilgore Paving for pavement overlays in the amount of $489,742
(b) Intermountain Slurry Seal for slurry seals in the amount $87,553
(c) Ridge Rock for crack seal and trail seal coat in the amount of $89,869
(d) Bonneville Asphalt for utility adjustments in the amount not to exceed $48,400

6. Consideration of an Ordinance annexing approximately 29 acres of property located in the southwest corner of the SR248 and US40 interchange in the Quinn's Junction Area, known as the Quinn's Junction Partnership Annexation, into the corporate limits of Park City, Utah and amending the Official Zoning Map of Park City to rezone the property Community Transition with a Regional Commercial Overlay designation P. 152 - 206
(a) Public hearing
(b) Possible action

VI ADJOURNMENT

Closed Session Property and litigation

A majority of City Council members may meet socially after the meeting. If so, the location will be announced by the Mayor. City business will not be conducted. Pursuant to the Americans with Disabilities Act, individuals needing special accommodations during the meeting should notify the City Recorder at 435-615-5007 at least 24 hours prior to the meeting. Wireless internet service is available in the Marsac Building on Wednesdays and Thursdays from 4 p.m. to 9 p.m.

Posted: 05/21/12
See www.parkcity.org

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

May 2012

31 Budget – work and public hearing
PRI-Kimball Conservation Easement
Open space endowment
Carpool parking signs at PC MARC
Food concessionaire for the PC MARC
Master Festival License Silver Star summer concert series – Plaza Palooza
Real estate purchase contract with GreenPark Cohousing

June 2012

7 Budget – work and public hearing
High altitude training – study session
Post office mail box discussion
Recreation survey (1 hour)
Ordinance – 573 Main Street and 564/572 Park Avenue plat amendment - FA
Community Covenant Resolution
14 Budget – work and public hearing
Emergency planning and wildfire
PC Heights construction agreement
PC Heights special assessment bond
21 (Regular meeting begins at 5 p.m. and limited to budget)
28 Ice Arena update
Sundance Policy – study – JW
Franklin Richards/PCMC Annexation public hearing - KW
Balanced Growth Study findings – work – (90 min)

July 2012

5 **No meeting**
12 Night Sky Ordinance – study – TP
Ordinance approving the 80 Daly Avenue plat amendment located at 80 Daly Avenue, Park City, Utah - FA
19 **Dick gone**
26 Bonanza Park Plan update

August 2012

2 **No meeting – Dana gone**
9 Latino issues – study - PR
16 **Dick gone**
23
30 Business recruitment

September 2012

6
13
20
27

Pending Items:
interviews/appointments

- BOA
- HPB
- Planning Commission
- Library Board
- PAAB

RDA Strategic Plan
Resolution establishing a strategic plan for City-owned property with development potential in Park City, Utah and repealing and replacing Resolution No. 22-05 in its entirety

Study sessions:
Rocky Mountain Power substation

Budget Calendar

May 3

Work Session

- Presentation of the Tentative Budget
  - Budget Overview & Timeline
  - Update of Financial Impact Report (FIAR)
- Revenue/Expenditure Summary

Regular Meeting

- Public Hearing on the Tentative Budget

May 17

Work Session

- CIP Budgets
  - CIP Alternative Matrix
  - OTIS Update
  - Downtown Projects
- Revenue & Taxation Policy

Regular Meeting

- Public Hearing on the Tentative Budget

May 24

Work Session

- Continuation of CIP Budgets
- Open space easements and endowments
- Operating Expenditures
  - Strategic Plan Team Presentations

Regular Meeting

- Public Hearing on the Tentative Budget

May 31

Work Session

- Operating Expenditures
  - Strategic Plan Team Presentations
- Benefits
  - Pay plan
  - URS-Retirement
  - Health Insurance

Regular Meeting

- Public Hearing on the Tentative Budget

June 7

Work Session

- Personnel Policies and Procedures (P&P) Manual
- Fee Changes
  - Administrative Interfund Transfers
  - Special Event Fees
  - Other Fees
- City Fee Resolution
- Council Compensation
- Budget Policies
- Outstanding Budget Issues
- Adopt CEMP update by resolution

Regular Meeting

- Adoption of the Personnel P&P Manuel by Resolution
- Public Hearing on the Tentative Budget
- Adoption of the Tentative Budget
- Public Hearing on the City Fee Schedule
- Adoption of the City Fee Schedule by Resolution
- Public Hearing on Council Compensation
- Adoption of Council Compensation Resolution
- Adopt CEMP update by resolution

June 14

Work Session

- Outstanding Budget Issues (if necessary)

Regular Meeting

- Public Hearing on the Final Budget

June 21

Work Session

- Presentation of the Final Budget
- Outstanding Budget Issues

Regular Meeting

- Public Hearing on the Final Budget
- Adoption of the Final Budget by Resolution

Redevelopment Agency Meeting

- Public Hearing on the RDA Budgets
- Adoption of the RDA Budgets by Resolution

Municipal Building Authority Meeting

- Public Hearing on the MBA Budget
- Adoption of the MBA Budget by Resolution

*** Schedules and topics subject to change**

City Council
Staff Report

Subject: Tour of Utah Update
Author: Bob Kollar, Jonathan Weidenhamer
Department: Sustainability & Joint Venture
Date: May 24, 2012
Type of Item: Informational/Discussion

Summary Recommendations:
Affirm Council's continued support to host the Overall Finish Stage of the 2012 Tour of Utah on Main Street, Park City. Council should direct staff to return in June with a Host Community Services agreement to host the race.

Topic/Description:
Staff recommends using the City's Joint Venture (JV) with the Chamber of Commerce to enter into a Host Community Contract with the Tour of Utah (TOU) to allow Park City's Main Street to host the start and finish of the closing leg of the 2012 Tour of Utah.

Background:
<u>2010 & 2011 TOU</u>
In August 2010, a leg of the TOU was held in downtown Park City. It was by almost all accounts a great success. The leg was a criterium, which was part of an all-day series of races for kids, disabled cyclists and other amateur riders of all ages and classification levels. The race necessitated an all-day closure of the street, but drew approximately 15,000 visitors. Debriefs with staff, the HPCA, the Chamber and City Council were supportive of the event's return to Main Street, provided some modification to the street closure times were restructured for the ancillary youth races.

<u>2012 TOU</u>
The 2011 TOU leg in Summit County was hosted by the Utah Olympic Park. Both the City and event operator and organizer, the Larry H. Miller Group through Medalist Sports, seek to bring the race back to Main Street, Park City.

The TOU is now a licensed stage race as sanctioned by the International Cycling Federation, and is now comparable to the Tours of major European Countries. It is anticipated that this race will attract at least 15,000 spectators to Park City. It will have live national television coverage. Staff believes hosting such events is consistent with our economic development goals, is consistent with our past successes in hosting world-class sporting events, and we believe it helps further our relationship with and commitment to the State of Utah's Life Elevated program and overall economic and tourism goals.

On October 27, 2011 the TOU issued an RFP to allow cities to propose what they would be willing to host and essentially commit to produce/promote for the 2012 TOU. Park City and the Chamber of Commerce through their Joint Venture (Bob Kollar) issued a non-binding proposal to hold a weekend stage race that would include both start and finish on Main Street. On December, 16, 2011, the TOU announced Park City had been awarded the August 12th stage (start and finish), which is the final stage of the race.

We estimate the cost (value & value in kind) to be approximately $70,000 - $80,000, with direct revenue opportunities at approximately $15,000 (Exhibit B).

The City and Chamber though the Joint Venture (which is jointly funded equally) will provide the approximate $80,000 of value and value-in-kind (VIK) through the following resources which are currently within the approved City, Chamber and JV budgets respectively:

$20,000	Existing City Special Events Staff Resources –Staff working as Event Promoter (may be existing staff or temporary contract hire or combination);
$20,000	Chamber budget (separate from JV, no city funds) (Cash/ Value –in-Kind);
$7,500	City Fee Waivers;
$32,500	Cash funding and VIK – It is anticipated that some of the value can be raised through donations and VIK from private sector partners such as food, lodging and outdoor products. In addition to logistics and operations of the race one of the event promoter's responsibilities will be to secure private funding. If not raised, the Joint Venture would be seen as a financial (cash) backstop. Any host community contract would be structured to identify a maximum or cap direct financial exposure for the City. Examples of these costs and VIK include direct costs such as police officers, rest rooms and indirect costs or forgone revenues such as use of public parking public facilities, meeting rooms and staff time.
$80,000	Total.

Analysis:

Since the award of the race to Park City, City Staff, Medalist and TOU staff, along with multiple community stakeholders have spent considerable hours addressing resources, planning, operations and logistics of the race. We've broken down those into the areas listed below. As with any event, in this case a bike race, staff's goal in identifying a race course and route requires balancing potential negative impacts to the community with the functional and safety requirements of the organizer along with economic and cultural/sports benefits that come with hosting a world class event.

The plan proposed offers Park City an opportunity to reinforce its brand as the venue of choice for world class special events by hosting what could become the iconic stage of the Tour of Utah for years to come, while attempting to minimize impacts best as possible, recognizing there will be impacts and guests and visitors will be impacted. Services will be disrupted. Public safety is prepared however to make findings that potential impacts, while inconvenient, will not disrupt the ability to provide adequate health, safety and welfare services.

Course & Start/Finish Details

The Tour of Utah intends to host the start and finish of the final stage of the professional cycling stage race on Park City's Historic Main Street (at 7th Street) on Sunday, August 12, 2012. The race course being recommended by Staff consists of a few laps around the Historic District from Main Street north on Deer Valley Drive and then south on Park Avenue to Heber Avenue back to Main Street (two or three times) before heading out of town via S.R. 248 and into eastern Summit County and Wasatch County. The final climb up and over Guardsman Pass and final descent and sprint to the Main Street finish line via Deer Valley Drive and 9th Street will provide spectacular images for the two-hour live television broadcast by FOX Network – which will be fed live onto Main Street via 2 mobile big screen video boards.

The Race will include:

- Announcers' booth and awards stage at the start/finish line (Main Street and 7th Street);
- A television broadcast compound on 7th Street between Main Street and Park Avenue;
- Tour of Utah Sponsor Hospitality on the back decks of the Kimball Art Center;
- General public hospitality and viewing area on Town Lift Plaza;
- Tour of Utah Wellness Expo on Main Street just south of Heber Avenue;
- Park Silly Sunday Market on Main Street from approximately 4th Street south to Treasure Mountain Inn;
- Autograph Alley (official cyclist team parking where cyclists gather pre- and post-race) on Main Street and Swede Alley surrounding the Brew Pub lot.

While the upper portion of Main Street should have ample attractions for spectators, there is a Local Organizing Committee that is focusing on programming for the lower portion of Main Street for the time between the start and finish. Programming ideas so far include, among others, kids' races and activities, chalk art on the street (similar to Tour de France), live music, beer garden, and video board for live viewing of the race.

Operations Update

Spectator parking will be located at several satellite shuttle lots including, but not limited to, Canyons Resort, Park City High School, and Richardson Flats. Park City Transit will continue to run its existing routes (with possible delays during temporary road closures). Once the start laps are completed in the Historic District, Deer Valley Drive and Park Avenue will open back up to vehicular traffic with some lane restrictions. China Bridge Parking Garage will serve as parking for various constituent groups including Tour of Utah sponsors, media, and international cycling federation officials. Parking for Expo vendors and Park Silly Sunday Market vendors is still being negotiated. All media messaging will emphasize the need for the general public to use public transportation.

Marketing

The existing Tour of Utah marketing plan involves television, radio, online and print advertising in local, regional, and national markets with an emphasis on targeting cycling fans. The Park City Chamber/ Bureau has created a marketing plan to supplement the Tour of Utah's marketing plan. The Chamber/Bureau's marketing plan will encourage spectators to come up to the cool, mountain air of Park City for a weekend of cycling action (as Kimball Junction will serve as the start of the Queen Stage on Saturday, August 11). A Restaurant Tax Grant was submitted to assist with the funding of this marketing campaign which will target the Wasatch Front via television, print, and online advertising.

Impacts and Benefits

This race course will cause temporary road closures in and around the Historic District (up to one hour during the start and finish) and in the Empire Pass/Royal Street area (up to one hour during the finish). Staff is working closely with Tour of Utah, Medalist Sports, Historic Park City Alliance (letter of support Exhibit D), PC Police, PC Emergency Management, PC Transit, and Summit County Sherriff's Office to mitigate the negative impacts to the community as much as possible.

Despite these efforts, there will still be some members of the community who will be inconvenienced by the operational requirements of hosting this event in Park City. It is the opinion of Staff that these potential impacts to the community are outweighed by the positive publicity and economic impact that comes with hosting an elite level, international cycling event that will attract approximately 15,000 spectators to the Historic District. Hosting such a special event is consistent with City Council's goal of branding Park City as a destination for world class special events and elite-level athlete training and competitions.

Next Steps

Staff will present to City Council for approval in an open meeting (most likely in June) a Master Festival License application and a Host Community Services Agreement through our JV with the Tour of Utah.

Department Review:

Sustainability, Public Safety (Fire, Police, Emergency Management) Legal, and City Manager.

Significant Impacts:

Impacts v Benefits

Staff wants City Council to be conscious of the balance between the benefits of this race and potential impacts. Hosting a race of this class will undoubtedly bring some direct economic benefits, i.e. sales tax, lodging, etc. The broader goal will be ongoing marketing to national and international visitors that is consistent with our brand and goal of a World Class Multi-Seasonal Resort Community. However, a commitment to this goal will have numerous impacts on our residential and commercial neighborhoods.

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Despite these efforts, there will still be some members of the community who will be inconvenienced by the operational requirements of hosting this event in Park City. It is the opinion of Staff that these potential impacts to the community are outweighed by the positive publicity and economic impact that comes with hosting an elite level, international cycling event that will attract approximately 15,000 spectators to the Historic District. Hosting such a special event is consistent with City Council's goal of branding Park City as a destination for world class special events and elite-level athlete training and competitions.

Joint Venture Funding

The Joint Venture (JV) budget for programming is $65,000 annually, of which approximately $25,000 is used for cultural tourism marketing and advertising. The remaining $40,000 is used for various event opportunities including concerts, tournaments, anniversary celebrations, and other assorted local events. The scope of the JV was last discussed by Council on December 15, 2011.

http://www.parkcity.org/Modules/ShowDocument.aspx?documentid=8546. The total possible JV cash liability identified in the proposal for the Host Contract is $32,500.

City and JV staff will return to obtain approval of the Host Agreement. Through any contract, the City's direct liability would be limited to the $32,500 maximum identified in the jointly funded JV proposal. Again, there will be other indirect VIK and forgone revenues. Staff is working on final estimates, but the total value will be below $80,000.

<u>Stake Holders</u>
Both the Historic Park City Alliance (HPCA) and Park Silly Sunday Market (PSSM) are excited about the opportunity to co-host and participate with the TOU. There are supporting statements from each one attached as Exhibit C.

Recommendation:
Affirm Council's continued support to host the Overall Finish Stage of the 2012 Tour of Utah on Main Street, Park City. Direct staff to return in June with a Host Community Services agreement to host the race.

Attachments:
Exhibit A – Joint Venture Proposal to TOU to secure BID (Fall 2011)
Exhibit B – Cost & Revenue Projections
Exhibit C – Economic Benefits overview, submitted by TOU (for entire Race)
Exhibit D – Supporting letter from HPCA

Exhibit A - Joint Venture Proposal to TOU (Fall 2011)

Park City hereby proposes to host a 2012 Tour of Utah stage race on either Saturday, August 11, or Sunday, August 12, with the start and finish on Historic Main Street. Park City has participated in varying capacities each year as a host city for the Tour of Utah since its inception. Park City's Historic Main Street can provide fantastic visuals for television, a challenging course for riders, and a pleasant and unique experience for spectators. For these reasons alone, Park City would serve as an excellent host city. In addition, the President of the Park City Chamber/Bureau, the City Manager of Park City Municipal, and the President of the Historic Park City Alliance (an association of Main Street merchants) all support the Tour of Utah returning to Park City and specifically to Historic Main Street.

LOCAL ORGANIZING COMMITTEE

The Park City LOC will be comprised of professionals in the event planning business—Park City Municipal staff, Park City Chamber/Bureau staff, independent contractors in event planning—as well as individuals in the local cycling community who have embraced this event since its inception. All communication between the LOC and the Tour of Utah will flow through Bob Kollar, Director of Special Events for the Joint Venture between Park City Municipal and the Park City Chamber/Bureau. Kollar will be responsible for communicating with all other members of the LOC as well as with Park City Municipal staff for race operations-issues and Park City Chamber/Bureau staff for marketing/PR/media-related issues.

RACE OPERATIONS

Park City Municipal will provide the required operational components for the 2012 Tour of Utah including, but not limited to , police services, public works, road closures, traffic control, permit approval, EMT/EMS services, resident notification, copiers, port-o-lets, waste management/recycling, volunteer program, parking, and security.

COURSE ROUTE

The start and finish line of the weekend stage race will be located on Historic Main Street. The course itself will be designed in collaboration with Tour of Utah and Medalist Sports staff in order to meet the requirements of the UCI. Two potential course options include (1) a circuit race through the neighborhoods of Park City with the start and finish on Main Street; and (2) a stage race throughout eastern Summit County with the start and finish on Main Street.

PARKING

Park City Municipal will make available the necessary number of parking spaces to accommodate Team Parking at Finish Line (in Swede Alley parking spaces); VIP Parking (in China Bridge parking structure); Festival/Expo vendor parking (in China Bridge); Media Parking (in flagpole lot); Event Staff Parking (in China Bridge); and Crew Parking (in Brew Pub Lot at top of Main Street).

VOLUNTEERS

The LOC will recruit and train approximately 200 volunteers for a variety of event day tasks.

AUXILIARY SPACES

In addition to the aforementioned city services, Park City Municipal will also make available auxiliary spaces for a Media Workspace (on race day), Press Conference Area, Commissaires Meeting Room, and a TV Compound at or near the Finish Line.

MEALS

As for the feeding of staff/volunteers, Park City Municipal will commit to breakfast for Operations Crew (40 people); breakfast for Media (50 people); beverages and snacks for Media Workspace (50 people); and lunch for Volunteers (200 people).

MARKETING/PR

The Park City Chamber/Bureau will develop a marketing campaign similar to the marketing campaign that it developed for the 2011 Tour of Utah. Components of the 2011 campaign included print (Salt Lake Tribune, Deseret News, The Park Record), radio (KSL radio), online (ads on various sites), and television (15- and 30-second spots on KSL-TV). The Park City Chamber/Bureau's Communications Department will provide 2012 Tour of Utah-related information to local media (The Park Record, KPCW, and Park City Television) via press releases, press conferences, desk-side visits, promotions, and suggestions of local story angles.

GROWTH OPPORTUNITIES

Out of all of the venues that Park City has used to host the Tour of Utah since 2006, Main Street has been by far the most successful at attracting and entertaining spectators and sponsors, providing fantastic visuals for the television broadcast, and creating a challenging course for team riders. In addition to these venue-specific benefits that Park City can offer to the event, Park City also shares with Tour of Utah the vision for the event as a way to promote to the world all that the state of Utah has to offer. As such, Park City would like to be an integral part of the Tour of Utah for years to come.

Exhibit B – Cost & Revenue Projections

Expenses for stage START & FINISH:

- $600- Breakfast for Ops crew ($15x40)
- $750- Breakfast for media ($15x50)
- $6,000- Lunch for volunteers ($20x300)
- $7,500- Per diem for staff ($15x500)
- $960- Security Equipment Compound (1 officer x 24hrs x $40/hr)
- $480- Security for Team Vehicles at HQ Hotel (1 officer x 12hrs x $40/hr)
- $1,500- Media Workspace set-up
- $1,500- Press Conference set-up
- $750- Waste Removal/Recycling
- $250- Media workspace beverages/Snacks
- $750- TV Compound set-up
- $1,500- Portable Toilets
- $2,000- EMT/Ambulance
- $10,000- Marketing/Promotion
- $25,000- PCMC Special Events, Facilities, Transit, Parking, Parks, Building, Police
- $20,000- Event Promoter
- Total- $79,540

Revenue Potential for Stage

- $10,000- Sponsorship Sales
- $5,000- Expo Booth Sales

Exhibit C – Economic Impact

Tour of Utah by the numbers.

Like any sound investment, The Larry H. Miller Tour of Utah becomes more valuable with time.
Unlike any other investment, it happens to be a whole lot more exciting to follow. Consider a few statistics:

	2009	2010	2011
Affiliation	NRC (USA Cycling)	NRC (USA Cycling)	UCI 2.1 (Union Cycliste Internationale)
Spectators (Live)	25,000	85,000	225,000
Economic Impact	n/a	n/a	$10 million+
Earned Media	$692,139	$2,422,486	$7,407,696
Participants	22 U.S. Teams (Pro & Amateur)	19 U.S. Teams (Pro & Amateur)	16 Pro teams: 5 ProTour, 4 Pro Continental, 7 Continental; 128 riders representing 20 countries
Television Coverage	Nightly (Local TV)	Nightly (Local TV)	National television coverage (FSN, Root Sports) Aired in 22 markets, 91 million HH, 8 million+ viewers
Print Advertising	VeloNews Western Region 20,000 Distribution	VeloNews Western Region 20,000 Distribution	Velo National 60,000 Distribution
Web Exposure	11,000 Unique Visitors	40,000 Unique Visitors 90,000 Visits 360,000 Page Views	478,551 visitors to race website prior, during and following race. Live stream worldwide via 758,000 Tour Tracker interactions in 131 countries. 80,000 downloads of the Tour of Utah App (one of Apple's "Hottest Sports Apps" in August 2011.)
Social Media	You Tube Twitter Facebook	You Tube Twitter Facebook	You Tube Tour Tracker Twitter Facebook Flickr

2012: America's Toughest Stage Race takes on America's Toughest Challenge.

The kind of robust growth evident from these statistics means the 2011 Tour of Utah will be a tough act to follow. But America's Toughest Stage Race is up to the challenge. Because as good as they've been, previous editions have all lacked a critical component that will be a central focus of the 2012 event:

A commitment to reducing and preventing lifestyle-caused childhood and adult obesity.

The evidence is overwhelming, obesity represents an unprecedented threat to our way of life:

- More harmful than smoking or drinking
- A major cause of diabetes and heart disease
- Obese children are 3-4 times more likely to become obese adults
- Direct national costs of treating obesity-related diseases: $61 billion

Reducing obesity is a mission-critical challenge to society that will serve as a rallying point for everyone involved in the Tour of Utah–management, sponsors, teams and the general public.

Larry H. Miller Tour of Utah
America's Toughest Stage Race™

A Context. A Cause. A Call to Action.

A major sporting event can play a very important role in directing attention and resources to a worthy cause. But the benefits go both ways. As so many cause-based professional sporting events have proven, doing good also leads to doing well. Our race's commitment to promoting physical health and well-being will ultimately:

- Extend and expand opportunities for the Tour of Utah to deliver relevant communication outside of the footprint of the race itself.
- Utilize pro cyclists to carry the message of healthy lifestyle as they promote the Tour of Utah and cycling.
- Open up avenues for the Tour of Utah to attract new sponsors, engage new publics, and expand its audience.

Tour of Utah 2012: An Unprecedented Opportunity to be a Part of Something Really Important.

- August 7-12, 2012
- UCI 2.1 Ranking
- 128 of the top pro men's cyclists
- Six stages
- 400+ grueling miles / 30,000+ feet of climbing
- A focal point for addressing the most preventable health issue in our society

May 21, 2012

Jonathan Weidenhamer
Park City Municipal Corporation
PO Box 1480
Park City, UT 84060

RE: Tour of Utah – 2012 Operation Plan

Dear Jon:

The Historic Park City Alliance (HPCA) Events Committee, along with the HPCA Board, have discussed the logistics for the Tour of Utah event scheduled for August 12th. The HPCA is in favor of Park City hosting the Tour of Utah final stage and is excited about the potential attendance and media coverage the event will bring to the area.

The HPCA believes that the addition of ceremonial laps at the start of the race will help draw substantial crowds at the start which will activate the area and ensure attendance throughout the day for the Park Silly Sunday Market and the expo associated with the Tour of Utah. The ability for our community and visitors to meet these world class athletes during an autograph session will also guarantee a good attendance for the event.

We sincerely thank the Tour of Utah, Park City Chamber and Visitors Bureau and City staff for their efforts in not only bringing this event back to Historic Park City, but also for their coordination with the Park Silly Sunday Market to continue operations on August 12th making this day a day that should not be missed.

Best regards,

Alison Butz
Executive Director

Historic Park City Alliance
PO Box 1348 Park City, UT 84060
www.historicparkcityutah.com

City Council
Staff Report

Subject:	**Air Quality Monitoring**
Author:	**Joan Card and Jim Blankenau**
Department:	**Sustainability—Environmental Regulatory**
Date:	**May 24, 2012**
Type of Item:	**Informational—Work Session**

Summary Recommendations:

Evaluate and understand the information provided in this report, its attachments and the presentations made at the Work Session. Direct staff to coordinate proactively with the Utah Division of Air Quality and the Summit County Health Department regarding PM2.5 and ozone monitoring in Summit County, especially in Park City. Also, direct staff to monitor and participate in (as appropriate and as work load allows) the Utah Division of Air Quality PM2.5 State Implementation Plan effort for the Wasatch Front.

Topic/Description:

Council identified air quality as a topic of interest during the Visioning sessions for this year. Council's expression of interest in this topic coincides with the Utah DEQ Division of Air Quality's recent (last summer) and future (this summer) ozone monitoring in Summit County, including, possibly Park City. Over the past 8 months, City and County Health Department staff have had a number of conversations with each other and with the Division of Air Quality staff about ozone monitoring in Summit County.

Another air quality pollutant of interest in Park City and Summit County is PM2.5--PM (particulate matter) 2.5 (micrometers). In addition to ozone, this report will cover some of the issues related to PM 2.5 in Summit County and the Wasatch Front.

Background:

The Clean Air Act, which was last amended in 1990, requires EPA to set National Ambient Air Quality Standards (NAAQS, pronounced "naks") for pollutants considered harmful to public health and the environment. The Clean Air Act identifies two types of national ambient air quality standards. *Primary standards* provide public health protection, including protecting the health of "sensitive" populations such as asthmatics, children, and the elderly. *Secondary standards* provide public welfare protection, including protection against decreased visibility and damage to animals, crops, vegetation, and buildings.

EPA has set National Ambient Air Quality Standards for six principal pollutants, which are called "criteria" pollutants. They are:

1. Carbon monoxide
2. Lead
3. Nitrogen dioxide
4. Ozone (ground level)
5. Particulate pollution
6. Sulfur dioxide

EPA determines if an area (usually a county) is attaining or not attaining NAAQS through regulatory monitoring. If an area is designated non-attainment for a NAAQS criteria pollutant, the state Division of Air Quality prepares a State Implementation Plan (SIP) for EPA review and approval. Once EPA approves the SIP, the Division of Air Quality implements and enforces the SIP. The goal of SIP implementation is attainment of the air quality standard.

A number of Wasatch Front counties in Utah are not attaining NAAQS. A map showing these areas of nonattainment, by pollutant, is attached to this report. See attached.

PM2.5

The Division of Air Quality presently is working with stakeholders to prepare a SIP for PM2.5 to be submitted to EPA by December 2012. Virtually the entire Wasatch Front is impacted by PM2.5 pollution. The PM2.5 SIP development process is a major Division of Air Quality (DAQ) effort involving hundreds of stakeholders. For additional information about this effort, DAQ maintains a web site at: http://www.airquality.utah.gov/Public-Interest/Current-Issues/pm2.5/index.html. The SIP must be submitted to EPA for its review and approval by December 2012. Once EPA approval is issued, the SIP will be implemented and control measures will be enforced by DAQ. The measures will be designed to reduce PM2.5, including its constituents, such as NOx (oxides of Nitrogen) and VOCs (volatile organic compounds). NOx and VOCs are important contributors to the formation of ground-level ozone. See below.

According to EPA's web site, "[p]article pollution (also called particulate matter or PM) is the term for a mixture of solid particles and liquid droplets found in the air. Some particles, such as dust, dirt, soot, or smoke, are large or dark enough to be seen with the naked eye. Others are so small they can only be detected using an electron microscope."

"Particle pollution includes 'inhalable coarse particles,' with diameters larger than 2.5 micrometers and smaller than 10 micrometers and 'fine particles,' with diameters that are 2.5 micrometers and smaller. How small is 2.5 micrometers? Think about a single hair from your head. The average human hair is about 70 micrometers in diameter – making it 30 times larger than the largest fine particle."

PM2.5 is the major cause in much of the U.S. of reduced visibility, or "haze." Also, "[p]article pollution - especially fine particles - contains microscopic solids or liquid droplets that are so small that they can get deep into the lungs and cause serious health problems."

The Summit County Health Department conducts PM2.5 air quality monitoring for informational purposes. The most recent report on the County's PM2.5 monitoring effort from the Health Department to the County Council is attached for your information. Summit County Health Director Rich Bullough is scheduled to participate in this Work Session item and he will be available to answer any questions about the County Health Departments efforts.

Ozone

According to EPA's web site, "Ozone is found in two regions of the Earth's atmosphere – at ground level and in the upper regions of the atmosphere. Both types of ozone have the same chemical composition (O_3). While upper atmospheric ozone protects the earth from the sun's harmful rays, ground level ozone is the main component of smog."

"Tropospheric, or ground level ozone, is not emitted directly into the air, but is created by chemical reactions between oxides of nitrogen (NO_x) and volatile organic compounds (VOC). Ozone is likely to reach unhealthy levels on hot sunny days in urban environments. Ozone can also be transported long distances by wind. For this reason, even rural areas can experience high ozone levels."

"High ozone concentrations have also been observed in cold months, where a few high elevation areas in the Western U.S. with high levels of local VOC and NO_x emissions have formed ozone when snow is on the ground and temperatures are near or below freezing. Ozone contributes to what we typically experience as 'smog' or haze, which still occurs most frequently in the summertime, but can occur throughout the year in some southern and mountain regions."

"Emissions from industrial facilities and electric utilities, motor vehicle exhaust, gasoline vapors, and chemical solvents are some of the major sources of NO_x and VOC."

According to EPA, "[b]reathing ozone can trigger a variety of health problems including chest pain, coughing, throat irritation, and congestion. It can worsen bronchitis, emphysema, and asthma. Ground level ozone also can reduce lung function and inflame the linings of the lungs. Repeated exposure may permanently scar lung tissue."

In very recent news, the EPA announced that Utah's Wasatch Front is in attainment of the current ground-level ozone standard of 75 parts per billion (ppb) (the Uintah Basin is designated "unclassifiable" pending additional monitoring). The attached map does not reflect this new information and the Utah Department of Environmental Quality News Release on the EPA announcement is attached for your information. Recently, based on several years of scientific effort, EPA was prepared to lower the ozone standard to somewhere in the range of 60-70 ppb in an effort to be more protective of public health. In September 2011, President Obama directed the EPA not to revise the standard in an effort to decrease (or not increase) regulatory burdens during a fragile economic recovery.

Also in 2011, the Utah Division of Air Quality placed ozone monitors in a number of locations throughout Utah, including a monitor next to the Fire Station on Promontory Ranch Road in Summit County. That monitoring indicated that ozone levels in that location are at or above the possible more stringent standard of 60-70 ppb. In other words, if the lower ozone standard is enacted by EPA (perhaps in a second-term Obama Administration?), that area, or Summit County or some portion of the County, is at risk of not attaining the standard. Consequently, the Division of Air Quality intends to do additional monitoring to have more information about Summit County ozone occurrences in the event EPA lowers the standard. This monitoring is not "regulatory monitoring" to determine whether Summit County is attaining the NAAQS for ozone.

The Utah Division of Air Quality has prepared a report regarding the ozone NAAQS standard and data gathered in Summit County in 2011. It is attached to this staff report for your information. Division of Air Quality Air Monitoring Section Manager Mr. Bo Call is scheduled to participate in this work session item and he will be available to answer any questions about the Utah Division of Air Quality efforts.

Analysis:

Staff was advised of the Division of Air Quality's (DAQ) 2012 ozone study plans by the Summit County Health Department when they learned about it a few weeks ago. Staff then contacted Mr. Call to inquire about the details of the study and to request advance notice and coordination regarding the ozone monitoring plan, especially regarding purpose and the location of monitors. Mr. Call and other officials at the DAQ have indicated a willingness to coordinate closely with the County Health Department and Park City staff. Indeed, their involvement in the May 24 work session is good indication of DAQ's interest in local coordination. Close coordination with DAQ will allow the County and the City to understand and, if appropriate, mitigate impacts of DAQ's ozone study. In addition, the close coordination will allow the City to participate proactively, as appropriate, in the DAQ ozone study, including possibly offering the use of City property for the placement of ozone monitors.

One of the goals of the DAQ ozone study in Summit County is to gather information to determine the best locations for further ozone monitoring in order to help determine the source of ozone in Summit County. Ozone transport from the Wasatch Front may contribute to ozone in Summit County. Additionally, since ozone is formed, at least in part, by NOx and VOCs--contributors to the PM2.5 problem in the Wasatch Front--Summit County ozone problems, if any, may be linked to PM2.5 nonattainment. Accordingly, an effective PM2.5 SIP (state implementation plan) may have positive effects on Summit County ozone (in addition to Summit County PM2.5).

Department Review:

Legal and Executive Departments have reviewed this report.

Alternatives:

A. Approve:
Approve the recommendation as stated.

B. Deny:
Deny the recommendation.

C. Modify:
Council could direct staff to participate only in the ozone monitoring effort and not the Wasatch Front PM2.5 SIP effort. This would result in more time for Environmental Regulatory staff to spend on other efforts.

D. Continue the Item:
Council could continue the item, however, that likely would result in the finalization of the Summit County ozone study plan without Park City input.

E. Do Nothing:
Doing nothing would have the same result as denying or continuing the item.

Significant Impacts:

The effort recommended here will not significantly impact the current work load of the Environmental Regulatory staff. Staff does not anticipate a budget item to be necessary at this time. The effort will increase staff and Council's knowledge of air quality issues in Park City.

Consequences of not taking the recommended action:

Failure to participate in the DAQ's and Summit County's air quality monitoring efforts will leave Park City "behind the curve" about an important environmental health issue and a potential future economic issue if Summit County is designated either a PM2.5 or an ozone non-attainment area.

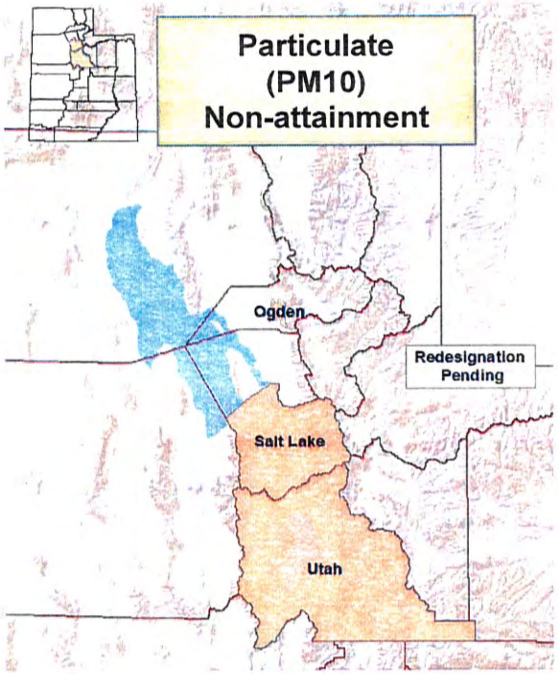
Recommendation:

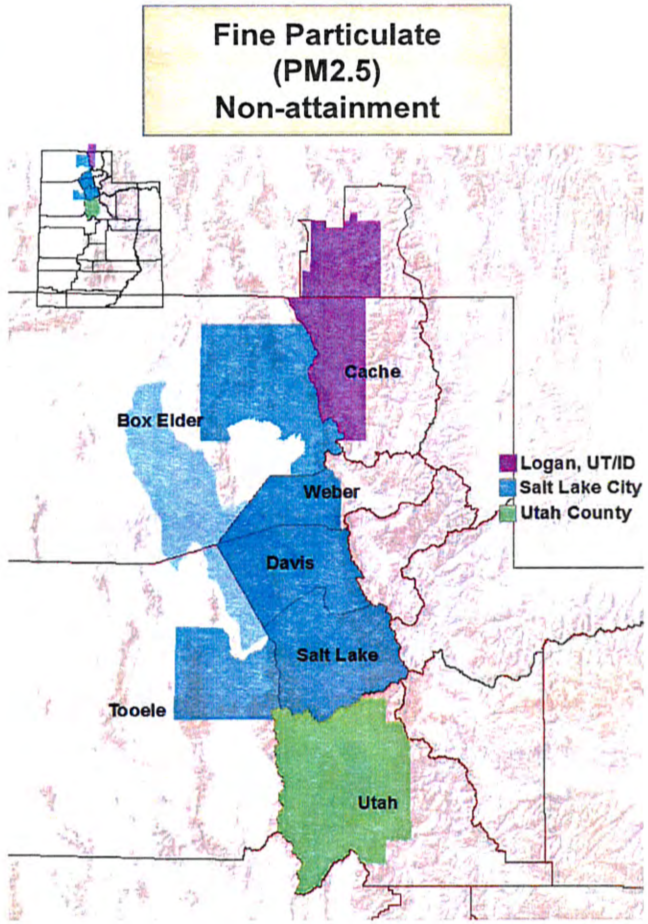
Evaluate and understand the information provided in this report, its attachments and the presentations made at the Work Session. Direct staff to coordinate proactively with the Utah Division of Air Quality and the Summit County Health Department regarding PM2.5 and ozone monitoring in Summit County, especially in Park City. Also, direct staff to monitor and participate in (as appropriate and as work load allows) the Utah Division of Air Quality PM2.5 State Implementation Plan effort for the Wasatch Front.

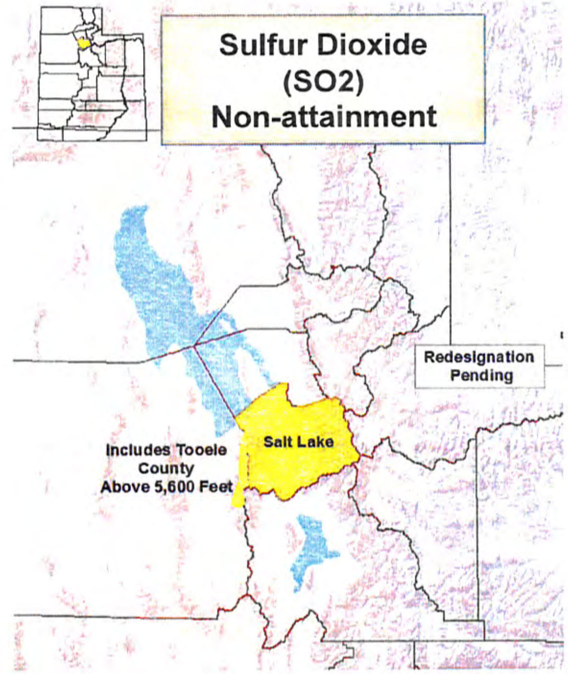
Attachments: Utah Division of Air Quality Nonattainment Map
Summit County Council PM2.5 Report
Utah Department of Environmental Quality May 2, 2012 News Release
Utah Division of Air Quality Ozone Study 2010-11 Report

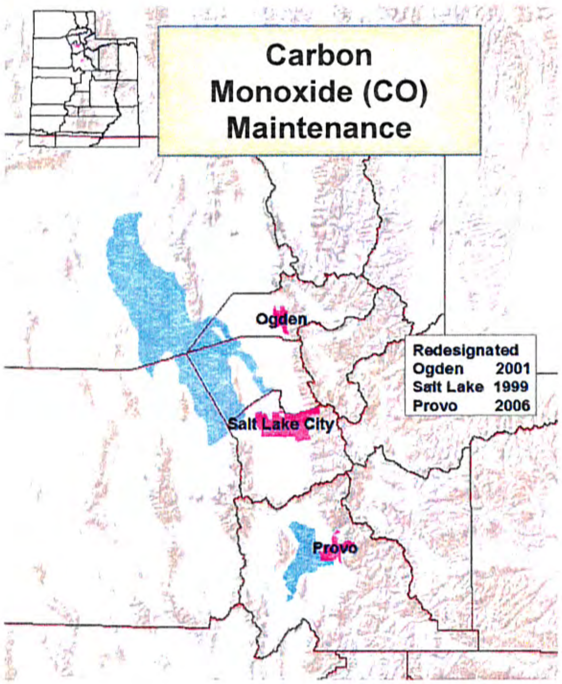
State of Utah
National Ambient Air Quality Standards

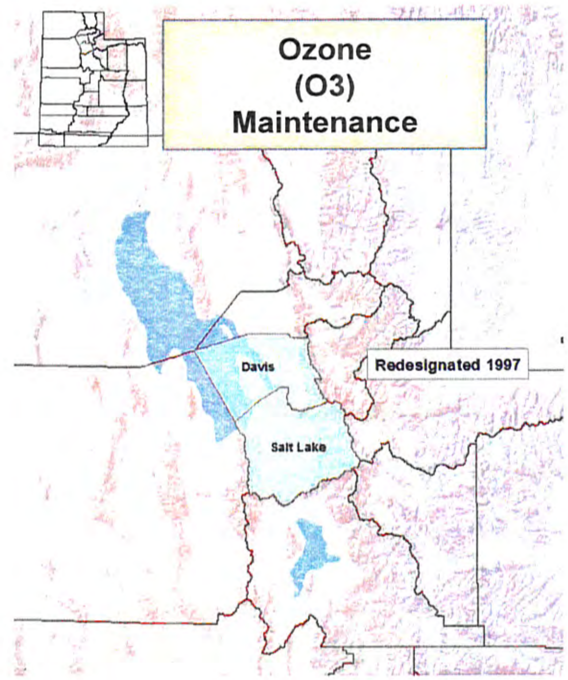
Areas of Non-attainment and Maintenance
(Updated March 2010)











Summit County Health Department PM2.5 Air Quality Monitoring Update

Introduction

The Environmental Protection Agency (EPA), identify particle pollution (also called particulate matter or PM) as a mixture of solid particles and liquid droplets found in the air. Some particles, such as dust, dirt, soot, or smoke, are large or dark enough to be seen with the naked eye. Others are so small they can only be detected using an electron microscope.

Particle pollution includes "inhalable coarse particles," with diameters larger than 2.5 micrometers and smaller than 10 micrometers and "fine particles," with diameters that are 2.5 micrometers and smaller (PM2.5).

These particles come in many sizes and shapes and can be made up of hundreds of different chemicals. Some particles, known as *primary particles* are emitted directly from a source, such as construction sites, unpaved roads, fields, smokestacks or fires. Others form in complicated reactions in the atmosphere of chemicals such as sulfur dioxides and nitrogen oxides that are emitted from power plants, industries and automobiles. These particles, known as *secondary particles*, make up most of the fine particle pollution in the country.

EPA regulates inhalable particles (fine and coarse). Particles larger than 10 micrometers (sand and large dust) are not regulated by EPA.

- **Health Effects**: Particle pollution contains microscopic solids or liquid droplets that are so small that they can get deep into the lungs and cause serious health problems. The size of particles is directly linked to their potential for causing health problems. Small particles less than 10 micrometers in diameter pose the greatest problems, because they can get deep into your lungs, and some may even get into your bloodstream.

- **Visibility Effects**: Fine particles (PM2.5) are the major cause of reduced visibility (haze) in many parts of the United States, including many of our treasured national parks and wilderness areas.

The Summit County Health Department in 2007 was tasked with measuring the air quality in the county by the County Commission. The Health Department contacted the Department of Environmental Quality (DEQ), Division of Air Quality to request an air monitoring station for this area. The DEQ denied the request stating that Summit County did not have an air quality problem. However, the DEQ did offer to loan the county monitoring equipment that tested for PM2.5. In the spring of 2008, the Summit County Health Department began testing for this specific particulate matter.

The following season, two PM2.5 monitors were purchased by the Summit County Health Department. These machines cost $20,000 each and were capable of testing continuously throughout the season. The monitors that were on loan from DEQ required individual sampling disks and evaluating could only be done at the DEQ offices. The two monitors were placed in the Park City area with one on Old Ranch Road and the other at Quinn's Junction.

This report summarizes the PM2.5 data from the 2009/2010 sampling period. Preliminary data from the 2011/2012 sampling period are also presented. The data are represented in units of μg/m3 – micrograms per meter cubed, or parts per billion.

Summary of Findings

The Summit County Health Department (SCHD) conducted a four-month study of PM2.5 particulates in the Quinn's Junction and Snyderville Basin areas of Summit County, Utah. Sampling was continuous over the span of 105 days at both sites running December 23, 2009 through April 12, 2010.

Results indicated generally low levels of PM2.5, with the exception of two days. During those two days, levels of PM2.5 were elevated due to dust storm events. The 24-hour mean concentrations of PM2.5 were lower at the Quinn's Junction site (4.4 μg/m3) than at the Old Ranch Road site (5.5 μg/m3). The highest measured PM2.5 level was 44.9 μg/m3 recorded March 30, 2010 at the Old Ranch Road Site.

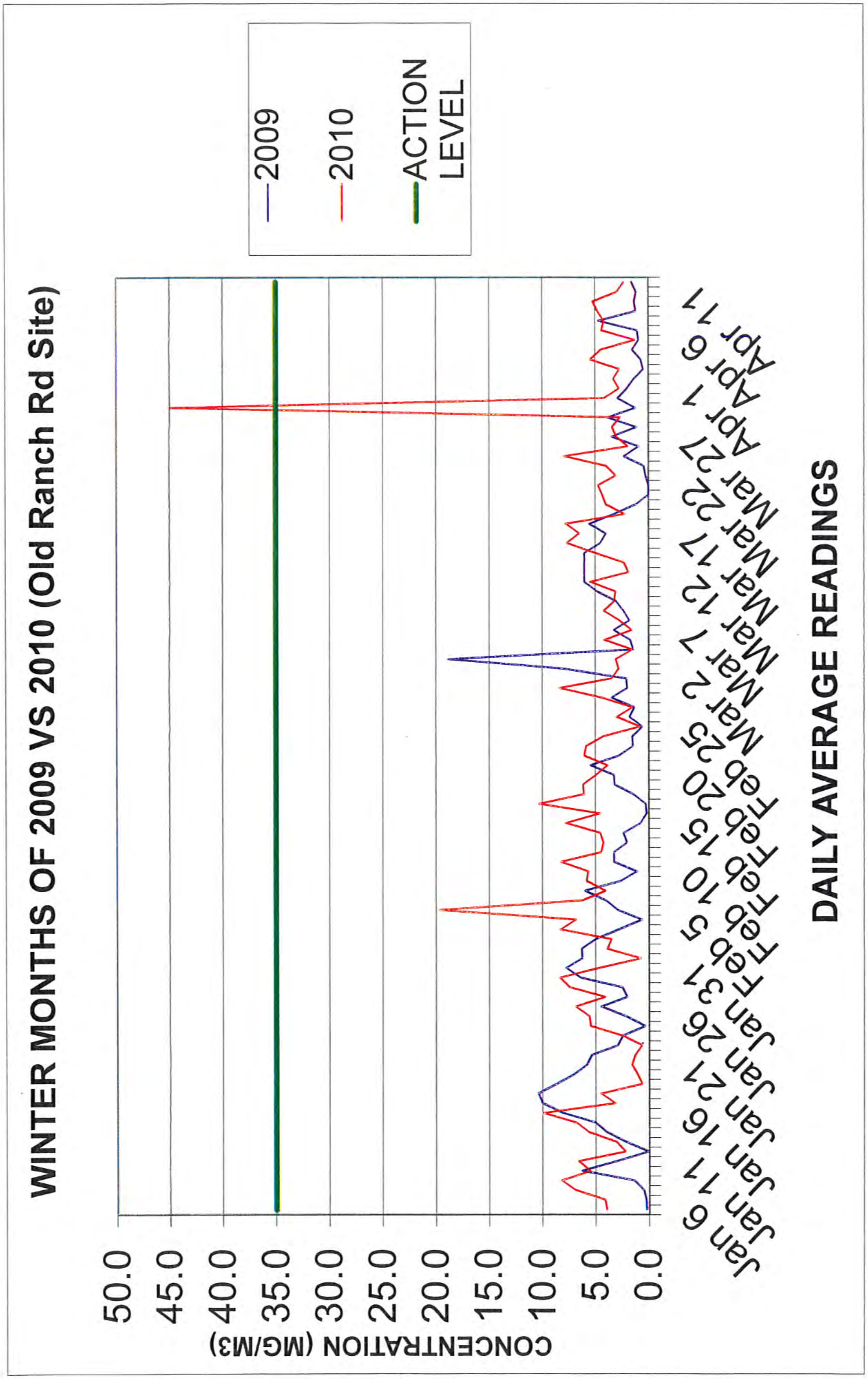
Preliminary data from the 2011/2012 sampling period indicate low levels of PM2.5, with no days sampled approaching the federal Action Level

Old Ranch Road Monitoring Station

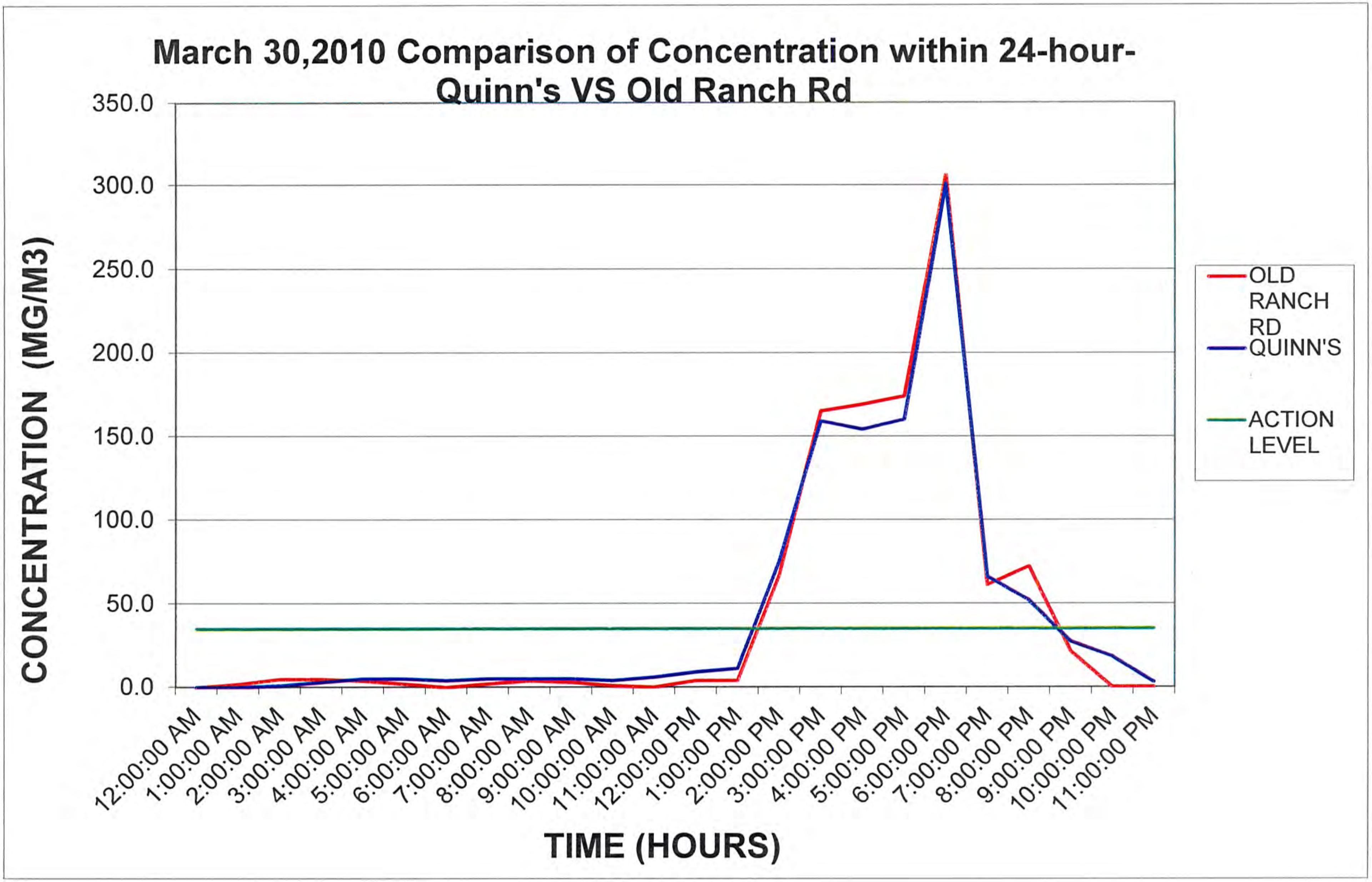
Internal View of Monitoring Station

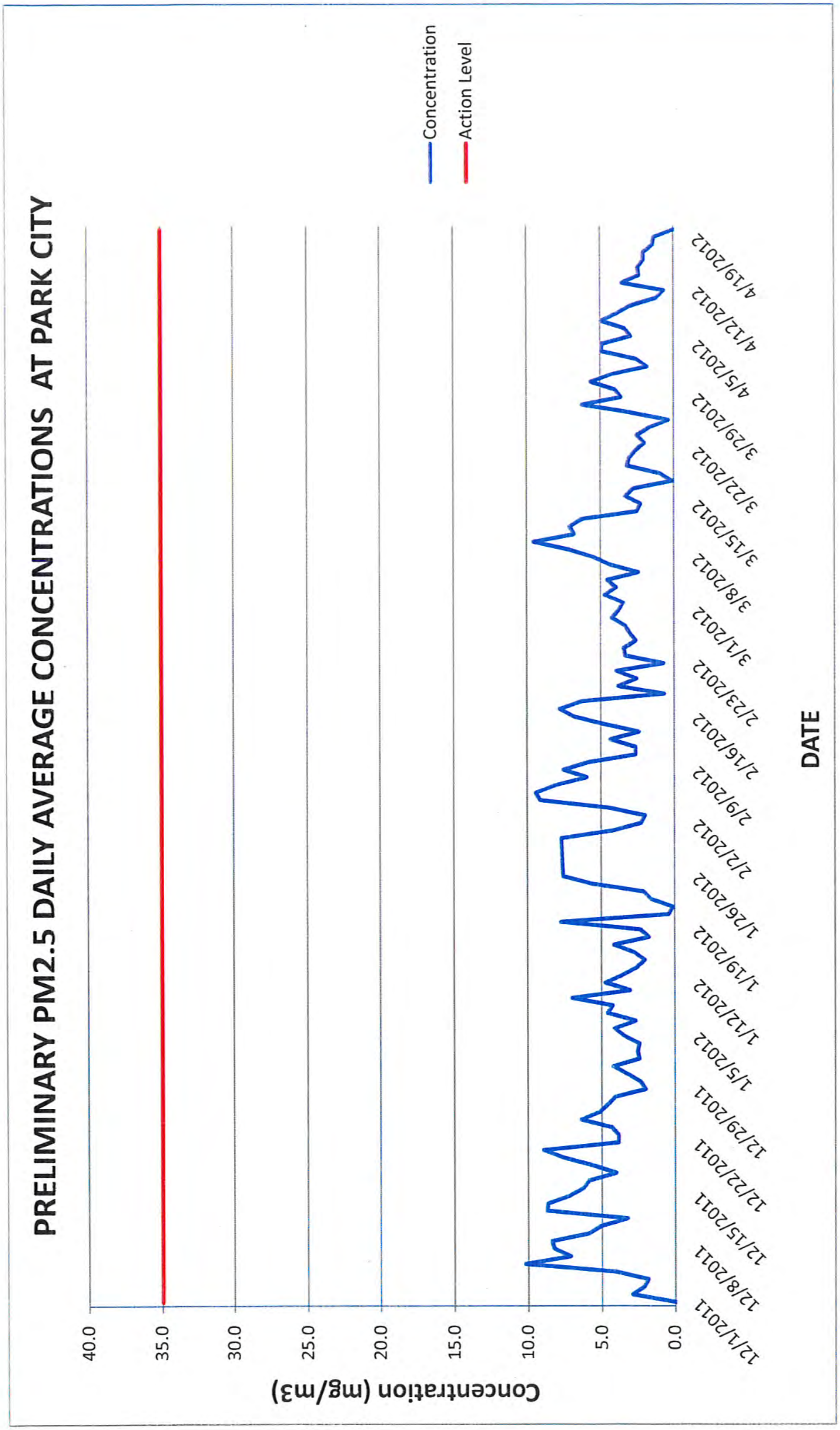
Air Quality Index Levels Based on PM2.5 Concentrations and Health Advisories

AQI Notification	PM2.5 Concentration (mg/m^3)	Health Advisory
Good (Green)	0 to 15.4	None
Moderate (Green)	15.5 to 25.4	None
Moderate (Yellow Action)	25.5 to 35.4	None
Unhealthy for Sensitive Groups	35.5 to 55.4	Sensitive people (those with respiratory or heart disease, the elderly, and children) should reduce prolonged or heavy exertion outdoors.



WINTER MONTHS OF 2009 VS 2010 (Old Ranch Rd Site)
CONCENTRATION (MG/M3)
50.0
45.0
40.0
35.0
30.0
25.0
20.0
15.0
10.0
5.0
0.0
Jan 6
Jan 11
Jan 16
Jan 21
Jan 26
Jan 31
Feb 5
Feb 10
Feb 15
Feb 20
Feb 25
Mar 2
Mar 7
Mar 12
Mar 17
Mar 22
Mar 27
Apr 1
Apr 6
Apr 11
DAILY AVERAGE READINGS
2009
2010
ACTION LEVEL


March 30,2010 Comparison of Concentration within 24-hour-
Quinn's VS Old Ranch Rd
CONCENTRATION (MG/M3)
350.0
300.0
250.0
200.0
150.0
100.0
50.0
0.0
12:00:00 AM
1:00:00 AM
2:00:00 AM
3:00:00 AM
4:00:00 AM
5:00:00 AM
6:00:00 AM
7:00:00 AM
8:00:00 AM
9:00:00 AM
10:00:00 AM
11:00:00 AM
12:00:00 PM
1:00:00 PM
2:00:00 PM
3:00:00 PM
4:00:00 PM
5:00:00 PM
6:00:00 PM
7:00:00 PM
8:00:00 PM
9:00:00 PM
10:00:00 PM
11:00:00 PM
TIME (HOURS)
OLD RANCH RD
QUINN'S
ACTION LEVEL


PRELIMINARY PM2.5 DAILY AVERAGE CONCENTRATIONS AT PARK CITY
Concentration (mg/m3)
40.0
35.0
30.0
25.0
20.0
15.0
10.0
5.0
0.0
12/1/2011
12/8/2011
12/15/2011
12/22/2011
12/29/2011
1/5/2012
1/12/2012
1/19/2012
1/26/2012
2/2/2012
2/9/2012
2/16/2012
2/23/2012
3/1/2012
3/8/2012
3/15/2012
3/22/2012
3/29/2012
4/5/2012
4/12/2012
4/19/2012
DATE
Concentration
Action Level

State of Utah

Department of
Environmental Quality

Amanda Smith
Executive Director

Brad T Johnson
Deputy Director

GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

NEWS RELEASE
May 2, 2012
Contact:
Donna Kemp Spangler, (801) 536-4484
Communications Director

Utah Meets Ozone Standard, EPA Reports

Salt Lake City, Utah – In a significant achievement in approving air quality in Utah, the U.S. Environmental Protection Agency (EPA) announced that the Wasatch Front is meeting the tighter standards for ozone set in 2008.

EPA, however, has designated the Uintah Basin as "unclassifiable," leaving it out of the regulatory designations until future air monitoring data shows noncompliance with the Clean Air Act.

"This is great news because it means that our air has improved," said Bryce Bird, director of the Division of Air Quality (DAQ). "This shows that our planning efforts to bring counties along the Wasatch Front into compliance with the new standards have worked."

In 2008, EPA set a new ozone standard from an effective standard of 84 parts per billion (ppb) measured over the highest 8-hour average on a given day to 75 ppb. Ozone monitoring available prior to 2008 showed that ozone trends were improving but several areas along the Wasatch Front were just above the new standard. Ozone reduction strategies continued the trend of improvement. The most recent three years of monitoring showed attainment with the standard.

Ozone is created when nitrogen oxides and volatile organic compounds from vehicles, industries and other sources react with heat and sunlight and can cause respiratory problems.

The EPA notified Governor Gary R. Herbert that Utah is meeting federal standards for ozone. The ozone along the Wasatch Front has improved because of cleaner-burning vehicles, voluntary efforts by individuals to reduce driving on smoggy days and stricter controls on industry.

"This is a notable milestone for Utahns," said Gov. Gary R. Herbert. "It demonstrates we all can make a difference and improve Utah's air. We need to go further, however, and commit to continued improvements on a statewide scale. I encourage everyone to make a pledge for better air quality by signing up for U-CAIR." (http://www.ucair.utah.gov/)

-MORE-

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"I am pleased to inform you that no areas in Utah violate the 2008 standards based on monitored information from regulatory monitors," said Lisa Jackson, EPA administrator.

However, she noted that although the Uintah Basin began detecting levels of ozone exceeding the standards beginning in 2009 there has yet been three consecutive years of certified monitoring to determine whether there is a violation of the 2008 standard.

"For this reason, the EPA is designating Uintah and Duchesne counties 'unclassifiable.'" Once three consecutive years of certified data are available, EPA will evaluate whether the designation for that area will be revised.

This past winter, DAQ scientists lead a multi-agency ozone study in the Uintah Basin to gather data to find out what's causing the ozone. That data is under review. Air monitoring in the Basin will continue to assess the problem and partner with the oil and gas industry to come up with solutions before the designation takes place, said Bird.

DAQ is currently working with stakeholders on a plan – to be unveiled by December – to meet the federal standards for small particulate pollution, a problem typically in the winter.

"Air quality improvements can be achieved as shown here," Bird said. "It can be achieved through voluntary efforts through the Governor's U-CAIR initiative and better pollution controls on vehicles and industry."

For more information, visit: http://www.epa.gov/ozonedesignations/2008standards/regs.htm

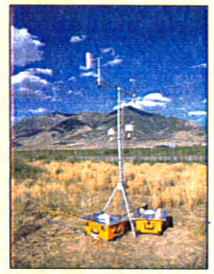
###

Ozone Special Study 2010-2011 Preliminary Results

Seth Arens
Utah Division of Air Quality
Air Monitoring Section

Need for a Special Study

- Lower ozone standard?
  - Ozone NAAQS will be reviewed in 2013
- No ozone data outside Wasatch Front
  - Ozone in rural areas or mountain valleys?
- Regional ozone pollution
  - Transport from other large cities, power plants



Study Objectives

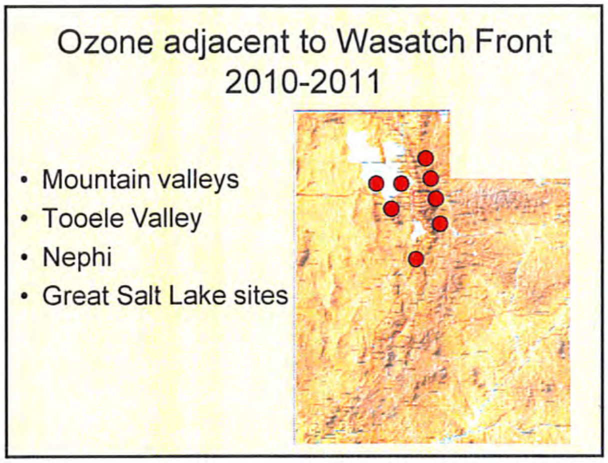
1. Determine extent of potential ozone nonattainment area
2. Assess role of regional pollution
3. Examine the influence of Great Salt Lake

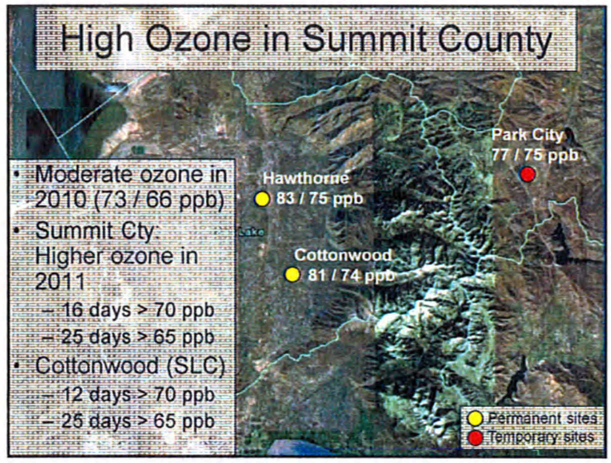
Portable ozone monitoring equipment

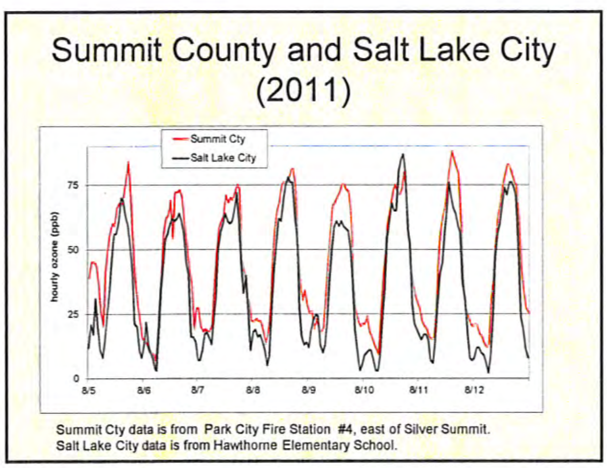
Park City 2010

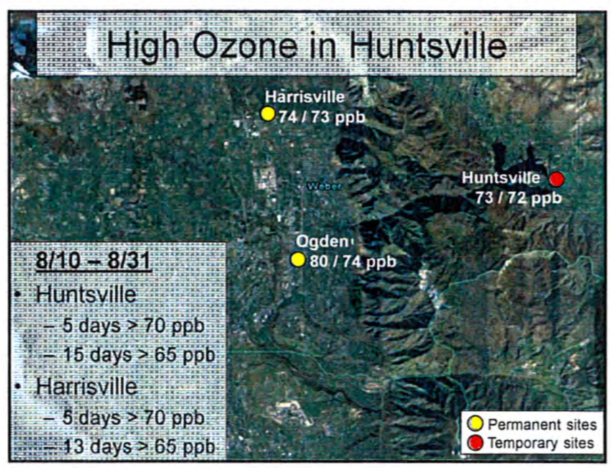
Portable ozone monitor

Park City 2011

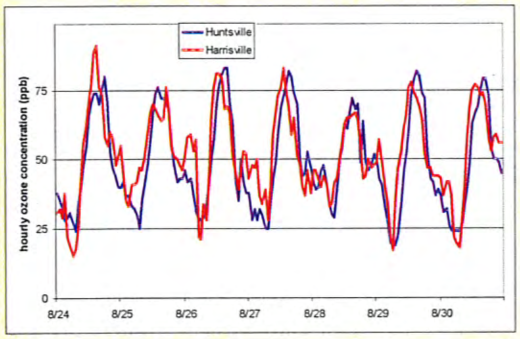

Ozone adjacent to Wasatch Front
2010-2011
• Mountain valleys
• Tooele Valley
• Nephi
• Great Salt Lake sites


High Ozone in Summit County
• Moderate ozone in 2010 (73 / 66 ppb)
• Summit Cty: Higher ozone in 2011
– 16 days > 70 ppb
– 25 days > 65 ppb
• Cottonwood (SLC)
– 12 days > 70 ppb
– 25 days > 65 ppb
Hawthorne
83 / 75 ppb
Cottonwood
81 / 74 ppb
Park City
77 / 75 ppb
Permanent sites
Temporary sites

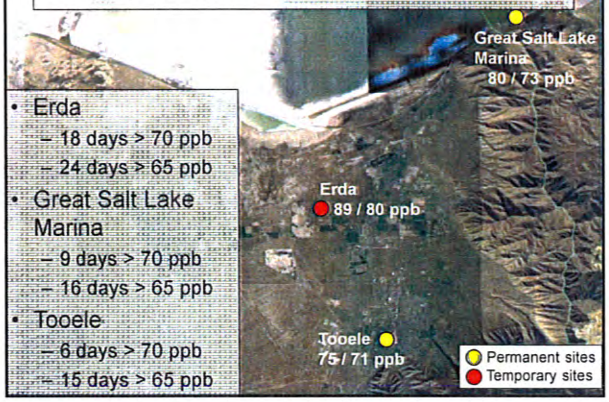

Summit County and Salt Lake City
(2011)
Summit Cty
Salt Lake City
hourly ozone (ppb)
75
50
25
0
8/5
8/6
8/7
8/8
8/9
8/10
8/11
8/12
Summit Cty data is from Park City Fire Station #4, east of Silver Summit.
Salt Lake City data is from Hawthorne Elementary School.


High Ozone in Huntsville
8/10 – 8/31
• Huntsville
– 5 days > 70 ppb
– 15 days > 65 ppb
• Harrisville
– 5 days > 70 ppb
– 13 days > 65 ppb
Harrisville
74 / 73 ppb
Huntsville
73 / 72 ppb
Ogden
80 / 74 ppb
Permanent sites
Temporary sites

Ozone in Huntsville and Harrisville (2011)



Erda, Tooele & Great Salt Lake



- Erda
  - 18 days > 70 ppb
  - 24 days > 65 ppb
- Great Salt Lake Marina
  - 9 days > 70 ppb
  - 16 days > 65 ppb
- Tooele
  - 6 days > 70 ppb
  - 15 days > 65 ppb

Great Salt Lake can enhance ozone formation

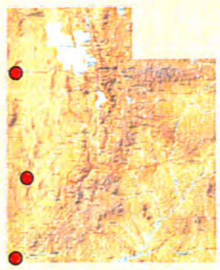
- Ozone forms early in day over lake
  - High albedo
- Morning heating
  - Wind blows away from lake
- Evening cooling
  - Down-canyon winds
  - Higher ozone over lake
- Diurnal pattern remains during high pressure

2010 Ozone

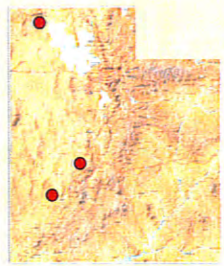
- Lower at Morgan compared to Ogden
- Lower at Nephi compared to Spanish Fork
- Heber similar to North Provo

High ozone at rural western Utah sites

- Wendover (2011)
  - 70/68 ppb
  - 1 day > 70 ppb
  - 10 days > 65 ppb
- Desert Range (2011)
  - 74/69 ppb
  - 3 days > 70 ppb
  - 11 days > 65 ppb
- Lytle Ranch (2011)
  - 78/72 ppb
- Sites very remote
  - No nearby source of ozone precursors

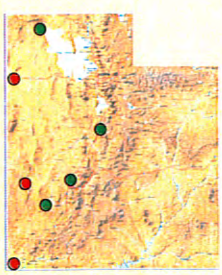


Low to moderate ozone at *other* rural Utah sites

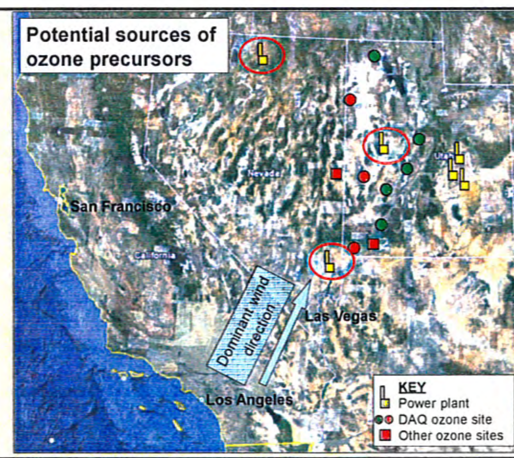


- Park Valley (2010)
  - 69 / 58 ppb
  - Wildfire smoke outlier
- Milford (2010)
  - 55 / 55 ppb
- Filmore (2011)
  - 62 / 60 ppb

Why high ozone in western Utah?



- Not sure yet, but....
- Biogenic VOCs
  - High ozone events in spring to early summer
- Potential transport of ozone precursors
  - NO_x and VOCs
  - Las Vegas, Los Angeles
  - Coal-fired power plants in Nevada and Utah



Ozone NAAQS

- All of Utah currently in attainment
- Erda had highest ozone in 2011
- Park City and Huntsville surprisingly high
- If standard is lowered to ≤70 ppb:
  - Potential nonattainment in counties of:
    - Davis, Salt Lake, Weber (all)
    - **Beaver, Box Elder, Carbon, Summit, Tooele, Utah, Wasatch, Washington**
    - Uinta Basin – Brock LeBaron

Future Directions

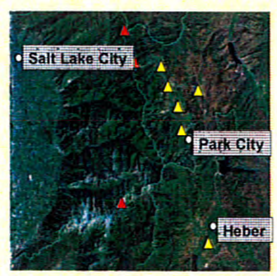
- Surprising results in 2011
  - More questions than answers
- Ozone saturation studies
  - Rural SW Utah
  - Summit County
  - Tooele County
  - NO_x and VOC measurements
- Continued ozone monitoring in rural Utah

2012 Rural SW Utah ozone saturation study

- 3 sites
  - Was 2011 ozone at Lytle Ranch anomalous
  - Role of biogenic VOCs?
- 3/15 – 5/15/12
- One site will be maintained until 9/30
- Passive NO_x sampling at all sites
- Weekly TVOC sampling if funding available

2012 Summit County ozone saturation study

- 10 sites
  - 3 high elevation sites
  - High ozone from transport or local emissions of NOx biogenic VOCs
- 6/1 – 9/30
- Continuous NO_x at one site
- Passive NO_x sampling at all sites
- Speciated VOC sampling during high ozone event
- Weekly TVOC sampling if funding available

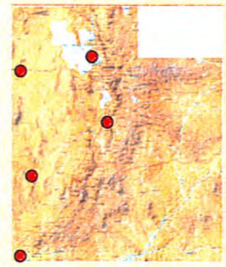


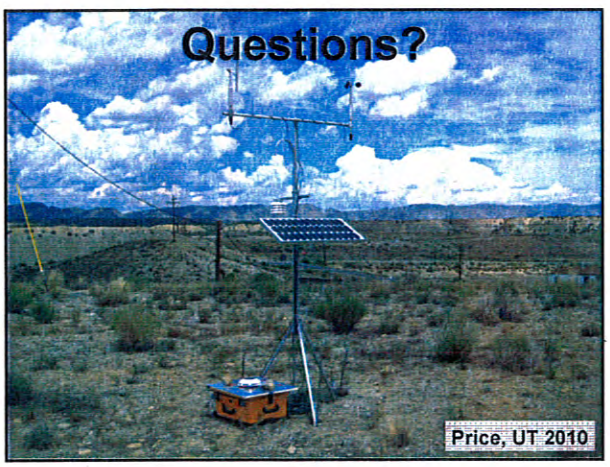
2012 Tooele Valley ozone saturation study

- 5 sites
  - Badger Island, Erda, Stansbury Park, Lake Point, Grantsville
- 6/1 – 9/30
- Continuous NO_x at Tooele
- Passive NO_x sampling at all sites
- Weekly TVOC sampling if funding available
- Where is maximum ozone in Tooele Valley
  - What is role of Great Salt Lake?

2012 Rural ozone monitoring

- 5 sites
  - One SW Utah site, Desert Range, Nephi, Antelope Island and Wendover
- 5/1 – 9/30
- Passive NO_x sampling at all sites
- Continuous NO_x sampling at Spanish Fork
- Weekly TVOC sampling if funding available





City Council Staff Report

Subject: City Manager's Recommended Budget
Authors: Jed Briggs, Nate Rockwood
Department: Budget, Debt, & Grants
Date: May 24, 2012
Type of Item: Informational

Summary Recommendations:
Hold a public hearing on the City Manager's Recommended Budget. Provide direction concerning the BFO enhancements, reductions, and levels of service. Provide direction on CIP Follow-up and Revenue & Taxation Policy.

Topic/Description:
FY 2012 Revised Budget, FY 2013 Proposed Budget, and FY 2014 Plan

Background:
The City usually begins the budget process in February with the City Council identifying objectives for the next year during the visioning session. This year the focus of visioning was on the strategic plans which were closely tied to the 'Budgeting for Outcomes' process.

Historically, Park City has employed an incremental style of budgeting. In this format, the budget from the prior year is basically assumed to be appropriate and serves as a starting point, or base budget. Any changes, or increments, to the base budget (whether they be an addition to or subtraction from the budget) are captured in a "budget option" and described. Typically, these budget options are the focus of budget discussions in any given year.

However, this year the City has moved to a Budgeting for Outcomes (BFO) process, which is a variation of zero-based budgeting that focuses on Council priorities and objectives as the driving factor for prioritization (as opposed to the default chronological prioritization in a base-budget). BFO is a public budgeting process which seeks to imitate Request for Proposal (RFP) procedures. By creating Strategic Plans or Outcome Areas and then receiving offers from City departments (and potentially other possible service providers) decision-makers can make better-informed decisions regarding the prioritization and cost of City services and programs.

Typically, the Budget Process begins with Council Visioning, which took place in February. In the past, staff would present position papers which usually had some impending budget impacts, where Council would weigh in and give direction. A financial update of the City would be presented as well to help facilitate this process. This year, however, department staff members were organized into Biennial Strategic Plan teams. These eight teams were organized by Council goals, with Public Safety added:

- Preservation of Park City Character
- World Class, Multi-Seasonal/Resort Community
- Effective Transportation System
- Water and Natural Environment
- Recreation, Open Space, and Trails
- Regional Collaboration and Partnership
- Open and Responsive Government to the Community
- Public Safety

Every team member represented one to several services that the City provides. The teams presented to Council the ways in which their services accomplished the Desired Outcomes of each Council goal. They provided strategies to continue to achieve these Desired Outcomes as well as Core Indicators, Current Challenges, and an Action Plan. The Action Plan included potential budget enhancements for the next fiscal year. Finally, Council approved the Desired Outcomes provided by each Strategic Plan Team.

A proposal (or bid), submitted in response to a Strategic Plan or Outcome Area, describes what a service, program, or activity will do to help achieve the Desired Outcomes approved by Council in Visioning. In turn, the Strategic Plans outline what kinds of proposals that Council believes would produce their Desired Outcomes. Every BFO program (bid) details which Desired Outcome and Council goal it is attempting to accomplish as well as how to implement it. Managers took the time to also explain the scope of the service and whether they were asking to enhance it or not. The total expenditure and revenue budgeted amounts are included in the bid as well as FTEs.

Managers also explained any cost savings, innovation, or collaboration that would be able to accomplish during the next fiscal year. There was also a section on the bid that explains the consequences of funding it a lower level. And finally the bid ended with performance measures tailored specifically to that service. Performance measures were taken from the usual department performance measures, the National Citizen's Survey, or ICMA's Center for Performance Measurement. Performance measures fell under the microscope of new performance measurement contract position that revamped several of the measures and made them more meaningful. These BFO bids were compiled and taken to the Results Team.

The Results team took representatives from each of the self-managed teams in order to get a wide variety of thought and expertise from across the organization. They wore citizen hats and tried to focus their recommendations on what residents want from their government. By doing this, they were able to align Council goals and the Desired Outcomes (approved by Council during Visioning) with the services provided by the City.

It was stressed to managers to keep budget enhancements low as much as possible and if they needed to ask for an increase to look first within their existing budget. By enhancing or adding a service with the same amount of current budget the City is able to build efficiencies and make the cost of doing service more effective. In fact, it is estimated that the City saved almost $500k by either cutting operating budgets or reprioritizing operating budgets by GL code rather than asking for an enhancement from the Results Team. Now, if a department is unable to find money within their existing budget, a budget enhancement was usually requested. However, the Results Team took the time to look at every department's current budget and past expenditures, and if it looked like there was enough capacity to fund a new request out of existing resources than the Results Team made the recommendation to not increase funding. Thus total departmental BFO requests were around $950 in the General Fund and the Results Team was able to cut almost half of that, while in several cases still finding existing budget to pay for those requested service enhancements.

Ranking of Proposals by Results Teams

1. Proposals were reviewed and ranked independently by each Results Team member for the corresponding Council goal. Proposals were scored in relationship to how well they do or do not meet the criteria. Below is an example of the criteria that the Results Team used:

BFO Prioritization Rubric:

Each criteria category will get a rating on a 1-5 scale with "5" being the most supportive/effective/true Program rating.

Criteria	Weight*
1. **Vision** – Meets the vision of the current City Council/Community	**1.00**

5 points – Program has a positive and swift impact on the City/Community Vision
4 points – n/a
3 points – Program positively impacts the City/Community Vision
2 points – n/a
1 point – Program has no impact on a listed City/Community Vision

2. **Necessity** – Program is a "need to have" verses a "nice to have" **1.25**

5 points – "Need to Have"; Absolutely required to provide a ***CORE*** City service
4 points – n/a
3 points – Program has a positive impact towards a City service or interest with some limited frills
2 points – n/a
1 point – "Nice to Have"; Not required to keep the City running, but has some enhancement value

3. **Efficiency and Value** – "Bang for the Buck" - Program provides highest value at the current cost estimate **1.00**

5 points – For the current cost estimate the value is at the highest level (seems like a great deal)
4 points – For the current cost estimate the value is at a high level (seems like a good deal)
3 points – For the current cost estimate the value is at a moderate level (seems like an ok deal)
2 points – For the current cost estimate the value is at a low level (seems like a bad deal)
1 point – For the current cost estimate the value is at the lowest level (seems like a horrible deal)

4. **Desired Outcomes** – Program provides rationale addressing the Desired Outcomes in the Biennial Strategic Plan **1.25**

5 points – Bid includes concise justification on how it addresses the Desired Outcomes

4 points – Bid includes good justification on how it addresses the Desired Outcomes
3 points – Bid includes average justification on how it addresses the Desired Outcomes
2 points – Bid includes some justification on how it addresses the Desired Outcomes
1 point – Bid includes bad or no justification on how it addresses the Desired Outcomes

5. **Cost Savings/Innovation/Collaboration** – Program demonstrates ability to find savings or innovate **.25**
   5 points – Major cost savings or efficiencies are gained
   4 points – Obvious cost savings or efficiencies are gained
   3 points – Some cost savings or efficiencies are gained
   2 points – Little cost savings or efficiencies are gained
   1 point – No cost savings or efficiencies are gained

6. **Effectiveness of Proposal** – Program demonstrates meaningful measures to gauge effectiveness **.75**
   5 points – Program includes meaningful and effective performance measures
   4 points – Program includes reasonable performance measures
   3 points – Program includes adequate performance measures
   2 points – Program includes below average performance measures
   1 point – Program includes bad or no performance measures

7. **Funding** – Source Availability & Competition for Funds **.50**
   5 points – Earmarked funds exist specifically for the program (such as a grant or debt)
   4 points – Program draws on flexible revenues which are specific to the Fund (such as Water, Transit, and Golf Funds) or program draws entirely on non-earmarked funds for which it has a particularly reasonable claim (Recreation, Ice, BPE fees, Admin IFTs, etc.)
   3 points – Program draws mostly on non-earmarked funds for which it has a particularly reasonable claim (Recreation, Ice, BPE fees, Admin IFTs, etc.)
   2 points – Program partially draws on non-earmarked funds for which it has a particularly reasonable claim (Recreation, Ice, BPE fees, Admin IFTs, etc.)
   1 point – Funds are not identified or funds are subject to much competition (such as the General Fund)

2. The Results Team met to compile their individual rankings and arrive at a composite score. This provided the ranking of proposals within each Council goal.

3. The Results Team identified questions or gaps in specific proposals and requested additional information from the proposal owner, including potential implications of level of service adjustments or suggesting additional collaboration.

4. Based on the additional information, the Results Team did a second round of ranking for all of the proposals using the same point system, while considering the new information, legal mandates, etc. The prioritization of the BFO programs was the start of the discussion on where to fund it—not the end. Decisions on budget enhancements or decreases were based on the scoring of each BFO program, as well as the manager's insight, established need, and availability of resources.

5. Proposing budget recommendations by staff is a completely new and unique way of budgeting. The Results Team had to make tough decision in order to fit their recommendation within the confines of the FIAR's projected expenditure increases (based off of a 10-year historical analysis of an average annual increase of Park City's expenditures), presented to Council during Visioning. Their funding level

recommendation also had to account for the Pay Plan committee recommendation, health insurance, and retirement increases, which also fell into the FIAR's allowable projected expenditure increase. The Results Team discussed their overall rankings and rationale for budget enhancements or decreases and prepared a final recommendation to the City Manager.

The Technical Team's revenue projections were used to ensure that there was enough capacity to allow for the FIAR historical expenditure trend. The Results Team operating budget recommendation fell well below the Tech Team's revenue projections in the General Fund. The balance between these two was used to pay for the CIP committee recommendation of the of the annual General Fund transfer ($3M) to the CIP fund, a one-year increase to maintain the Environmental Regulatory budget ($200k), and an ongoing transfer from the General Fund to the Water Fund ($300k) to help to pay for the cost of water services in the General Fund.

The City Manager recommendation along with the Results Team's is what is being presented to City Council. The budget changes this year will be presented through the lens of the Biennial Strategic Plans—similar to Visioning. Each Strategic Plan Team will present their changes in the budget in response to the Desired Outcomes by Council goal. Every presentation will have a Results Team representative as well to explain the rationale for the scoring for that Outcome Area as well as BFO recommendations of funding. We are confident BFO provides us with the tools we need to build a budget that reflects our city's values and needs. This budget process will help us do this by focusing on outcomes that matter to our residents and others who have a stake in this community.

On May 1, staff delivered the City Manager's Recommended Budget (Tentative or Proposed Budget) to City Council. A Public hearing was held on May 3 and public hearings are currently scheduled for May 17, 24, 31, June 7, 14, and 21.

On May 3 staff provided an introduction of the City Manager's Recommended Budget, Budget Overview & Timeline, and provided an update of the Financial Impact Report (FIAR). City Council was presented with an overview of the BFO process and received feedback and insight from the BFO Results Team.

On May 17 Council was presented with an overview of the CIP committee's recommendation. Also, staff made Council aware that a construction contract for the Empire Ave. street reconstruction portion of the OTIS projects would be presented to Council for approval on May 24. Council indicated that they would like to consider funding the remaining OTIS projects, Historic Park City/Main Street Projects and Stormwater Capital Improvements with an additional Resort City Sales Tax levy. Discussion/action is slated for these dates as follows, barring changes as needed:

May 24 – Continuation of CIP Budgets, Operating Expenditures - Strategic Plan Team Presentations

May 31 –Operating Expenditures - Strategic Plan Team Presentations, Benefits (pay plan, URS-Retirement, Health Insurance)

June 7 – Personnel Policies and Procedures (P&P) Manual, Fee Changes, City Fee Resolution, Council Compensation, Budget Policies, Outstanding Budget Issues, Adopt CEMP update by resolution

June 14 – 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:
During the City Council meeting on May 17 staff made Council aware that a construction contract for the Empire Ave. street reconstruction portion of the OTIS projects would be presented to Council for approval on May 24th. It has been staff's recommendation that Council adopt a long term funding strategy for the entirety of the remaining OTIS projects rather than on a project by project basis. Council indicated that they would like to consider funding the remaining OTIS projects, Historic Park City/Main Street Projects and Stormwater Capital Improvements with an additional Resort City Sales Tax levy.

In order to begin construction this summer on the Empire Avenue OTIS project staff recommends a $1.8 million bridge loan be used to cover the currently unbudgeted expense. Staff recommends that an additional $1.8 million transfer from the General Fund fund balance to the Capital Fund in FY 2012 should be used to cover the project cost. The General Fund balance can be replenished to the 18% allowable level once additional revenue is secured.

The recommended Historic Park City/ Main Street project schedule identified by the IBI group and included in the May 17th staff report, included funding immediate needs in the amount of $600,000. These funds are included in the FY 2012 budget. These budgeted funds will allow for project construction to go forward this summer. The Proposed Budget and Phasing Strategy for the project is in attachment C

<u>Resort Community Tax</u>
Some resort cities and towns are eligible to charge an additional general sales tax known as the Resort Community Tax. This tax was first approved by the Legislature in 1988. It provided for an optional 1% tax in any city or town with a transient room capacity equal to or greater than its census population. In 1997, the eligibility requirements were adjusted, and the available tax was increased. Currently, any city or town with a transient room capacity that is equal to or greater than 66% of its census population may charge an additional 1.6% resort community sales tax.

The rationale behind the tax is to allow those cities and towns with higher than normal tourist populations to recoup some of the expense of providing basic municipal services to out-of-state visitors. Sales on items such as automobiles, watercraft and manufactured homes are exempt under the assumption that most purchases of this type are made by citizens of the municipality. The citizens must approve the tax, using the normal voting process.

The following details the timeline required for imposing the Additional Resort Communities Sales Tax:

1. (June) City Council must first pass a resolution approving the tax
2. (November) The Municipality must then hold an "additional resort communities sales tax election" during:
   (i) a regular general election; or
   (ii) a municipal general election; and publish notice of the election:
      (i) 15 days or more before the day on which the election is held; and
      (ii) in a newspaper of general circulation in the municipality
3. (November) With voter approval Council shall pass an ordinance approving an additional resort communities sales tax and provide an effective date for the tax
4. (January 1st) The City must notify the Utah State Tax Commission of the ordinance approving the tax
5. The Tax Commission must then allow a 90 day contest period before enacting the tax on the next available tax quarter.
6. (April 1st) Tax levy is applied to all qualifying sales

The following chart details projected revenue from the additional resort community sales tax:

Revenue Generation from Resort Sales Tax Increase			
	0.10	0.25	0.50
FY2014	$619,822	$1,549,556	$3,099,112
2015	$638,532	$1,596,329	$3,192,659
2016	$657,241	$1,643,103	$3,286,205
2017	$675,950	$1,689,876	$3,379,752
2018	$694,660	$1,736,649	$3,473,299
2019	$713,369	$1,783,423	$3,566,845
2020	$732,078	$1,830,196	$3,660,392

Estimated Additional Resort Community Sale Tax Revenue

Additional Open Space

City Council has continued to evaluate available open space acquisitions. While specific property has not yet been specifically targeted for purchase, it is reasonable to assume that open space acquisitions could range from $10 - $15 million. In the past, the City has issued Open Space GO bonds as a funding source. City Council did not list open space acquisition as a project to be funded with additional resort sales tax; staff is seeking direction on a funding strategy for future open space.

Capital Projects – Water and Transportation & Parking Funds

Water Fund

Water quality and delivery continue to be a top priority for Park City. CIP changes to the Water Fund are reflective of the City's continuing commitment to secure Park City's water needs through improvements to the City's water infrastructure. The current water projects in the CIP reflect one of many options currently being evaluated as part of the necessary water improvements; these projects are subject to change as the best infrastructure options become clear. The Water Fund Financial Model currently sets project costs and rates based on the best possible water system solutions. The option currently selected will allow for the most flexibility while maintaining the lowest possible costs.

Table A shows new water projects in 5-year water project budget (for detail on funding source type, refer to the City Manager's Recommended Budget Vol. II). Project descriptions are located in the City Manager's Recommended Budget Vol. II and in attachment B of this report.

Transportation and Parking Fund

The Transportation and Parking 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 budgeted and expenses within Transportation and Parking Fund and are not part of the City's Capital Improvement Fund (Fund 31). However, Transportation and Parking 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 new capital projects and funding sources is shown in the following table.

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 and Parking Meter Revenue is used to fund parking meter replacement and parking facility renewal.

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 56 percent of new funding for Transportation and Parking Fund capital projects in FY 2012. Project descriptions are located in the City Manager's Recommended Budget Vol. II and in attachment B of this report.

Ironhorse Bus Maintenance & Operations Facility Adjustment

In 2010 Staff, working with the Utah's Congressional delegation, secured an earmark in a federal budget passed by the US Senate (funding specifically identified for the expanded Ironhorse Transit facility) in the amount of $2,500,000. Ultimately this budget was not passed by the House and later died on the House floor.

In 2011 Congress adopted new budgeting rules that eliminated earmarks (the process of identifying funding for specific projects in the congressional budget). The Congress then passed authority for award of Federal Transit Administration funds to a competitive grants program administered by the FTA.

The new competitive grants process put the City at somewhat of a disadvantage, given that the project was already underway. In early 2011 Staff advised Council that local Transportation funds would need to be utilized to fund the $2.5 million project expenditures that the lost earmark would have financed. These expenditures are still eligible for federal funding and Staff is aggressively pursuing grants to obtain reimbursement.

Funding and expenses for the Ironhorse facility project have been recorded in cp0051-057458 (Bus Maintenance & Operations Facility – Federal Grants). Staff has made a technical correction to cp0051 in the FY2012 adjusted budget to record $2,027,422 in expenses that were originally shown as financed with federal grants to now showing this amount as funded with Transportation Fund balance (local funds). This change does not represent an increase in the original budget amount approved for the project only the funding source for those expenditures. This change is necessary to more accurately reflect the current funding status of the project.

Staff will continue to aggressively pursue grants to obtain reimbursement for these local funds. While Staff is cautiously optimistic the City will eventually obtain reimbursement for some if not all of these expenditures Council should be aware there is some probability that Staff will not be successful in this effort. Staff will continue to keep Council apprised of progress to secure grant reimbursement. With completion of the project the total project budget will be reduced from $12,965,000 to reflect the total anticipated project completion cost of $10,177,156.

New Projects Recommended in 5-Year CIP							
CIP #	Project Name	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Transportation and Parking Fund							
CP0279	Corridor Study and Strategic Plan	150,000					
New 13-17	PCMR Transit Center	-	-	-	1,500,000	-	-
New 13-18	Ironhorse Solar Array	585,000	-	-	-	-	-
New 13-20	Ironhorse Electronic Access Control	72,000	72,000	72,000	-	-	-
New 13-21	Ironhorse Seasonal Housing	1,875,000	-	-	-	-	-
New 13-22	Transit Signal Priority	142,385	-	-	-	-	-
New 13-23	Ironhorse Transit Facility Asset Management	180,000	180,000	180,000	180,000	180,000	180,000
New 13-29	Parking System Software	-	98,000	-	-	-	-
New 13-36	Parking Wayfinding	30,000	30,000	30,000	-	-	-
Water Fund							
New 13-38	Raw Water Line and Tank	-	258,750	-	-	-	-
New 13-39	Irrigation Screening Facility	-	517,500	2,785,185	3,991,384	-	-
New 13-40	Scada and Telemetry System Replacement	-	-	-	-	-	950,149
New 13-41	Deer Valley Drive - Water Infrastructure	-	776,250	803,419	-	-	-
New 13-42	Empire Tank Replacement	-	-	-	554,359	803,266	-

Table A – New Recommended Projects - Transportation & Parking and Water Funds

Operating Budget

On May 24 the Results Team will introduce the operating budget by Strategic Plan Team to Council with a quick presentation by each of them. (Please see attachment A for all BFO changes requested and recommended.) These BFO summaries may highlight significant changes and reductions from the BFO programs. A complete catalogue of these options/reductions that were requested by departments and those recommended by the City Manager (organized by Outcome Area and high score) are included in the first half of Volume II of the Budget Document.

Total BFO Requests		
All Funds Combined	FY 2013	FY 2014
Total Recommended	**$882,325**	**$888,441**
Total Non-Recommended	**$587,415**	**$547,376**
Total Requested	**$1,469,740**	**$1,435,817**

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

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 2012 Original Budget adopted by Council in June 2011.

Total Operating Budget Enhancements by Fund
(Change from FY2012 Adopted Budget)

	FY 2012 Adjusted Budget	FY 2013 Budget	FY 2014 Plan
Fund 11 General Fund	$69,015	$1,573,635	$1,605,811
Fund 12 Quinn's Recreation Complex	$3,660	$27,052	$40,262
Fund 51 Water Fund	$356,123	$1,108,815	$1,216,475
Fund 55 Golf Fund	$0	$25,339	$36,216
Fund 57 Transportation Fund	$235,000	$552,359	$628,229
Fund 62 Fleet Fund	$0	$25,872	$35,381
Fund 64 Self Insurance Fund	$0	$0	$0
Total	**$663,798**	**$3,313,071**	**$3,562,373**

Operating Increases/Decreases by Fund from the 2012 Original Budget (includes personnel, materials, supplies, services, departmental capital outlay, and contingencies)

The major increase from the FY 2012 Original Budget to the FY 2012 Adjusted Budget is found in the Water and Transit Funds. Water is converting some CIPs to operating accounts based off of accounting rules and the Transit Fund is paying for the new PC-SLC Connect Transit Service. Some of the major costs to the General Fund include technology enhancements, expanded services at the MARC, Destination Tourism, emergency management contingency funds, health insurance, retirement, and Pay Plan increases. Much of the increase in the Water Fund for FY13 and FY14 has to do with the costs associated with maintaining a new water treatment facility. All of the BFO changes are detailed in the bids found in the first half of Budget Document: Volume II.

Strategic Plan Teams (Open & Responsive Government, Effective Transportation, and Preservation of Park City Character) will present their recommended options to City Council on May 24. Since there are so many BFO programs it will be difficult to talk in-depth about all the line-item changes within each program. Thus, the Strategic Plan teams are planning to present their BFO programs in broad terms. However, if Council has specific or detailed questions about a BFO program it may be advantageous to contact the Budget Dept before the Council meeting so that we could answer the question more comprehensively. Also, the City Manager is presenting a balanced budget and if Council decides that they would like to increase funding for a BFO program, it is recommended to also suggest a cut in spending from another BFO program. The following is a summary of each team's BFO program changes:

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.

Open and Responsive Government to the Community

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Systems Support	Technical and Customer Services	138.25	107	**$177,407**	**$252,087**	**$227,087**	**$252,087**	$252,087
1.) Software Maintenance for advanced backup/disaster recovery; email security filtering; server virtualization 2.)Advanced support and consulting services.				Funded 70% of request based on IT prioritization.				

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Website	Technical and Customer Services	136.75	110	**$33,977**	**$50,977**	**$33,977**	**$50,977**	$50,977
1.) Integration of separate web-services to ensure a consistent user experience. 2.) Increase of software maintenace costs to support mobile website.				Not recommended due to falling low on dept prioritization.				

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Network Support	Technical and Customer Services	135.75	112	**$255,101**	**$295,043**	**$290,043**	**$295,043**	$295,043
1.) Consulting: Security; Technology Projects 2.)Network security, management and wireless softwares.				Reduction of $5k based upon IT prioritization.				

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Support/Help Desk	Technical and Customer Services	133.25	114	**$236,941**	**$336,126**	$336,126	**$335,146**	$335,146
1.)One additional FTR for helpdesk 2.)Increase for training 3.)Increase for support technology--helpdesk management.				Based on high BFO score, City need, and IT Dept prioritizaiton.				

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Budget Preparation, Coordination, and Monitoring	Multiple Depts	131.5	115	**$100,250**	**$115,721**	$115,721	**$115,721**	$115,721
The Budget process includes staff coordination, data input and collection, report creation and distribution, BFO staff assistance, BFO software creation and upkeep, Council and staff presentations, end-of-year balancing, and Pay Plan participation. Budget documents include the creation of Volumes I and II of the Budget Document, meeting GFOA Award criteria, submittal of the State Budget Audit, and the creation and distribution of the Citizen's Budget. Budget monitoring includes managing the desktop budget toolbox, weekly and monthly budget updates, as well as staff training and assistance on budget related issues. Increase for BFO annual software maintenance.				High BFO score and citywide need.				

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
City Recorder	City Manager	129.75	117	**$92,005**	**$93,699**	$93,699	**$93,699**	$93,699
The current LOS will remain the same, while the costs will increase to reflect the possible reduction in hours and/or retirement of the current City Recorder.				Maintaining the current level of service is important.				

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Records Management	Multiple Depts	129.5	119	**$304,729**	**$317,999**	**$300,639**	**$332,999**	$332,999
1.) Training 2.) Records archiving and software maintenance for new systems (global searching and workflow data capture).				Not recommended based upon IT prioritization				

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Software Maintenance/Upgrades	Technical and Customer Services	128	123	**$187,221**	**$188,581**	**$187,221**	**$188,581**	**$187,221**
Software upgrades.				Not recommended; fund within existing resources				

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
GIS	Technical and Customer Services	124	125	**$81,624**	**$132,584**	**$96,584**	**$132,584**	$132,584

1.)Training 2.)Software licensing maintenance costs 3.) Staffing for data collection; consulting-development of software and apps. GIS is a foundation service that has growing demands. The ability to map information visually is a powerful. Expectations of of our citizens and illustration of GIS data through mobile devices is growing.	Based on IT Dept prioritization, scored lower in BFO. Less contract services.

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Policy Creation & Implementation	Multiple Depts	119.5	132	**$323,075**	**$330,588**	**$327,588**	**$330,838**	**$327,838**

While level of service remains the same, costs of resources to assist in development and implementation of providing that service have increased.	Same level of service increase. Savings on paper for iPads.

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Staff Support	City Manager	117.25	136	**$212,566**	**$222,624**	$222,624	**$222,624**	$222,624

Not prosposing any change to the high level of service currently in place, but recommedning a slight increase in personnel expenditures to cross-train staff to prepare for the possibility of staff members moving to part-time as part of a transition process into retirement.	Same level of service.

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Community Outreach and Citizen Engagement	Multiple Depts	114.75	138	**$334,735**	**$352,209**	$352,209	**$345,159**	$345,159

In addition to the activities in the current level of service, staff will expand its community outreach and engagement efforts to include virtual participation through technological enhancements and to reach new demographics including younger residents and Spanish-speaking residents. The redevelopment of the Lower Park Ave area provides an excellent opportunity to promote community engagement and participation through design charette that employs methods such as key pad polling. The community engagement program will also enhance the quality of citizen engagement. This will be achieved through staff training in managing conflict engagement.	Technology a high Citywide priority. Same level of service adustments. Partial one-time increase in FY13.

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Performance Measures and Benchmarking	Budget, Debt, and Grants	108.75	141	**$26,284**	**$62,000**	$62,000	**$62,000**	$62,000

The department would be able to provide a more comprehensive performance measurement process that would be more in-depth and entrenched in the accountability and BFO culture of the City. More emphasis would be placed on benchmarking with other organizations (CAST, ICMA, etc.). This would allow the department to travel to these other organizations' meetings and pay membership fees for benchmarking databases. These services could greatly improve performance at the City.	High Citywide need to enhance performance measurement for BFO.

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Council & Board Support	Multiple Depts	106	144	**$312,521**	**$317,184**	$317,184	**$317,184**	$317,184

The City Manager's office proposes to maintain the current LOS.	Same level of service.

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Special Meetings	City Manager	81.75	147	**$3,000**	**$12,000**	**$3,000**	**$12,000**	$12,000

Not recommending a change in level of service. The change to the funding level is to reflect the ACTUAL costs associated with this endeavor. In FY10 and prior, the funding level was $15,000 per year. This fund is provides funding opportunities for local and regional meetings that benefit the community, but are not associated with other programs. It is also used for Employee Recognition Luncheons for City Staff and to provide reciprocal opportunities with other communities from around the globe.	Scored low on BFO.

Effective Transportation

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Winter Service	Transportation	148	33	**$3,589,056**	**$3,814,284**	**$3,718,307**	**$3,871,635**	$3,718,306

Includes the current level as well as year round PC-SLC Connect Transit Service (2012-2014), Year Round Heber Commuter Service 2013-2014, and Kamas Commuter Service 2014 as reviewed and adopted by Council as an element of the 2011 Short Range Transit Development Plan.	Fund personnel w/in existing resources.

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Park City Mobility	Transportation	141	35	**$227,418**	**$231,828**	**$227,418**	**$233,808**	$227,418

Partial personnel increases.	Fund within existing resources.

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Summer Service	Transportation	140	36	**$2,570,395**	**$2,740,087**	**$2,676,145**	**$2,780,520**	$2,676,145

Includes the current level as well as year round PC-SLC Connect Transit Service (2012-2014), Year Round Heber Commuter Service 2013-2014, and Kamas Commuter Service 2014 as reviewed and adopted by Council as an element of the 2011 Short Range Transit Development Plan.	Fund personnel w/in existing resources.

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Engineering Project Management	Engineering	128	41	**$196,930**	**$229,345**	**$222,345**	**$204,345**	$197,345

Staff recommends increasing the LOS for engineering project management by $25,000 (one-time) to complete a ROW landscape guideline and to continue the development of a safety program for our field personnel. This would also include an intern.	One-time increase, scored high, reduce liability. Fund intern w/in existing resources.

Preservation of Park City Character

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Affordable Housing	Community & Environment	122	8	**$116,001**	**$133,916**	$133,916	**$126,836**	$126,836

An enhanced level of service will leverage existing resources in the housing fund with other private and governmental resources to create an equity fund to assist households across a broad economic spectrum to become homeowners. These resources will enhance affordability of existing stock, promoting energy efficient rehabilitation as well as assist lower income households acquire newly constructed units at Park City Heights.	Consulting money scored high in BFO prioritization.

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Circulation Services	Library	121	9	**$266,336**	**$274,780**	$274,780	**$274,780**	$274,780

Funds requested are for cost increase to public copy machine service contract and for annual software fee for security/self-checkout system.	Scored high on BFO prioritization.

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Senior Services	Community & Environment	120	10	**$25,546**	**$30,436**	$30,436	**$30,361**	$30,361

The budget increases slightly to allow staff to attend training and acquire resources to assist in implementation.	High BFO score.

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Long Range Planning	Planning	119	12	**$302,705**	**$327,705**	**$317,705**	$227,705	$227,705

With the assistance of a Contract Planner on Staff this past year, the General Plan schedule has been maintained and specific Area Plan studies have been completed on time. It is requested to maintain this contract position for another fiscal year as well as to add a part-time GIS contract position ongoing.	Scored high on BFO. Funding will go lower than FY12 in FY14.

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Adult Services	Library	116	13	**$194,947**	**$213,526**	$213,526	**$214,941**	$214,941

The library needs additional funds for an e-book collection, the e-book platform annual subscription fee, and staff training. There is also a need to cover the increase in the price of materials (books, DVDs, audiobooks, and magazine subscriptions) so that the library can continue providing the same level of service in this area.	Scored high on BFO prioritization.

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Youth & Spanish Services	Library	114	14	**$141,901**	**$155,887**	**$147,887**	**$156,387**	**$148,387**

The library needs additional funds for the annual software fee for the AWE early literacy stations, keeping pace with price increases for children's, teens and Spanish books, audios and DVDs. Funds are also being requested for enhancing service by providing new teen and Latino outreach programming, staff training in early literacy and children's literature and start-up cost for a digital media lab. The lab would allow teens and adult library users to digitize slides, change VHS tapes to DVDs or digital, and provide an environment for creating videos, software and more.	Negotiated lower amount based upon dept recommendation and BFO prioritization.

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
Technical Services	Library	113	16	**$249,649**	**$260,735**	**$253,735**	**$260,735**	**$253,735**

Proposed increase is same level of service to support software annual fee increases and upgraded (broadband) internet access and to replace worn out accessories such as power strips, battery back-ups, keyboards, mice, etc. .	Negotiated lower funding request based upon dept recommendation and BFO prioritization

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY14 DEPT REQUEST	FY14 RT REC
McPolin Farm	McPolin Farm	107	19	**$22,595**	**$24,920**	**$23,420**	**$23,420**	$23,420

Proposed Same LOS increase. Also requesting approximately $1,500 to replace all crosses with PVC 40 pipe and materials for the FOF scarecrow display. This would also cover the costs for additional supplies needed for the Full Moon Snowshoe outdoor temporary lights, large water holders.	Partly funded. Pay within existing resources.

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 the CIP Follow-up and BFO operating changes.

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 BFO operating increases, reductions, and levels of service. Provide direction on CIP Follow-up and Revenue & Taxation Policy.

Attachments:

Attachment A – Biennial Strategic Plans with BFO Summaries
Attachment B – Water and Transit Fund New Project Descriptions
Attachment C – Historic Park City/Main Street Projects – Proposed Budget and Phasing Strategy

OPEN AND RESPONSIVE GOVERNMENT TO THE COMMUNITY

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY13 REV	FY13 TOTAL REC COST	FY14 DEPT REQUEST	FY14 RT REC	FY14 REV	FY14 TOTAL COST
Revenue/Resource Management	Budget, Debt, and Grants	141	105	$45,212	$19,367	$19,367	($13,489)	$5,878	$19,367	$19,367	($13,489)	$5,878
Debt Management	Budget, Debt, and Grants	140	106	$31,473	$3,312	$3,312	($11,935)	-$8,623	$3,312	$3,312	($11,935)	-$8,623
Systems Support	Technical and Customer Services	138.25	107	$177,407	$252,087	$227,087	($21,228)	$205,859	$252,087	$252,087	($21,228)	$230,859
Financial Services	Finance	136.75	109	$286,307	$286,306	$286,306	($135,251)	$151,055	$286,501	$286,501	($135,251)	$151,249
Website	Technical and Customer Services	136.75	110	$33,977	$50,977	$33,977	($2,605)	$31,372	$50,977	$50,977	($2,605)	$48,372
Accounting/Audit/Treasury	Finance	136.25	111	$299,814	$299,813	$299,813	($91,738)	$208,076	$299,911	$299,911	($91,738)	$208,173
Network Support	Technical and Customer Services	135.75	112	$255,101	$295,043	$290,043	($30,350)	$259,692	$295,043	$295,043	($30,350)	$264,692
Building Repairs and Maintenance	Building Maint.	133.25	113	$288,190	$288,190	$288,190	($39,101)	$249,089	$288,190	$288,190	($39,101)	$249,089
Support/Help Desk	Technical and Customer Services	133.25	114	$236,941	$336,126	$336,126	($27,576)	$308,551	$335,146	$335,146	($27,576)	$307,571
Budget Preparation, Coordination, and Monitoring	Multiple Depts	131.5	115	$100,250	$115,721	$115,721	($28,986)	$86,735	$115,721	$115,721	($28,986)	$86,735
Capital Budgeting	Budget, Debt, and Grants	131.5	116	$31,295	$10,490	$10,490	($17,095)	-$6,606	$10,490	$10,490	($17,095)	-$6,606
City Recorder	City Manager	129.75	117	$92,005	$93,699	$93,699	($4,498)	$89,201	$93,699	$93,699	($4,498)	$89,201
Inspections and Contract Supervision	Building Maint.	129.75	118	$91,760	$91,760	$91,760	($11,583)	$80,177	$91,760	$91,760	($11,583)	$80,177
Records Management	Multiple Depts	129.5	119	$304,729	$317,999	$300,639	$0	$300,639	$332,999	$332,999	$0	$332,999
Asset Management/Replacement Program - CIP	Building Maint.	129	120	$13,000	$13,000	$13,000	$0	$13,000	$13,000	$13,000	$0	$13,000
Analysis Resource	Budget, Debt, and Grants	128.25	121	$42,978	$40,258	$40,258	($12,703)	$27,555	$40,258	$40,258	($12,703)	$27,555
Benefit Design/Administration	Human Resources	128.25	122	$63,425	$62,471	$62,471	($17,596)	$44,876	$62,471	$62,471	($17,596)	$44,876
Software Maintenance/Upgrades	Technical and Customer Services	128	123	$187,221	$188,581	$187,221	($20,119)	$167,103	$188,581	$187,221	($20,119)	$167,103
Local, State, and Federal Compliance	Human Resources	124.75	124	$132,337	$128,034	$128,034	($40,759)	$87,275	$128,034	$128,034	($40,759)	$87,275
GIS	Technical and Customer Services	124	125	$81,624	$132,584	$96,584	($7,847)	$88,737	$132,584	$132,584	($7,847)	$124,737
Utilities	Building Maint.	123.5	126	$358,054	$358,054	$358,054	$0	$358,054	$358,054	$358,054	$0	$358,054
Litigation	Legal	123.25	127	$76,682	$76,682	$76,682	($8,827)	$67,855	$76,682	$76,682	($8,827)	$67,855
Fleet Management & Maintenance	Fleet Services	123	128	$2,372,768	$2,372,768	$2,372,768	($2,372,776)	-$8	$2,372,768	$2,372,768	($2,372,776)	-$8
Pay Plan Design/Administration	Human Resources	123	129	$75,432	$70,994	$70,994	($23,029)	$47,965	$70,994	$70,994	($23,029)	$47,965
Recruitment	Human Resources	121.5	130	$80,699	$78,110	$78,110	($24,850)	$53,260	$78,110	$78,110	($24,850)	$53,260
IT Customer Service	Technical and Customer Services	121	131	$103,879	$103,879	$103,879	($21,434)	$82,445	$103,879	$103,879	($21,434)	$82,445
Policy Creation & Implementation	Multiple Depts	119.5	132	$323,075	$330,588	$327,588	($9,928)	$317,660	$330,838	$327,838	($9,928)	$317,910
Risk Management	Legal	119.25	133	$878,932	$878,931	$878,931	$0	$878,931	$878,931	$878,931	$0	$878,931
Janitorial Services	Building Maint.	119.25	134	$256,146	$256,146	$256,146	$0	$256,146	$256,146	$256,146	$0	$256,146
General Legal Support	Legal	118	135	$87,676	$86,176	$86,176	($6,612)	$79,564	$86,176	$86,176	($6,612)	$79,564
Staff Support	City Manager	117.25	136	$212,566	$222,624	$222,624	($70,879)	$151,745	$222,624	$222,624	($70,879)	$151,745
Performance Management	Human Resources	115	137	$668,617	$668,579	$668,579	($137,953)	$530,627	$668,579	$668,579	($137,953)	$530,627
Community Outreach and Citizen Engagement	Multiple Depts	114.75	138	$334,735	$352,209	$352,209	($57,391)	$294,818	$345,159	$345,159	($57,391)	$287,768
Elections	City Manager	114	140	$20,945	$7,945	$7,945	$0	$7,945	$20,945	$20,945	$0	$20,945
Performance Measures and Benchmarking	Budget, Debt, and Grants	108.75	141	$26,284	$62,000	$62,000	($7,953)	$54,047	$62,000	$62,000	($7,953)	$54,047
Contracts/Grants	Legal	108	142	$65,125	$65,125	$65,125	($7,766)	$57,359	$65,125	$65,125	($7,766)	$57,359
Valuing Employees	Human Resources	107.25	143	$129,986	$129,971	$129,971	($51,145)	$78,826	$129,971	$129,971	($51,145)	$78,826
Council & Board Support	Multiple Depts	106	144	$312,521	$317,184	$317,184	($15,442)	$301,742	$317,184	$317,184	($15,442)	$301,742
Employment Review	Legal	104.75	145	$51,843	$51,842	$51,842	($6,169)	$45,672	$51,842	$51,842	($6,169)	$45,672
Short-Term Citywide Personnel	Human Resources	94.25	146	$56,557	$56,524	$56,524	$0	$56,524	$56,524	$56,524	$0	$56,524
Special Meetings	City Manager	81.75	147	$3,000	$12,000	$3,000	$0	$3,000	$12,000	$12,000	$0	$12,000
Venture Fund	City Manager	81.5	148	$30,000	$30,000	$30,000	$0	$30,000	$30,000	$30,000	$0	$30,000
				$9,189,380	$9,647,846	$9,534,126		$6,177,514	$10,069,653	$10,065,293		$6,708,681

Key

PROGRAM	Name of BFO Program
Department	Department Name
SCORE	Results Team Score
FY12 BASE	**FT12 Budget**
FY13 DEPT REQUEST	FY13 Department BFORequest
FY13 RT REC	Results Team Recommendation
FY13 REV	**FY13 Revenue for BFO Program**
FY13 TOTAL REC COST	FY13 RT Rec less FY 13 Rev
FY14 DEPT REQUEST	FY14 Department BFORequest
FY14 RT REC	Results Team Recommendation
FY14 REV	**FY13 Revenue for BFO Program**
FY14 TOTAL COST	FY14 RT Rec less FY 14 Rev

1. Amounts do not include debt or CIPs, which may be different than the BFO program summaries Volume II of the Budget Document.
2. Direct revenues for each program are all that are shown in this table. Revenues for each bid do not include property and sales tax or any other non-direct revenue in the General Fund. Every program is currently funded based on the Results Team recommendation.
3. Direct revenues: Program draws on revenues which are specific to the Fund (such as Water, Transit, and Golf Funds) or program draws on non-earmarked funds for which it has a particularly reasonable claim (Recreation, Ice, BPE fees, Admin IFTs, etc.)

Open and Responsive Government

We are a government that promotes public involvement, values transparency and seeks innovative solutions while providing high quality and excellent value for the money.

Park City acknowledges that local government exists to protect and promote the interests of the community. The success of our community comes from a collaborative and synergistic effort by our residents, our business community, our visitors, and our public servants — staff, elected and appointed officials.

This open and cooperative spirit is aided by the City's emphasis in cutting edge technology, a highly professional and engaged staff, strategically-minded leadership, sound financial management, consistent community outreach and communication, and facilities that are safe, welcoming and convenient to the public. Unlike other communities where internal services such as legal, human resources, finance and budget, and information technology are considered overhead or the cost of doing business, in Park City we recognize these services as central to open and responsive government.

Community Vision

*The goal of Open and Responsive Government is central to the community vision of "**keeping Park City, Park City.**" The strategic planning and public outreach efforts carried out under this goal are critical to preserving Park City's **Sense of Community** as well as its **Small Town** feel. Park City is recognized widely as having one of the best municipal staffs in the state, which is critical for providing high quality service, one of the City's many **Exceptional Resident Benefits.** And the City's dedication to innovation, technology and world-class facilities adds to the **Vibrancy** of Park City's community and culture.*

Desired Outcomes

The Community and the City Council have identified the following desired outcomes related to this Outcome Area:

- Fiscally and legally sound
- Engaged, capable workforce
- Flexible and nimble to adjust quickly to changing environments
- Security, maintenance and preservation of city assets
- Connected with our citizens with a shared vision for the future

Key Strategies

The following strategies have been identified as critical for achieving the Desired Outcomes:

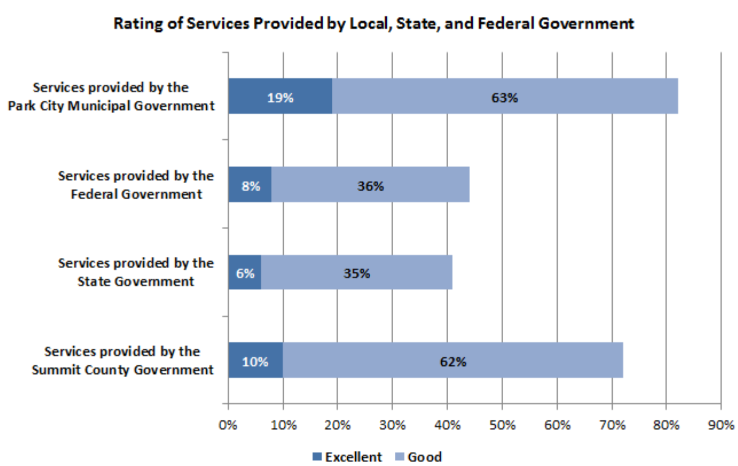
- Stewards of the Public Trust
  - ⇒ Asset Management, Maintenance & Inspections
  - ⇒ Recording/Archiving
  - ⇒ Financial & Risk Management
  - ⇒ Legal Services
- Engaged Workforce
  - ⇒ Competitive recruitment/retention
  - ⇒ Training and education
  - ⇒ Employee recognition
  - ⇒ Compensation/benefit management
- Access/Information
  - ⇒ Community Outreach & Surveys
  - ⇒ Public Meetings & Open Houses
  - ⇒ Website & Technology
  - ⇒ Community & Media Relations
- Strategic Leadership
  - ⇒ City Council & Council Support
  - ⇒ Policy Implementation
  - ⇒ Budget Management
  - ⇒ Visioning

The State of Open and Responsive Government

Park City's commitment to Open and Responsive Government is at the forefront of a technology revolution than can achieve advancement in quality, efficiency, productivity and customer service. According to the Center for Digital Government, "cities that are investing in technology are capturing cost savings that are critical to continuity of operations, and their ability to meet higher demand for services," Technology innovations can help make government more responsive to constituents and more transparent to taxpayers. Engaging citizens early and often helps develop greater connection, collaboration and a collective sense of ownership in solutions.

Core Indicators

Local Government Media Services and Information Dissemination Benchmarks				
	Park City avg rating	Rank	# of Jurisdictions for Comparison	Comparison to benchmark
Public information services	69	15	229	Much above



Bond Ratings for Park City										
Description	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Moody's	Aa3	Aa3	Aa3	Aa3	Aa3	Aa2	Aa2	Aa2	Aa2	Aa1
S & P	A+	A+	AA-	AA-	AA-	AA-	AA-	AA	AA	AA
Fitch	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA	AA	AA+

Internal Employee Engagement/Understanding of Council Goals					
	Park City Rating				National Benchmark
	2008	2009	2010	2011	
I know what is expected of me at work	4.36	4.46	4.38	4.41	3.29
At work, I have the opportunity to do what I do best everyday	4.14	4.19	4.15	4.09	2.98
	1=strongly disagree		*5=strongly agree*		

Recent Successes

Achievements

- Building Security Plan implementation
- Performance measurement , benchmarking and Budgeting for Outcomes implementation
- Strategic Planning Implementation
- Clean Audit for 2011 & 23rd consecutive GFOA Excellence in Financial Reporting Award
- Council documents digitized and searchable by the public
- Two national awards for website redesign

Efficiencies & Cost Savings

- Moved outside revenue management contracts into Budget Department with net savings of $50,000.
- Technology enhancements saving nearly 1400 pounds of CO_2 and 5 trees annually .
- Server consolidation saves 83 tons of CO2 and $6,000 in energy costs annually.

Current Challenges

- Engaging diverse constituencies
- Conversion to Centralized HVAC
- New facilities & greater complexity in operating systems
- Pace of technology improvements
- Resource allocation, staff workload & succession
- Limited resources for training, professional , legal and licensing requirements
- Increasingly specialized positions due to digital technology and government regulations.
- Workforce competition with Salt Lake Valley due to cost of housing and commuting.
- Asset life cycle
- Funding Capital Improvement Programs (CIP) Priorities

Where Do We Go From Here?

Industry Trends

- Alternative energy and conservation infrastructure for capital assets
- Increasing regulatory environment requires monitoring and training for financial reporting
- Environmental friendly cleaning productions
- Consolidation of local government functions & joint initiatives aimed at overall cost reduction
- General information technology trends are changing how people give and expect to receive information
- Age and ethnic diversity increase the tools and tactics needed to reach a more diverse audience and the need for non-English language and cultural competency skills.
- Technology increasing cost of fleet acquisition & maintenance

Potential Level of Service Changes

- Additional building/system maintenance staff
- Enhanced & more diverse citizen engagement resources

New Opportunities

- 2030 Strategic Plan
- Widget and Application development
- Victim Advocacy

Action Plan

2013-2014 Biennium

Operating Plan

- Develop mid-range and long term Information Technology Strategic Deployment and Management Plan
- Connect, collaborate and create with community in person and virtually.
- Reduce paperwork and mailing costs through direct paperless billing and payroll
- Enhance centralized HR training program
- Invest in backup, storage & recovery

Capital Plan

- New vehicle for Building Maintenance
- Specialized software acquisition for BFO and Performance Reviews
- Streaming media software

Other Targets for Action

- Enhance mobile technology to enhance citizen access and communication.
- Identify training needs & develop implementation plan for staff, elected and appointed officials.

Long Term Action Plan

- Centralized building security system
- Expanded computerized control systems for maintenance
- In-house janitorial staff

Related Documents of Note:

Communications Strategic Plan

National CItizesns Survey

Internal Services Survey

Employee Engagement Survey

Points for Council Discussion

1. Approval of Desired Outcomes

2. Innovation & Technology

The availability and accessibility of technology is redefining the way we live, work and play, not to mention the way we govern. The speed of change will require us to reconsider the fundamentals about what we invest in, and how we conduct business. Identifying capacity and resources, developing staff and hiring skilled employees will be fundamental to our success.

The City's increase of assets and new technologies brings additional demands across the entire organization. The challenges we face are disrupting and requires us to reconsider new efficiencies and the costs to meet broader expectations. The questions before us are both immediate and long-term.

How do we:

- remain both flexible and cost conscious?
- manage and delineate IT responsibilities from departmental responsibilities?
- address new complexities in budgeting and asset maintenance?
- attract skilled and capable employees?
- measure the performance of employees?
- train and develop employees?
- ensure financial-information security and still provide flexibility?
- align our organizational objectives with technology?

What technology and:

- skills do we require to support our customers and the organization?
- training do we need to support or assets that are reliant on new technology?
- resources do we need to utilize social media and still communicate using traditional methods?

Technology advances translate to many cost savings, streamlining of processes, and maintenance of expectations of service levels of both citizens and visitors. Submission of capital requests, increased personnel and maintenance costs will be necessary to allow business continuity and smooth implementations of advances. Potential budget requests for the next 1—3 years:

- Increased personnel to meet the pressure and diversity of technology advancements and deployment, as well as system enhancements and project consulting.

- Advanced hardware and software acquisition and/or development.

EFFECTIVE TRANSPORTATION

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY13 REV	FY13 TOTAL REC COST	FY14 DEPT REQUEST	FY14 RT REC	FY14 REV	FY14 TOTAL REC COST
Winter Snow Operations	Street Maint.	149.5	32	**$1,143,709**	$1,143,709	$1,143,709	$0	$1,143,709	$1,143,709	$1,143,709	$0	$1,143,709
Winter Service	Transportation	147.5	33	**$3,589,056**	**$3,814,284**	**$3,718,307**	($3,814,284)	-$95,977	**$3,871,635**	**$3,718,306**	($3,871,635)	-$153,329
Street & Sidewalk Maintenance	Street Maint.	146	34	**$418,474**	$418,474	$418,474	$0	$418,474	$418,474	$418,474	$0	$418,474
Park City Mobility	Transportation	140.5	35	**$227,418**	**$231,828**	**$227,418**	($231,828)	-$4,410	**$233,808**	**$227,418**	($233,808)	-$6,390
Summer Service	Transportation	140.25	36	**$2,570,395**	**$2,740,087**	**$2,676,145**	($2,740,087)	-$63,942	**$2,780,520**	**$2,676,145**	($2,780,520)	-$104,375
Transportation Management	Transportation	133.75	37	**$275,406**	$275,406	$275,406	($275,406)	$0	$275,406	$275,406	($275,406)	$0
City Facility Snow Removal	Multiple Depts	133.5	38	**$374,265**	$373,465	$373,465	$0	$373,465	$373,465	$373,465	$0	$373,465
Clean-up and Control	Street Maint.	133	39	**$223,012**	$223,012	$223,012	$0	$223,012	$223,012	$223,012	$0	$223,012
Street Lights & Signs	Street Maint.	132	40	**$312,509**	$312,509	$312,509	$0	$312,509	$312,509	$312,509	$0	$312,509
Engineering Project Management	Engineering	128.25	41	**$196,930**	**$229,345**	**$222,345**	($18,249)	$204,096	**$204,345**	**$197,345**	($18,249)	$179,096
Parking Management	Transportation	122.5	42	**$589,259**	$589,259	$589,259	($600,000)	-$10,741	$589,259	$589,259	($600,000)	-$10,741
Swede Alley Parking Structure	Swede Alley	120.25	43	**$76,425**	$76,425	$76,425	$0	$76,425	$76,425	$76,425	$0	$76,425
Urban Trails and Walkability	Economy	116	44	**$64,597**	$64,597	$64,597	$0	$64,597	$64,597	$64,597	$0	$64,597
				$10,018,459	**$10,720,867**	**$10,549,538**		**$2,869,685**	**$11,305,280**	**$11,034,186**		**$3,254,567**

Key

PROGRAM	Name of BFO Program
Department	Department Name
SCORE	Results Team Score
FY12 BASE	**FT12 Budget**
FY13 DEPT REQUEST	FY13 Department BFORequest
FY13 RT REC	Results Team Recommendation
FY13 REV	**FY13 Revenue for BFO Program**
FY13 TOTAL REC COST	FY13 RT Rec less FY 13 Rev
FY14 DEPT REQUEST	FY14 Department BFORequest
FY14 RT REC	Results Team Recommendation
FY14 REV	**FY13 Revenue for BFO Program**
FY14 TOTAL COST	FY14 RT Rec less FY 14 Rev

1. Amounts do not include debt or CIPs, which may be different than the BFO program summaries Volume II of the Budget Document.
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3. Direct revenues: Program draws on revenues which are specific to the Fund (such as Water, Transit, and Golf Funds) or program draws on non-earmarked funds for which it has a particularly reasonable claim (Recreation, Ice,

PARK CITY 1884 — EFFECTIVE TRANSPORTATION SYSTEM

Our goal is preservation of the natural environment while enjoying a multi-modal transportation system that supports a healthy and active lifestyle for current and future generations.

As Park City and its surrounding area becomes an increasingly popular place to live, work, and recreate, the demands on it transportation system begin to take on a higher priority among City leaders. Three themes form the future foundation of our transportation system:

- Traffic congestion on "Gateway Corridors" (S.R. 224 and S.R. 248) should not reach levels that inhibit economic development opportunities in PC.

- Multi-modal approaches to traffic management beginning on Gateway Corridors and continuing in Park City will be necessary to avoid traffic problems that put quality of life in conflict with economic and tourism priorities.

- This approach requires Park City to accept some level of traffic congestion and this level must continually be evaluated and balanced with overall community and visitor support.

Community Vision

The vision for an effective transportation system is to create a multimodal transportation system with complete streets and balanced availability of pedestrians, bicycle, transit and auto travel. This effective transportation system will support development and contribute positively to improved environmental, social and economic sustainability of the community.

Desired Outcomes

The Community and the City Council have identified the following desired outcomes related to this Outcome Area:

- Effective, Well Maintained Multi-modal Transportation Network.
- Well utilized, Environmentally Sensitive, Efficient & Effective Public Transit System.
- Community Transportation & Walkability Plan.
- Parking management system that balances demand for convenient options while still promoting use of alternative modes of transportation.

Key Strategies

The following strategies have been identified as critical for achieving the Desired Outcomes:

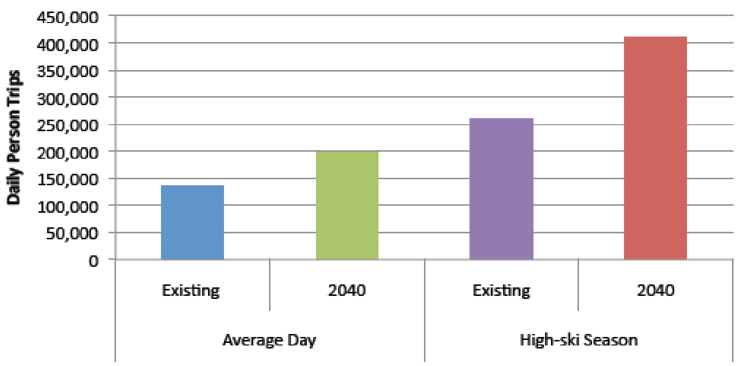
- Traffic & Transportation Report Card
- Neighborhood Traffic Mgmt. Program
- Expansion of Regional Transit Services
- Implementation of SR-248 & Transportation Strategic Plan Elements
- Way finding and regulatory signs for residents & visitors.
- Maintain annual pavement and sidewalk management program
- Walkability Projects Implementation
- Ongoing corridor planning and operations improvement.
- GPS\AVL & Smart Highways Technologies

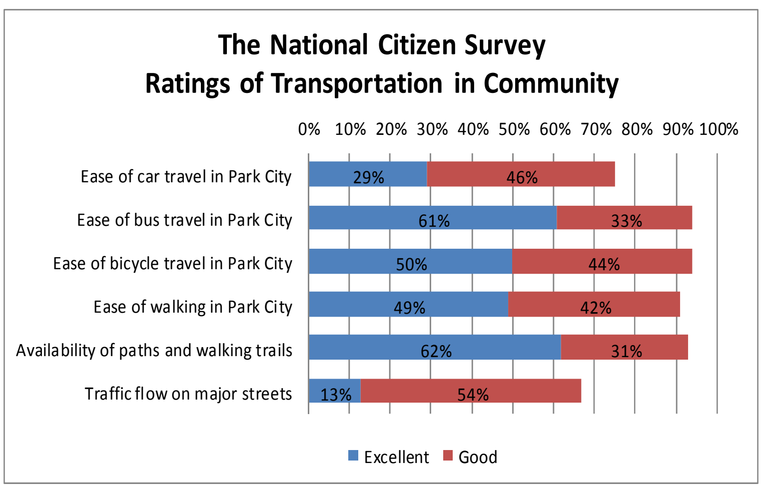
The State of Effective Transportation System

Population and employment both in Park City and the surrounding area have great impact on the transportation & traffic conditions within the city. As Park City becomes a more popular place to live and as it becomes a larger component of the employment picture for the Wasatch Back, traffic to, from, and through the area becomes a citywide priority. As a world-class resort community with a historic, small town atmosphere, Park City also experiences high traffic demand during special events and peak tourist times.

Core Indicators

Person Trips in Vehicles, Existing and 2040





	Comparison to Benchmark
Ease of car travel in Park City	Much Above
Ease of bus travel in Park City	Much Above
Ease of bicycle travel in Park City	Much Above
Ease of walking in Park City	Much Above
Availability of paths and walking trails	Much Above
Traffic flow on major streets	Much Above

Recent Successes

- Hillside Avenue—Utah Chapter APWA 2011 Project of the Year,
- Park City Walkability Study– ASLA Award of Excellence– 2009
- Bonanza & Comstock Ped. Tunnels
- Repairing sunken sidewalks with concrete pumping technology
- Completion of Iron Horse Facility Expansion
- Expanded Sidewalk Snow Removal
- $1.5 Million Seasonal Transit Employee housing grant
- SLC-PC Bus Service

Current Challenges

- Federal Funding Uncertainty
- Implement Transportation Master Plan Report Card
- Funding for maintenance costs for new and existing infrastructure
- Continued Growth in PC and Surrounding Area
- Aging Infrastructure
- Implementation of OTIS projects
- Balancing needs of walkability, transit, traffic into ROW
- Future Storm Water Phase 2 Requirements

Where Do We Go From Here?

Industry Trends

- Uncertain Federal Funding
- Alternative Fuels
- Walkable\Bikeable Communities
- Complete Streets
- AVL\GPS Technologies
- Smart Highways
- Stormwater Runoff Requirements

Potential Level of Service Changes

- Ped-Bicycle Paths & Infrastructure
- Development Ordinance - Storm Water
- Enhanced Snow Removal (Historic Area)
- Expanded Regional Transit
- Smart Highway Technologies

New Opportunities

- Bike Route Plan
- Traffic Calming
- BoPa Redevelopment
- Lower Park Redevelopment
- SLC-PC Canyon Rail System

Action Plan

2013-2014 Biennium

Operating Plan

- Kamas & Heber Transit Service
- Expanded Ped. Path Snow Removal

Capital Plan

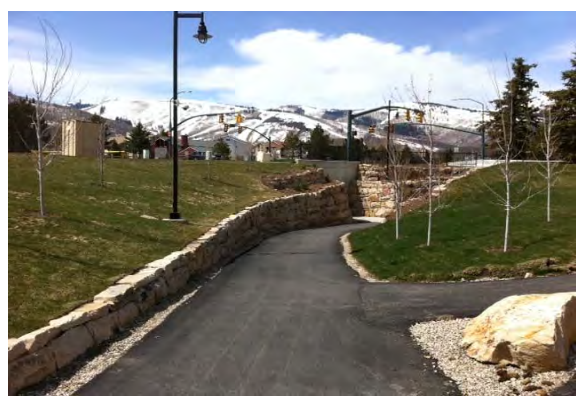
- Smart Wayfinding Signs
- Empire Ave Re-construction 2012
- Deer Valley Drive Reconstruction 2013
- Royal Street Reconstruction 2014
- Traffic Control Sign Replacement
- SR 224 Corridor Walkability– 2014

Other Targets for Action

- SR-248 Projects—Park and Ride
- Storm Water Infrastructure repair and replacement
- Interconnect Plan
- FEMA Mapping of Flood Plains

Long Term Action Plan

- Snow & Seasonal Equipment Storage Site
- Smart Highway Technologies
- Implement Storm Water Master Plan
- Street Lighting Renewal Program
- Implement SR-248 & SR-224 Corridor Plan elements



Related Documents of Note:

- Traffic & Transportation Master Plan
~ Old Town Infrastructure Study (OTIS)
- Short Range Transit Dev. Plan
- WALC approved projects
- Stormwater Master Plan

Points for Council Discussion

- Storm Water Program Funding
    - CIP estimated totals $7-10 Million over the next 10 years,
    - Phase 2 will have yearly reporting and minimum maintenance requirements,
    - Propose a Storm Water Utility to assist in financing the annual Phase 2 costs,
- OTIS Funding
    - OTIS reprioritized in 2011 based on infrastructure need,
    - $12.7 Million in unfunded projects remain to be completed from 2002 study,
    - $1.8 Million needed for Empire Avenue Re-construction in summer of 2012
- Smart Highways Technologies (wayfinding)
    - Dynamic Electronic Signs along SR-248, SR-224 & Bonanza Drive to provide directional information, drive times and special event information
    - Simplify navigation, improve traffic flow and enhance the travel experience
    - Sign Design and configuration that is visible but does not detract from our view corridor
- Richardson Flat Park & Ride
    - Richardson Flat Road\SR-248 Signal & Bus\HOV lanes
    - Construction mitigation-Special events
    - Requirement for large redevelopment projects to park employees off-site at lot

Recommended Actions

- Council should direct Staff to explore a Storm water utility to assist in the funding of Phase 2 requirements and storm water CIP projects.
- Council should continue to fund OTIS projects.
- Council should direct Staff to develop a comprehensive Smart Highways (wayfinding & Information) plan for major corridors.

PRESERVATION OF PARK CITY CHARACTER

PROGRAM	Department	SCORE	Vol II p. #	FY12 BASE	FY13 DEPT REQUEST	FY13 RT REC	FY13 REV	FY13 TOTAL REC COST	FY14 DEPT REQUEST	FY14 RT REC	FY14 REV	FY14 TOTAL COST
Plan/Application Review	Multiple Depts	134.25	5	**$482,745**	$482,416	$482,416	($337,660)	$144,756	$482,415	$482,415	($433,820)	$48,595
Permitting / Current Planning	Multiple Depts	133	7	**$81,877**	$81,876	$81,876	($72,923)	$8,954	$81,876	$81,876	($90,923)	-$9,046
Affordable Housing	Community & Environment	122.25	8	**$116,001**	**$133,916**	$133,916	($70,000)	$63,916	**$126,836**	$126,836	($70,000)	$56,836
Circulation Services	Library	121.25	9	**$266,336**	**$274,780**	$274,780	($6,841)	$267,939	**$274,780**	$274,780	($7,046)	$267,734
Senior Services	Community & Environment	119.75	10	**$25,546**	**$30,436**	$30,436	$0	$30,436	**$30,361**	$30,361	$0	$30,361
Planning Customer Service	Planning	119.25	11	**$157,608**	$157,608	$157,608	($46,300)	$111,308	$157,608	$157,608	($59,400)	$98,208
Long Range Planning	Planning	118.5	12	**$302,705**	**$327,705**	**$317,705**	$0	$317,705	$227,705	$227,705	$0	$227,705
Adult Services	Library	116	13	**$194,947**	**$213,526**	$213,526	($6,841)	$206,685	**$214,941**	$214,941	($7,046)	$207,895
Youth & Spanish Services	Library	114.25	14	**$141,901**	**$155,887**	**$147,887**	($4,561)	$143,327	**$156,387**	**$148,387**	($4,698)	$143,690
Special Planning Projects - Inter-Dept	Planning	113.25	15	**$93,413**	$93,413	$93,413	$0	$93,413	$93,413	$93,413	$0	$93,413
Technical Services	Library	113	16	**$249,649**	**$260,735**	**$253,735**	($4,561)	$249,175	**$260,735**	**$253,735**	($4,698)	$249,038
Histroic District Design Review	Planning	112.75	17	**$170,507**	$170,507	$170,507	$0	$170,507	$170,507	$170,507	$0	$170,507
Graffiti Removal	Street Maint.	109.75	18	**$24,843**	$24,843	$24,843	$0	$24,843	$24,843	$24,843	$0	$24,843
McPolin Farm	McPolin Farm	106.75	19	**$22,595**	**$24,920**	**$23,420**	$0	$23,420	**$23,420**	$23,420	$0	$23,420
Code Amendments	Planning	98	20	**$37,220**	$37,220	$37,220	$0	$37,220	$37,220	$37,220	$0	$37,220
Leadership Park City	Community & Environment	83.5	21	**$124,117**	$123,996	$123,996	($27,000)	$96,996	$123,996	$123,996	($28,000)	$95,996
				$2,436,604	**$2,594,911**	**$2,568,411**		**$1,991,725**	**$2,637,236**	**$2,622,236**		**$1,916,606**

Key

PROGRAM	Name of BFO Program
Department	Department Name
SCORE	Results Team Score
FY12 BASE	**FT12 Budget**
FY13 DEPT REQUEST	FY13 Department BFORequest
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3. Direct revenues: Program draws on revenues which are specific to the Fund (such as Water, Transit, and Golf Funds) or program draws on non-earmarked funds for which it has a particularly reasonable claim (Recreation, Ice, BPE fees, Admin IFTs, etc.)

Preservation of Park City Character

We want a community that retains those signature qualities that make Park City the place we choose to call home.

As a destination resort town and a livable community it is essential for Park City to retain the unique character of the Town. The appeal to residents must be balanced with the need to sustain the community through tourism.

Preserving the character of Park City requires careful planning and regulation of physical characteristics as well as consideration of the composition of the community and the elements of social life and physical space that make it a desirable place to live.

Park City Municipal Corporation strives to achieve this preservation through the efforts of City Departments including: Planning, Sustainability, and the Library. Each of these departments contribute to Park City's sense of community, small town atmosphere, and historic character through their operations, programs, services and projects.

Community Vision

*Participants in the 2009 Community Visioning process identified the following as key components of Park City character: Sense of community, natural setting, small town, and historic character. The vibrancy of arts & culture, exceptional resident benefits and world class skiing and recreation all contribute. **Historic character** is attained through preservation and restoration. **Small town atmosphere** is preserved through good land use planning, thoughtful redevelopment, trails and open space as well as old town improvements. A **sense of community** is enhanced through outstanding library services, affordable housing, neighborhood identity, arts and culture, the Leadership Park City Program and civic engagement.*

Desired Outcomes

Both the community and City Council have identified the following desired outcomes in order to "***Keep Park City Park City:***"

- Diverse population and social fabric
- Connected, knowledgeable and engaged citizens
- Vibrant community gathering spaces and places
- Physically and socially connected neighborhoods
- Preserved and celebrated History and protected National Historic District
- Vibrant arts and culture offerings for community and visitors
- Protected pristine natural setting.

Key Strategies

The following strategies have been identified as critical for achieving the **Desired Outcomes:**

⇒ Update housing plan & resolution to ensure diverse housing stock

⇒ Ensure free and open access to information and technology

⇒ Continue Leadership Park City

⇒ Prioritize community outreach and citizen engagement

⇒ Implement pending updates to building and historic preservation standards

⇒ Establish long term plans on a neighborhood level

⇒ Identify and protect historic fabric , physical structures, records and programming

⇒ Seek Public/Private partnerships with arts & culture entities

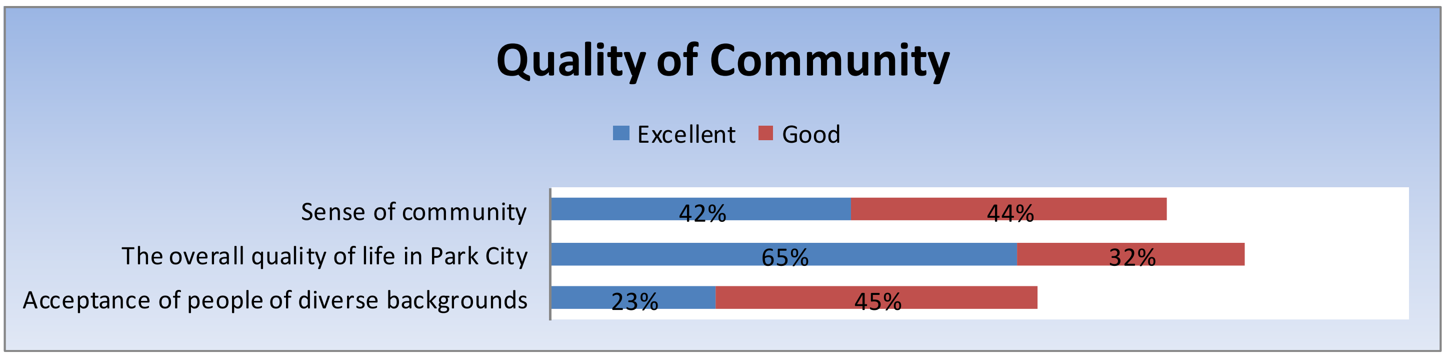
⇒ Leverage resort economy to accomplish community goals

The State of *Preservation of Park City's Character*

Surveys and benchmarked measures show that residents and guests alike are satisfied with municipal services and that the City's programs and services, facilities, open space, trails and programing are comparable or superior to other resort communities. The quality of service in Park City is generally high and above normal when compared to like communities. City staff is dedicated to preserving a sustainable community that is defined by age, social and economic diversity. These values are preserved through careful land use planning, preservation and improvements to Historic infrastructure, strategic preservation and redevelopment of neighborhoods ensuring that even Historic Old town is affordable to local families.

Core Indicators

From a survey conducted by National Citizen Survey in the Fall of 2011. Ratings are well above the norm.



Recent Successes

- High ratings on 2011 community engagement survey
- Bonanza Park Neighborhood plan
- Marsac Public art
- Library check-outs up 18% in past five years

Awards Received

- Utah Historic Preservation Award for Marsac City Hall
- Preservation Award for the National Garage
- Grant for Broadband Internet Access for the Public at library
- Project of the year award for the Snow Creek Cottages

Savings/Efficiencies Gained

- Partnership with Habitat for Humanity
- Park City Heights partnership with Boyer Company
- Student Library Cards Reciprocal Borrowing
- Joint Branding: Recreation, Golf, Library, Ice

21% of Seniors "will move" due to the need to downsize to a smaller house.*

*2009 Senior Survey

Current Challenges

- Balance between tourism & quality of life for local residents
- Volatility of individual mortgage market
- Rapidly changing technology
- Regional growth pressures
- Current library space
- Protection of historic fabric and Main Street Historic District Designation
- Development and growth pressures
- Funding for capital projects

Where Do We Go From Here?

Industry Trends

⇒ Aging population
⇒ Regional Planning
⇒ E-books & digital media labs in libraries
⇒ Volatility of individual mortgage markets
⇒ Community engagement via technology
⇒ Contraction of public art programs
⇒ Increased demand for technology

Potential Level of Service Changes

⇒ Expanded library technology and space
⇒ Focus resources on community engagement
⇒ Increased technological services, including new programs
⇒ Increased personnel and enhanced resource allocation for code enforcement, support services and public safety to maintain quality of life balance between visitors and locals

New Opportunities

⇒ Annexation boundaries
⇒ New technology and apps
⇒ Partnerships with private developers and property owners
⇒ Expanded public art program
⇒ Park City Heights
⇒ 2nd mortgage/equity sharing programs
⇒ Way-finding and Signage
⇒ Bonanza Park & Lower Park Avenue Redevelopment areas

Action Plan — 2013-2014 Biennium

Operating Plan

- Implement interactive history & signage project at McPolin Farm
- Enhance library's technology resources
- Complete 5-yr housing plan including a finance program to assist low-income homebuyers
- Rewrite General Plan with neighborhood focus
- Complete National Historic District inventory and National Register analysis
- Complete Historic Park City/Main Street Plan while retaining historic designation
- Identify programs utilizing technology for citizen engagement
- Adopt plans for Bonanza Park, form-based code, and transportation connectivity
- Participate in ICMA Capstone 2030 Strategic Plan
- Implement Senior Strategic Plan
- Facilitate work of the Advisory Committee for Latino Affairs

Capital Plan

- Reconfigure Library and Education Center based upon approved comprehensive plan for building
- Implement senior housing plan for City-owned property on Lower Park Avenue
- Implement Dan's to Jan's Walkability
- Acquire equipment and software for technology upgrades
- Complete Main Street Plazas and streetscape projects if funded
- Partner on parking/transit at PCMR parking lots

Related Documents of Note:

- *2005 Housing Plan*
- *Main Street and LPA RDA Plans*
- *2007 Housing Resolution*
- *Walkability/Bikeable Neighborhood Study (2007)*
- *Senior Issues Survey (2009)*
- *Library Expansion study*
- *Economic Development Strategic Plan*
- *Public Art Strategic Plan*
- *Historic Park City Improvement Plan (2011)*
- *Senior Strategic Plan (2011)*

Points for Council Discussion

- ***Diversity of affordable housing options:*** build new or rehabilitate existing stock?

Summary: In the past, new units have been constructed to meet affordable housing needs. Use of existing stock continues to be cost prohibitive even today with a depressed market. For lower and even moderate-income families there are still few options with the exception of small (200-400 sf) studio units. Existing homes between 600 and 1,600 square feet are selling for $100,000 more than an average household can afford. According to the Citizen Satisfaction Survey, the number of respondents who feel that the availability and variety of affordable housing options is far below the norm for like communities.

Recommendation #1: Staff is completing a five year housing plan that among other program recommendations examines the use of financial tools to assist low-income households to buy existing stock .

- ***Expansion of Wayfinding and signage assets***

Summary: Wayfinding needs to be explored more thoroughly to assist visitors in finding their way around Park City's neighborhoods. "Smart Messaging" should be explored as our opportunity to inform and influence our guests' choices to ensure a positive experience. Other groups looking at this issue (Friends of the Farm, Public Art Advisory Board, Recreation Advisory Board, etc.) should be included in a comprehensive plan. This issue also provides opportunity for inclusion of public art goals.

Recommendation #2: Design and create a city-wide Wayfinding and signage plan. Currently the planning exercises on both Historic Park City and PCMR redevelopment include consideration of these topics

- ***Night Skies Program***

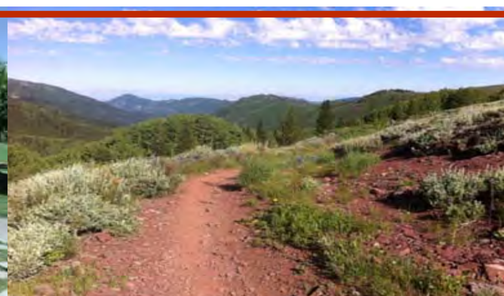
Summary: To reduce light pollution, current city code states that up-lighting is prohibited and that all lighting is to be down-directed and shielded.

Recommendation #3: Staff believes the existing ordinance reflects Council's policy goals. Modification of the existing ordinance may have significant impacts on city enforcement and operations that will need to be carefully considered.

- ***Child Care Services***

Summary: The 2011 National Citizen Survey noted that respondents rated the "availability of affordable quality childcare" much below similar benchmark communities. Plans for the expansion of library programing and facility may necessitate relocation of some of the existing services in the current building. Finding balance between competing community facility needs can be difficult.

Recommendation #4: Return to City Council in the Spring with a comprehensive plan for the use of the entire building housing Library and Education programs, including recommendations for existing tenants.


cp0279	Recommended	Cashel	SR-224 Corridor Study and Strategic Plan	Multi-modal interagency study conducted to organize and articulate the City and Utah Department of Transportation's strategic vision for the SR-224 corridor (Snow Creek to Bonanza Dr.)
New 13-17	Recommended	Cashel	PCMR Transit Center	This CIP will fund the design and construction of a new transits center at Park City Mountain Resort. Funding listed includes only the transit portion of the project.
New 13-18	Recommended	Cashel	Ironhorse Solar Array	This CIP will fund the design and construction of a 55 KW solar array on the north maintenance building. Project will offset power usage of 90 KWH per year or equivalent electrical consumption of average households
New 13-20	Recommended	Cashel	Ironhorse Electronic Access Control	This CIP will provide for Electronic Access Control for the 72 doors at Ironhorse Public Works Facility. Costs are shared based upon proportional share of doors. Project will be phased over 3 years.
New 13-21	Recommended	Cashel	Ironhorse Seasonal Housing	Seasonal housing (Dorm Style) for up to 16 seasonal transit employees to be constructed on Ironhorse Property. Rents will recapture op expenses, capital renewal, and initial capital.
New 13-22	Recommended	Cashel	Transit Signal Priority	This CIP project will install Transit Signal Priority equipment in Signals along SR-248 and SR-224. This system will provide extra "green" time for busses waiting in signal queues. This will reduce transit travel time.
New 13-23	Recommended	Cashel	Ironhorse Transit Facility Asset Management	This CIP will fund ongoing Capital Renewal needs for the City's expanded Ironhorse Transit facility. This fund will provide for roof, parking garage, HVAC, lifts and equipment capital renewal. Summit County contributes its proportional share.
New 13-29	Recommended	Andersen	Parking System Software	Replace existing parking system software and hardware
New 13-36	Recommended	Andersen	Parking Wayfinding	Wayfinding for Main Street parking resources. First year is for signage and consulting assistance with finding garage and internal garage circulation. Years 2 and 3 are for a smart system to indicate stalls available.
New 13-38	Recommended	McAffee	Raw Water Line and Tank	The raw water line will extend from the existing raw water line stub near Wyatt Earp Drive towards the west to the Park City Golf Course. This line will become the “backbone” of the City’s raw water system including conveyance of tunnel water to large raw water users and to the Quinns Junction Water Treatment Plant drinking water treatment.
New 13-39	Recommended	McAffee	Irrigation Screening Facility	The irrigation screening facility will provide screening of water from the Weber River and the potential Round Valley Reservoir. The purpose of this facility is to screen fine particles and organic material prior to entering the irrigation system. Without this facility, existing irrigation systems would become clogged and would not function properly.
New 13-40	Recommended	McAffee	Scada and Telemetry System Replacement	This project is to replace and upgrade the water system’s SCADA (supervisory control and data acquisition) system. There are many limits to the current system including limited technical experts that understand the programming, limited ability to report, trend, and integrate water quality monitoring and trending. This upgrade will allow the system to be better integrated into the Quinns WTP system and the AMR system.
New 13-41	Recommended	McAffee	Deer Valley Drive - Water Infrastructure	This project will be a part of the road reconstruction project and will replace water infrastructure including a distribution and transmission mainline, several valve vaults, and a modification to a underground pump station. It is recommended that this water infrastructure be replaced in conjunction with the road project to avoid future emergency repairs.
New 13-42	Recommended	McAffee	Empire Tank Replacement	As part of the drinking water solution for the Judge Tunnel Source, the Empire Tank will be converted into a raw water tank and as a result will need to be replaced to meet drinking water storage requirements. In addition to the projected water storage deficit in the Old Town area, the existing Woodside tank is approximately 50 years old. Both of these factors will be considered with the new tank construction.

Historic Park City Enhancement Plan
Proposed Budget and Phasing Strategy

Based on discussion and input from City Council, the general public, the Working Committee, HPCA Infrastructure Subcommittee, HPCA Board and PCMC Staff, the specific improvement recommendations of this design effort focus on immediate, short-term and long-term infrastructure needs and tourist attractions. They include basic public services such streetscape, drainage, lighting, pedestrian safety, wayfinding, cultural attractions and trailheads as well as enhanced level of service tourist improvements such as plazas, pocket parks, event venues and programming. This focus is intended to create a visionary, yet achievable implementation plan for the next ten years.

Projects	**Budget**
Immediate Needs (0-2 years)	**$400,000-$600,000**

- Swede/Heber Crosswalks
- Swede/Transit Center Crosswalk
- Swede/Café Terigo/Parking Structure Crosswalk
- Swede/Egyptian Crosswalk
- Main/Egyptian Bulbout/Crosswalk
- Egyptian Pass Through
- Swede Sidewalk – Egyptian to Brew Pub Lot
- Swede Dumpster Enclosure – Ciseros

Crosswalk projects include removal of existing asphalt street pavement and replacement with concrete headers, brick paver and crosswalk bar inlays for change of material and enhanced pedestrian recognition and visual queue to motorists.

Main/Egyptian bulbout and pass through project includes the loss of 2-3 on-street parking stalls on Main Street to capture additional sidewalk area in front of the Egyptian Theater. Combined with improvements to the pedestrian pass through from Swede Alley, this project will improve pedestrian safety and connectivity, slow vehicular traffic and create improved place for pre and post function space for Egyptian Theater events.

Swede sidewalk project includes addition of a pedestrian sidewalk on the west side of Swede Alley from the Egyptian pedestrian pass through to the north end of the Brew Pub surface parking lot.

Short-Term Needs (1-5 years)	**$8,500,000-$10,500,000**

Streetscape Projects

- Main Street – 4th Street to 5th Street West Side
- Main Street – 4th Street to 5th Street East Side
- 4th Street Conversion (one-way east)
- 5th Street Conversion (one-way west)
- Main Street – Bear Bench to Heber Avenue West Side
- Main Street – Bear Bench to Heber Avenue East Side
- Main Street – Town Lift On-Street Parking
- 7th Street – Main Street to Park Avenue
- Main Street – 5th Street to Bear Bench West Side
- Main Street – 5th Street to Bear Bench East Side
- Main Street – 7th Street to Deer Valley Drive East Side
- Main Street – 7th Street to 9th Street West Side
- Hillside Historic Wall stabilization near Liquor Store/KPCW Studio

Plaza/Pedestrian Pass Through Projects

- Café Terigo Pedestrian Pass Through
- Brew Pub Plaza
- Coalition Trailhead Park
- City Hall Promenade

Streetscape Projects include removal and replacement of curbs, sidewalks and streetlights with recommended level of quality and materials. Project replacement costs include utility adjustment or upgrade allowances, new power duct bank on Main Street to support additional infrastructure such as holiday lighting, building facade lighting and major events, communications for digital kiosks, wireless internet, displays or audio, furnishings, seat walls, irrigation for planters and hanging baskets and street signage. Costs include 20-30% design/construction contingency, 12-15% soft costs including architecture and engineering fees, surveys and administration, as well as 3% construction inflation per year.

Long-Term Needs (5-10 years) $2,500,000-$4,000,000

Streetscape Projects

- Main Street – Swede to 4th Street West Side
- Main Street – Brew Pub to 4th Street East Side
- Park Avenue – 7th to 9th Street East Side
- Park Avenue – 7th to 8th Street West Side
- Swede Alley – Egyptian to Post Office West Side
- Swede Alley – Egyptian to Liquor Store East Side
- Swede Alley – Bear Bench to Heber West Side
- Main Street – Heber to 7th Street East Side
- Main Street – Heber to 7th Street West Side (KAC dependent)
- Heber Avenue – Swede to Main Street North Side
- Heber Avenue – Swede to Main Street South Side
- Park Avenue – Heber to 7th Street West Side
- Park Avenue – Heber to 7th Street East Side (KAC dependent)
- Heber Avenue – Main to Park Avenue South Side
- Heber Avenue – Main to Park Avenue North Side (KAC dependent)
- Swede Alley – 5th Street to Transit Center Crosswalk West Side

Plaza/Pass Through Projects

- Miners Plaza Renovation
- Bear Bench/Transit Center Pedestrian Pass Through
- Schreurs Centennial Plaza Renovation (6th Street between Main Street/Park Avenue)
- Poison Creek Park (south side of parking structure)
- China Bridge Restrooms (at 4th Street)

Streetscape Projects include removal and replacement of curbs, sidewalks and streetlights with recommended level of quality and materials. Project replacement costs include utility adjustment or upgrade allowances, new power duct bank on Main Street to support additional infrastructure such as holiday lighting, building facade lighting and major events, communications for digital kiosks, wireless internet, displays or audio, furnishings, seat walls, irrigation for planters and hanging baskets and street signage. Costs include 20-30% design/construction contingency, 12-15% soft costs including architecture and engineering fees, surveys and administration, as well as 3% construction inflation per year.

City Council
Staff Report

Subject:	**Police Solar Photovoltaic Contract Award**
Author:	**Tyler Poulson**
Department:	**Sustainability**
Date:	**May 24, 2012**
Type of Item:	**Administrative**

Summary Recommendation:
Authorize the City Manager to enter into a Construction Agreement with Intermountain Wind and Solar for installation of a solar photovoltaic (PV) array on the roof at the Police Facility (2060 Park Ave) in an amount not to exceed $113,500.

Background:
This solar project is being funded through two separate grants received by the City. The majority of the funds ($67,500) were awarded through Rocky Mountain Power's Blue Sky program. PCMC was one of twelve organizations in Utah to receive Blue Sky Community Project funds in 2012. The second source of funds ($46,000) is the surplus balance from a U.S. Department of Energy grant used to place solar panels on City Hall in 2010. These funds were provided to the City via an Energy Efficiency and Conservation Block Grant (EECBG) that is being administered by the Office of Energy Development in Utah. There is no cost share required by the City for either of these grants which total $113,500 in value. Certain federal requirements, such as a Buy American provision that requires U.S.-made solar panels, will apply to the project.

Staff issued a Request for Proposals (RFP) for the Police solar project on March 28, 2012 and firms were given until May 1st to respond. The RFP was for the design and installation of a 16.5 kilowatt (kw) PV solar array to be placed on top of the facility. The RFP was advertised in The Park Record and posted on the City's website. In total, there were eight firms who responded and their cost proposals are listed below. The proposals varied in total size as respondents were allowed to propose more solar panels if they could also stay under a $105,000 budget constraint (staff retained $8,500 for contingency funding). Additionally, some firms presented multiple cost proposals such as including micro-inverters (a sub-component preference stated in the RFP) and string inverters. Micro-inverters are important because they isolate each panel's electricity production, so if one panel is shaded or covered with snow for a period of time then the entire array's performance is not compromised.

Police Solar RFP Comparison

Firm Name (Inverter Style)	Total System Size (kW)	Total Cost
Alpenglow Solar (Micro-Inverters)	26.46	$ 99,481
Alternative Power Systems (String Inverters)	24.48	$ 104,501
Creative Energies.1 (Micro-Inverters)	32.80	$ 103,872
Creative Energies.2 (String Inverters)	34.50	$

		104,076
Creative Energies.3 (String Inverters)	33.60	$ 104,085
Creative Energies.4 (Micro-Inverters)	16.60	$ 52,164
Gardner Engineering (Micro-Inverters)	24.48	$ 104,930
Hunt Electric.1 (Micro-Inverters)	16.56	$ 77,400
Hunt Electric.2 (Micro-Inverters)	22.08	$ 104,600
Intermountain Wind and Solar.1 Micro-Inverters) – STAFF RECOMMENDATION	**20.00**	**$ 101,324**
Intermountain Wind and Solar.2 (String Inverters)	20.00	$ 104,849
Synergy Power Inc. (Micro-Inverters)	24.84	$ 104,073
Utah-Yamas Controls.1 (String Inverters)	16.80	$ 94,310
Utah-Yamas Controls.2 (Micro-Inverters)	16.80	$ 104,285

As a project which requires professional skills to design the PV array and unique electrical system, price alone was not utilized to select a firm (although it was a consideration). The RFP specified five key evaluation criteria and the Selection Committee took these into account when making its decision. The evaluation criteria included the following:

Thoroughness and quality of firm's overall RFP response

Experience with PV system design and installation, as determined by narrative of firm's qualifications, experience of key personnel, and recent work history

Cost effectiveness in providing all services and materials related to this RFP

Demonstrated ability to comply with the following federal requirements: Davis-Bacon Act, Buy American Provision, and Waste Plan requirements

Consistent with City policy, subject to federal, state and local procurement laws, PCMC will make reasonable attempts to support Park City business by purchasing goods and services through local vendors and service providers

The PCMC internal Selection Committee included representatives from Capital Projects, Engineering, Environmental Sustainability, and Technology.

Analysis:
The Selection Committee met on Wednesday, May 9, 2012 and is recommending Intermountain Wind and Solar (IWS) based on the evaluation criteria utilized. Among all the responses received, the Selection Committee felt that IWS and Gardner Engineering provided the two best system designs for Park City's climate and overall conditions. Both proposals included systems

that were elevated 2' off the roof and angled at 34 degrees or more to allow for snow shedding. This type of design is necessary to ensure production during winter months on a flat roof in Park City. It became evident that these designs offered the best output per unit of energy installed (kWh / kW installed) among the proposals. Both systems also obeyed the 5' height maximum, a restriction imposed by structural limitations, identified in the RFP.

The other six firms proposed systems that were angled at a lower tilt and with significantly less clearance under the panels for snow shedding. While such designs may be less expensive to construct, staff's experience with the City Hall solar array illustrates that they would offer less electricity output due to snow coverage. For some of the ultra-low profile systems proposed, there were myriad concerns (e.g., panel and racking durability) with the system being buried during the winter season. Even with 2' of clearance for the City Hall solar array, a large snow season similar to 2010-11 requires staff time to clear panels and ensure electricity generation.

In addition to system design, the Selection Committee felt that IWS and Gardner Engineering submitted very complete RFP responses with clearly defined system designs, racking plans, and panel placement on the roof. These firms provided clear design drawing for their systems, while some other responses only included cut sheets for the products used. The IWS and Gardner Engineering proposals included an added benefit of onsite educational displays to enhance the visibility of the project. Both IWS and Gardner Engineering rated very highly in terms of industry experience and demonstrated ability to comply with related federal and other reporting requirements of the project, including past related experience.

Ultimately, the Selection Committee preferred Intermountain Wind and Solar due a few details in system design and other information presented in the RFP response. These details included the following:

System Tilt & Orientation: IWS's proposed system included a higher degree of tilt (40 degrees vs. 34 degrees) to allow for improved snow shedding over the Gardner Engineering design. IWS also proposed for the panels to be oriented in 'landscape' orientation as opposed to 'portrait'. This orientation requires more racking, and thus a higher cost per unit of energy installed, but optimizes output in the event of snowy conditions. For 'landscape' panels, output is not completely compromised in the event of partial snow coverage as is the case with 'landscape' oriented panels. Finally, IWS angled their system towards a 'true south' orientation to maximize solar gain.

Solar Panels: IWS and Gardner Engineering proposed two different brands of solar panels. IWS proposed SolarWorld panels while Gardner Engineering included Suniva panels. The Selection Committee could not definitively determine which brand results in higher performance and enhanced reliability, but did not a couple items during the selection process. Both panels include a 25-year warranty; however, SolarWorld has a longer track record having been in operation for 24 years compared to 5 years for Suniva. Based on third party web vendors, SolarWorld panels are more expensive per unit of energy installed than Suniva panels.

Racking Underlayment: The Committee felt that IWS provided a preferred solution for racking underlayment to separate the racking from the roof membrane. IWS proposed a recycled TREX material as a lower system support in addition to underlayment between the TREX structure and roof membrane. The Committee felt that this design was preferable to a simpler underlayment for ensuring no contact between the racking and membrane.

Other Variables: IWS included a longer full system warranty (5 years vs. the minimum 4 years) than the other RFP respondents. The Selection Committee also felt that their response was the most meticulous, including great levels of detail on project timeline, system design, cost proposal, insurance, and other variables.

If City Council agrees to move forward with contract award, staff will finalize a release to work (RTW) approval from the State Energy Program and make final preparations to begin the project. In order to fully utilize available grant funding, staff may work with IWS to increase system size (if allowable under roof constraints) and add more solar panels to this project. Details on the scope of work, as identified in the RFP, are included as Exhibit A.

Department Review:
Sustainability, Legal, and the City Manager have reviewed this report and their comments have been included.

Alternatives:
Approve:
Authorize the City Manager to execute a Construction Agreement with Intermountain Wind and Solar (Staff Recommendation) in an amount not to exceed $113,500.

Modify:
Council could choose to modify the agreement, which could delay the schedule and project timing. The EECBG funding requires staff to complete the project and submit a final invoice to the Office of Energy Development before September 10th in order to guarantee reimbursement. The current project schedule assumes contract award in May 2012. Not completing the project in time will jeopardize reimbursement of the EECBG's $46,000 portion of the funding.

Continue the Item:
Council may feel there is not enough information to make a decision at this time and ask staff to return with additional details. See above 'Modify' Alternative for information on delays and EECBG funding.

Deny the Request:
Council could choose to not continue the project at this time. This option would jeopardize grant funding received from the Energy Efficiency and Conservation Block Grant (EECBG) award and Rocky Mountain Power Blue Sky program. See above in 'Modify' Alternative for information on EECBG funding.

Significant Impacts:
Noise: The project timeline in the RFP requested project completion on or before August 10, 2012. Intermountain Wind and Solar estimates that they can complete construction and inspection by July 19th. A solar installation crew will be on the roof at the Police facility for 3-4 weeks during installation and there will be an increase in noise levels during this time.

No City funds expended: The entire cost of this project (not to exceed $113,500) is being fully funded by two separate grants and the City is not required to pay back any of the funds utilized.

Recommendation:

Authorize the City Manager to enter into a Construction Agreement with Intermountain Wind and Solar for installation of a solar photovoltaic (PV) array on the roof at the Police Facility (2060 Park Ave) in an amount not to exceed $113,500.

Exhibits (Included):
Exhibit A – Scope of Work (from RFP): Police Solar Array

Design Criteria and Minimum Requirements
The following list is included to provide PCMC requirements and preferences for the project. This list should be considered minimum standards when proposing services and specific components for the solar array. Alternatives may be considered where it is believed such alternatives exceed function, durability, and overall system performance of the specified materials. Responsibility will be on the RFP respondent to demonstrate superiority of alternative designs, materials, and methods presented.

General Requirements
The total PV system size should be roughly 16.5 kW [IWS proposal is for 20 kW] as determined by manufacturer nameplate capacity of the PV panels. This has been provided as a recommended system size; however, RFP respondents can tailor their response to an ideal size based on system design, available roof space, and maximum budget of $105,000. More information on the Police facility roof and site is available in Attachment I of this RFP.
The system must be net metered and conform to all requirements imposed by Rocky Mountain Power for a grid-tied PV array.
The system must incorporate online energy production monitoring and a contract to continue these services for a minimum of 60 months.

Design Documents Requested in RFP Response:
Schematic and Preliminary Drawings
The structural engineer for the facility indicated that 5' may be the maximum allowable height for solar panels due to the weight impacts of snow drifts (the roof is designed to hold 108 psf, or 5' of dense snow). Please design your system with this maximum height limit as a guideline. The successful RFP respondent will be required to complete a structural analysis tailored to their specific design as part of the project.
System Description
Final Designs
Bill of Materials
PV Module Type and Inverter Specification (components must comply with Buy American Provision of ARRA)
Layout of Installation Site Including Module Fastening Details
Single Line Electrical Diagrams
Electrical Grid Interconnection Requirements
Design Calculations
Detailed Drawings
Installation, Start-up, Acceptance (Commissioning), and Monitoring Plans
Quality Assurance Plans and Inspection Records

PV System Components
The system must be installed in accordance with all applicable requirements of the National Electric Code (NEC)
System must be designed and installed using UL-listed components
System must have a minimum 25-year design life and be designed for normal unattended operation

In order to provide enhanced monitoring and higher overall system efficiency, micro-inverter technology would be preferred as long as components comply with the Buy American Provision of ARRA.
Online energy production monitoring with 60-month service contract must be included

Manufacturing and Installation
RFP respondent shall supply all equipment, materials, and labor necessary to install the PV system and all associated components. RFP respondent will be responsible for deploying a crane, or any other equipment necessary, to assist in moving related materials onsite.
All required modifications or additions to the facility shall follow strict code compliance, paying particular attention to safety.
Any conduits or other building alterations must be approved by PCMC before being implemented.
Installation of the solar array must not damage the roof nor void any existing roof warranty.

Electrical Interconnection
Design and supply all required materials and equipment and perform all work necessary to facilitate the interconnection of the PV system to the Rocky Mountain Power electricity grid.
Wiring required for grid interconnection must be designed to run through the interior of the building in order to mitigate visual impacts.

Start-up and Acceptance Test
Starting up and operating the PV system until it achieves expected performance.
Testing to verify that the performance of the system and its components meet design parameters.
A PCMC staff member shall be involved in the start-up and testing to validate system performance.

Operation and Maintenance (O&M) Manual
Provide 2 sets of site-specific operation, maintenance, and parts manuals for the PV system.
Include trouble-shooting and safety precautions specific to the supplied equipment.
Supply O&M information in three-ring binders with tabs for each specific piece of equipment.

As-Built Drawings
Provide 2 sets of as-built drawings before the installed equipment will be accepted.

On-Site Training
Within 10 days of the start-up and acceptance test, provide a minimum of two hours of training to PCMC personnel on all aspects of routine operation, maintenance, monitoring, and safety of the PV system.

System Warranty
4-year complete system warranty [IWS proposal is for 5 years]
Warrants the complete installed and operational system including all equipment, labor, and materials for a period of 4 years from completion of final start-up and acceptance test.
25-year PV module warranty
PV modules shall carry a performance warranty for a minimum of 25 years after successful start-up and acceptance tests.
15-year inverter warranty
Inverter components shall carry a performance warranty for a minimum of 15 years after successful start-up and acceptance tests

Maintenance During System Warranty
During the 4-year complete system warranty, RFP respondent shall provide all necessary maintenance as frequent as necessary including routine monitoring, maintenance, and replacements.

Davis-Bacon, Buy American, and Waste Stream Compliance: RFP respondents must comply with the Davis-Bacon Act, the Buy American Provision of ARRA and the Waste Stream Plan. If a potential responder is unable to meet these requirements, they should not respond to the RFP.

Davis-Bacon Act
Contractors must comply with the Davis-Bacon Act. Specific details of the Act can be found at:
http://www.dol.gov/compliance/laws/comp-dbra.htm

Contractors who cannot pay laborers and mechanics on a WEEKLY basis should NOT respond to this request for bid. Davis-Bacon reporting must occur on a weekly basis from the date which the contract is signed.

Buy American Provision of ARRA
Contractors must comply with the Buy American Provision of ARRA. Contractors will be required to provide product cut sheets and manufacturer's certifications stating Buy American ARRA qualifications. Specific details of the Provision can be found at:
http://www.gpo.gov/fdsys/pkg/PLAW-111publ5/html/PLAW-111publ5.htm

The below link contains a Buy American waiver for Enphase micro-inverters. This waiver can be applied to the Park City Police Transit solar PV project:
http://www2.eere.energy.gov/recovery/ba_waivers.html

Waste Stream Plan
A limited amount of waste is expected from this project. However, it is required that hazardous products are disposed of in an environmentally responsible manner. Additionally, recyclables (e.g., cardboard packaging for solar panels) must be recycled at an appropriate facility. Recycle Utah is a nearby facility in Park City that accepts a large variety of products.

City Council Staff Report

Subject: Award of Ice Cream Vending Franchise Agreement
Author: Shelley Hatch
Department: Finance Department
Date: May 24, 2012
Type of Item: Administrative

Summary Recommendations:
Award a franchise agreement (“Attachment A”), in a form approved by the City Attorney, to Yogui’s Ice Cream to allow ice cream vending within the public right-of-way for a one year term with automatic renewal for four successive one year terms unless either party provides the other written notice of its intent not to renew.

Topic/Description:
This is an application for a third business to sell ice cream in the Park City right of way pursuant to Street Vendors (a.k.a. Ice Cream Truck): Title 4, Chapter 3, Section 8 of the Municipal Code.

Background:
In 1997, the City council amended Title 4, Chapter 3, Section 8 of the Municipal Code to allow limited use of the City’s rights-of-way for street vending by ice cream trucks through award of a franchise agreement. Currently, Park City has one existing ice cream franchise which was granted June 18, 2009 to Sergio Ice Cream applied. However, Sergio Ice Cream has not renewed its business license and therefore isn’t currently licensed to conduct business in Park City.

Deliciouz Ice Cream Inc., and Z-Cycles Ice Cream & Treats, also new applicants, have requesting a franchise agreement, and Yogui’s Ice Cream is now requesting a Franchise agreement with the City.

In its application, Yogui’s Ice Cream has given the following information:

1. Type of Food:
    - Pre-packaged ice cream
2. Months and time of day intend to sell:
    - March thru October every year, from noon until dusk.
3. Where vending is allowed for the ice cream truck:
    - A map of the areas which allow street vending to take place is attached. (Exhibit B)
4. What type of vehicle Yogui’s Ice Cream will be using:
    - They will be selling from an ice cream vendor truck see picture provided.(Exhibit C)
5. Information that supports application:

- Rufino Gonzalez purchased an existing business vendor truck from Sergio's Ice Cream. Sergio's Ice Cream was award the franchise agreement with Park City on June 18, 2009. Sergio's Ice Cream chose not to renew his agreement with the City. Rufino will a sure that his business will be updated with regulation for safety of the public. He will have a food handler's permit along with sanitizing utensils, counters, and personal hygiene on a daily basis.

6. How long Yogui's Ice Cream has operated:
    - Yogui's Ice Cream is a new business, but Rufino has worked in this business for 3 year prior. His business will be the primary source of income. He will be operating from noon to dusk for the months of March through October.
7. Vehicle presently have:
    - A clearly-audible back-up warning device when the vehicle is in reverse.
    - A Convex mirror mounted on the front of the bike so that the rider may see the area in front of the bike.
    - A yellow flashing beacon on top of the vehicle.
    - A swing arm to engage when selling ice cream to warn oncoming traffic to slow down.
8. Company will be able to:
    - Conduct background checks on all drivers to ensure that no drivers are registered sex offenders.
    - Agree to not pull anything behind the ice cream truck.
    - Submit to an inspection by Summit County Health Department prior to operation.
    - Obtain insurance that provides no less than $1,000,000. Combined single limit per accident for bodily injury and property damage.
    - Indemnify Park City.
    - Obtain a Park City Business License.
    - Limit music playing from the truck based on conditions set by the City Council.

Analysis:

Park City's Municipal code, title 4-3-8(5) allows the City, in its sole discretion, to award a franchise based upon public necessity, demand of service, pedestrian and vehicular traffic compatibility, competition, and public safety.

<u>Public Necessity / Demand of Service</u>

There are two other franchise applications who submitted their applications prior to this one. There is currently one ice cream vendor franchise with Sergio Ice Cream, however it will expire 12-31-2012 and they have not paid their annual franchise fee. In any case, at any time any other ice cream vendor can apply for a franchisee agreement. These ice cream vendors will need to go through the same process to be awarded a franchise, based upon public necessity, demand of service, pedestrian and vehicular traffic compatibility, competition, and public safety.

This vendor intends to sell ice cream from noon until dusk for the months of March through October. This is consistent with the Franchise agreement and Park City's Municipal code, title 4-3-8(3) also restricts the areas where the ice cream truck is authorized to vend to primarily residential areas (detailed in agreement).

The Franchise is for a single vehicle per franchisee.

<u>Pedestrian and Vehicular Traffic Compatibility / Public Safety</u>

In order to evaluate the traffic and public safety impacts of an additional ice cream vendor the complaints received by Park City concerning ice cream vending are reviewed below.

The Park City Police Department has on record four complaints involving ice cream vending since 2007. Two of those complaints were noise complaints. The first noise complaint was resolved by the police asking the truck to turn off its music. The police responded to a second noise complaint but the truck moved prior to their arrival.

INCIDENT	DATE	TIME	LOCATION	DESC
07-03054	2/9/2007	2127	1897 Kearns Blvd	Ice Cream Trk Parked/playing music 45 min
07-05187	3/15/2007	1517	2270 Kearns Blvd	Ice Cream Trk waiting for children behind Elementary
07-08978	5/26/2007	2213	1847 Kearns Blvd	Ice Cream Trk doing business without license
10-13811	6/23/2010	1257	1900 Homestake	Homestake HOA wants to ban Ice Cream Trk

The Police have also received one complaint documenting a pedestrian safety concern. A citizen called to request that the Police Department warn an Ice Cream Truck driver not to wait for children behind the McPolin Elementary School. The citizen felt that doing so resulting in children running into the street without checking to make sure the street is safe.

The final police complaint involves the police responding to individuals selling food out of a truck. The individuals did not have a vendor's license or franchise and were warned to stop. This complaint occurred on May 16, 2007. It appears that this complaint was directed at Sergio Ice Cream two years before they received their franchise with the City as the license plate number matches the number of one of their trucks.

Business licensing also received one noise complaint. The complaint did not result in a citation being issued.

Proposed Franchise Agreement

The main points of the proposed franchise agreement with Yogui's Ice Cream are as follows:

1. TERM/REVOCATION

   The initial term of the franchise agreement is for one year, with automatic renewal for four successive one year terms unless either party provides the other written notice of its intent not to renew on or before May 23rd of any term of the agreement or if the City finds the franchise incompatible with traffic or neighborhoods. The grantee will have one opportunity for a hearing prior to termination, but waives and subsequent rights and the City may make the decision in its sole discretion.
2. Fee

   The proposed fee is $100.00, which will include the business license fees for a commercial vehicle.
3. SERVICE AREA

   The service area is defined by the Code and is limited to the single family (SF) zones the RD-MPD Zones within Park Meadows, all Historic Residential Zones (HR-1, HR2, HRC, HRM), and Sullivan Lane. If the council decides at some time to amend the code to expand the area, the Agreement would include the new area.
4. STANDARDS

   The agreement sets forth criteria for service in Section 3. These include a mirror on the front of the vehicle, no sales within the driving lanes, use of a swing are no towing, inspection by the Health Department, and maximum music levels consistent with the noise code.

   Yogui's Ice Cream vendor cannot obstruct pedestrian or vehicular traffic on streets or sidewalks. Also vendor cannot remain in a fixed location for more than one hour at a time. Vendor must move at least fifty feet (50') from their prior location every hour during which they are conducting business.

   Vendor cannot conduct business in a location that impairs reasonable pedestrian or vehicular access to any adjoining building, alley, yard or other property.

   The agreement also prohibits sales in speed zones over 25mph, school zones, at or within 30 feet of an intersection and to patrons of either golf course in town.

   The agreement prohibits the ice cream vendors from playing music if they are selling at the same location at the same time. If conflicts or complaints occur, franchisees may not be allowed to sell food within 300 feet of any other ice cream vendor

The applicant has reviewed the Agreement and has not raised any issues. He has provided the City with copies of his Insurance Policy, Criminal History, Business license with other entities, and approval from the Summit county Health Department to sell Pre-packaged items.

The hours of operation shall be from 12 noon until dusk. The hours of operation may be limited or staggered with other franchisees if conflicts or complaints occur.

Code enforcement will do an annual review of the vendor to ensure compliance. Business Licensing will ensure background checks are done on all drivers to ensure that no drivers are registered sex offenders nor have been convicted of any felony.

The proposed franchise agreement has the same terms as the two other franchise applications and is similar to prior agreements with other Ice Cream vendors.

Council has the discretion to add or remove terms from this agreement. Council may choose to grant additional ice cream franchise or deny this request based on the factors listed above (public necessity, demand of service, pedestrian and vehicular traffic compatibility, competition, and public safety). Staff recommends that Council award a franchise to Yogui's Ice Cream.

Department Review:
This report has been reviewed by the City Engineer, Police, Business Licensing, Public Works, and Code Enforcement.

Alternatives:

A. Approve the Request:
Award a franchise agreement ("Attachment A"), in a form approved by the City Attorney, to Yogui's Ice Cream to allow ice cream vending within the public right-of-way for an initial one year term with automatic renewal for four successive one year terms unless either party provides the other written notice of its intent not to renew on or before March 1st of any term. This is the recommended action.

B. Deny the Request:
This would prevent a Yogui's Ice Cream from vending from the public right of way in Park City.

C. Continue the Item:
If the Council would like more information on this matter, it may postpone action on the agreement and request additional information.

D. Do Nothing:
This would prevent Yogui's Ice Cream from vending from the public right of way in Park City.

Significant Impacts:
None

Consequences of not taking the recommended action:
Yogui's Ice Cream will not be allowed to vend ice cream from a public right of way within Park City.

Recommendation:
Award a franchise agreement ("Attachment A"), in a form approved by the City Attorney, to Yogui's Ice Cream to allow ice cream vending within the public right-of-way for a one year term with automatic renewal for four successive one year terms unless either party provides the other written notice of its intent not to renew.

Exhibits: Exhibit A- Franchise agreement
Exhibit B- Map of the areas which allow street vending
Exhibit C- Pictures of ice cream truck

Exhibit A:
[THIS DOCUMENT IS FOR IMFORMATIONAL PURPOSES ONLY, IT IS NOT AN OFFER TO CONTRACT]

STREET VENDOR FRANCHISE AGREEMENT

This Franchise Agreement (this "Franchise") is between **PARK CITY MUNICIPAL CORPORATION**, hereinafter referred to as "Franchising Authority" and **YOGUI'S ICE CREAM** , a LIMITED LIABILITY CORP. hereinafter referred to as "Grantee."

The Franchising Authority, having determined that the financial, legal, and technical ability of the Grantee is reasonably sufficient to provide services, facilities, and equipment necessary to provide vending services to the community, desires to enter into this Franchise Agreement with the Grantee.

SECTION 1

Definition of Terms

1.1 **Terms**. For the purpose of this Franchise, the following terms, phrases, words, and abbreviations shall have the meanings ascribed to them below:

A. "Franchise" shall mean the authorization to conduct the business of an ice cream vendor as prescribed herein.

B. "Franchising Authority" means Park City Municipal Corporation or the lawful successor, transferee, or assignee thereof.

C. "Grantee" means **YOGUI'S ICE CREAM** or the lawful successor, transferee, or assignee thereof.

D. "Person" means an individual, partnership, association, joint stock company, trust, corporation, or governmental entity.

E. "Public Way" shall mean the surface of any public street, alley, court, boulevard, parkway, way, lane, road, drive, circle, or other public right-of-way. Public way shall not include bike paths, sidewalks, trails or other pedestrian ways, private driveways or roads.

F. "Service Area" shall include the present boundaries of all Single Family Zones ("SF"), including the RD-MPD zones within Park Meadows, all Historic Residential Zones (HR-1, HR-2, HRC, HRM), and Sullivan Lane, as designated on attached Exhibit B of the Official Zoning Map of the Franchising Authority. Service Area shall not include locations in any Festival boundary, Special Even boundary or when

a public health or safety concern would be raised by vending. Service Area shall include any additions thereto made by amendment to Municipal Code Section 4-3-8, annexation or other legal means.

SECTION 2
Grant of Franchise

2.1 **Grant**. The Franchising Authority hereby grants to the Grantee a nonexclusive Franchise which authorizes the Grantee to operate a mobile street vending operation limited to the sale of ice cream and related food products from a single vehicle within Public Ways within the Service Area, subject to the terms herein.

2.2 **Term**. The Franchise granted hereunder shall be for an initial term of one year commencing on May 24, 2012 and terminating on May 23, 2013, unless otherwise lawfully terminated in accordance with the terms of this Franchise. This Franchise shall automatically renew for four (4) additional successive one year terms unless either party provides written notice to the other of its intent not to renew no later than January 1st of the current term.

2.3 **Franchise Fee**. The Grantee shall pay to the Franchising Authority an annual franchise fee of $100.00, which shall include the business license fee. This franchise fee is the same as the City's current other commercial vehicle fee and if that fee is amended by resolution, accordingly so shall this franchise fee.

2.4 **Renewal of Franchise.** Except as provided at Paragraph 2.2 above, no renewal right is granted herein.

2.5 **Franchise Non-Transferable**. The Grantee's right, title, or interest in the Franchise shall not be sold, transferred, assigned, or otherwise encumbered, other than to an entity controlling, controlled by, or under common control with the Grantee, without the prior written consent of the Franchising Authority.

SECTION 3
Standards of Service

3.1 **Conditions of Street Occupancy**. All operations shall be conducted so as to cause a minimum of interference with the proper use of Public Ways and with the rights and reasonable convenience of property owners who own property that adjoins any of such Public Ways.

3.2 **Relocation at Request of the Franchising Authority**. Grantee shall at all times obey public safety officers of the Franchising Authority and their designees. Upon order of any public safety officer, Grantee shall immediately relocate to a location designated by the officer.

3.3 **Safety Requirements and Standards of Operation**. Operation of the Franchise shall be performed in accordance with applicable state, county and city health and traffic regulations. The Grantee shall not endanger or interfere with the safety of persons or property in the Service Area.

The Grantee's vehicle shall conform to the following requirements, which may be amended by the Franchising Authority upon written notice to the Grantee:

A. The vehicle shall have a clearly-audible back-up device activated when the vehicle is in reverse. The Grantee or driver may not move the vehicle backwards for the purpose of selling or displaying food products.

B. A convex mirror mounted on the front of the vehicle so that the driver in a normal driving position may see the area in front of the vehicle which would otherwise be obscured by the hood.

C. The driver of the vehicle shall engage a yellow flashing beacon on top of the vehicle to alert motorists that the vehicle is in operation and selling food.

D. The vehicle shall have an operable swing arm to engage when selling food to warn oncoming traffic to slow.

E. The vehicle shall not pull a trailer or any other vehicle.

F. The vehicle shall have been inspected by and have written approval from the Summit County Health Department prior to operation.

G. The hours of operation shall be limited from twelve noon to dusk. The Grantee shall only sell to persons on sidewalks, side of the street or other pedestrian area; the Grantee shall not sell to any person standing within the paved roadway (driving lane). The hours of operation may be limited or staggered with other franchisees if conflicts or complaints occur.

H. The Grantee shall not sell food: 1) in speed zones in excess of 25 miles per hour; 2) in any school zone; 3) to patrons of either the Park City Golf Course or the Park Meadows Golf Course; nor 4) within an intersection or within 30 feet of an intersection.

I. The Grantee shall be allowed to play music from the vehicle during hours of operation at a decimal level established by the Park City Police Department, which in no event shall exceed a level which is plainly audible from a distance greater than 50 feet.

J. The Grantee shall not be allowed to play music within 300 feet of any other ice cream vendor or in an area where the Grantee is aware that an ice cream vendor vehicle has been within the past 30 minutes. If conflicts or complaints occur, franchisees may not be allowed to sell food within 300 feet of any other ice cream vendor.

K. Grantee shall conduct background checks on all drivers to ensure that no drivers are registered sex offenders nor have been convicted of any felony.

SECTION 4
Insurance and Indemnification

4.1 Insurance Requirements. The Grantee shall maintain in full force and effect, at its own cost and expense, during the term of the Franchise, Automobile Liability Insurance with limits not less than $1,000,000 combined single limit per accident for bodily injury and property damage. The Grantee shall provide a Certificate of Insurance designating the Franchising Authority as an additional insured by endorsement. Such insurance shall be unrestricted and primary to any City insurance. The City's insurance is non-contributory and excess. Such insurance shall be non-cancelable except upon 30 days prior written notice to the Franchising Authority.

4.2 Indemnification. The Grantee shall defend, indemnify and hold the Franchise Authority and its agents, employees, and officers, harmless from and shall process and defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature to the extent permitted by law, brought against the Franchising Authority arising out of, in connection with, or incident to the operation of the Franchise and/or the Grantee's defective performance or failure to perform any aspect of this Agreement; provided, however, that if such claims are caused by or result from the concurrent negligence of the Franchising Authority, its agents, employees, and officers, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Grantee; and provided further, that nothing herein shall require the Grantee to hold harmless or defend the Franchising Authority, its agents, employees and/or officers from any claims arising from the sole negligence or intentional torts of the Franchising Authority, its agents, employees, and/or officers. This limited waiver has been mutually negotiated by the parties, and is expressly made effective only for the purposes of this Agreement. The provisions of this section shall survive the expiration or termination of this Agreement.

The Grantee expressly agrees that the indemnification provided herein constitutes the Grantee limited waiver of immunity as an employer under Utah Code Section 34A-2-105; provided, however, this waiver shall apply only to the extent an employee of Grantee claims or recovers compensation from the City for a loss or injury that Service Provider would be obligated to indemnify the City for under this Agreement. This limited waiver has been mutually negotiated by the parties, and is expressly made effective only for the purposes of this Agreement. The provisions of this section shall survive the expiration or termination of this Agreement.

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

SECTION 5
Enforcement and Termination of Franchise

5.1 **<u>Notice of Violation</u>**. In the event that the Franchising Authority believes that the Grantee has not complied with the terms of the Franchise, it shall notify the Grantee in writing of the exact nature of the alleged noncompliance.

5.2 **<u>Grantee's Right to Cure or Respond</u>**. The Grantee shall have 3 days from receipt of the notice described in Section 5.1 to respond to the Franchising Authority to: (a) cure such default; or (b) in the event that, by the nature of default, such default cannot be cured within the 3-day period, initiate reasonable steps to remedy such default and notify the Franchising Authority of the steps being taken and the projected date that they will be completed. The Franchising Authority must consent to additional time to cure the default; such consent shall not be unreasonably withheld. In the event that the Grantee fails to respond to the notice, or in the event that the alleged default is not remedied within 3 days or the date projected pursuant to above and agreed upon by the Franchise Authority, the Franchising Authority may terminate this Agreement at the next regularly scheduled meeting of the governing body of the Franchising Authority. The Franchising Authority shall notify the Grantee in writing of the time and place of such meeting and provide the Grantee with an opportunity to be heard. Upon the decision of the Franchising Authority to terminate the Franchise, which shall be made in the Franchising Authority's sole discretion, the Grantee shall immediately surrender its business license and cease operations. As consideration for the "experimental" grant of this Franchise, the Grantee expressly waives any right to contest or otherwise appeal said termination of the Franchise, or seek any damages as a result of said termination.

5.3 **<u>Traffic or Neighborhood Incompatibility.</u>** If the Franchising Authority believes that the operation of the Franchise, regardless of compliance with all the terms herein, has created an unreasonable traffic impact or negatively impacted the citizens of the Service Area as evidenced by complaints, and those impacts cannot be mitigated through the imposition of the additional conditions, the Franchising Authority may terminate this Agreement at the next regularly scheduled meeting of the governing body of the Franchising Authority. The Franchising Authority shall notify the Grantee in writing of the time and place of such meeting and provide the Grantee with an opportunity to be heard. Upon the decision of the Franchising Authority to terminate the Franchise, which shall be made in the Franchising Authority's sole discretion, the Grantee shall immediately surrender its business license and cease operations. As consideration for the "experimental" grant of this Franchise, the Grantee expressly waives any right to contest or otherwise appeal said termination of the Franchise, or seek any damages as a result of said termination.

<u>SECTION 6</u>
<u>Miscellaneous Provisions</u>

6.1 **<u>Actions of Parties</u>**. In any action by the Franchising Authority or the Grantee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious, and timely manner.

6.2 **<u>Amendments</u>**. This Agreement may not be amended except by written agreement properly executed by both parties.

6.3 **Notice**. Unless expressly otherwise agreed between the parties, every notice or response required by this Franchise to be served upon the Franchising Authority or the Grantee shall be in writing, and shall be deemed to have been duly given to the required party five business days after having been posted in a properly sealed and correctly addressed envelope when hand delivered or sent by certified or registered mail, postage prepaid.
The notices or responses to the Franchising Authority shall be addressed as follows:

City Attorney's Office
Park City Municipal Corporation
P.O. Box 1480
Park City, UT 84060-1480

The notices or responses to the Grantee shall be addressed as follows:

Yogui's Ice Cream
1405 S Utahna Dr.
Salt Lake City, Utah 84104

The Franchising Authority and the Grantee may designate such other address or addresses from time to time by giving written notice to the other.

6.4 **Descriptive Headings**. The captions to Sections contained herein are intended solely to facilitate the reading thereof. Such captions shall not affect the meaning or interpretation of the text herein.

6.5 **Severability**. If any Section, sentence, paragraph, term, or provision hereof is determined to be illegal, invalid, or unconstitutional, by any court of competent jurisdiction or by any state or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of any other Section, sentence, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of the Franchise, or any renewal or renewals thereof.

6.6 **Applicable Law.** The terms and conditions contained herein shall be interpreted according to the laws of the State of Utah.

6.7 **Venue.** Any action initiated before a court of law shall be in a court of proper jurisdiction in Summit County, Utah.

6.8 **Effective Date**. The effective date of this Franchise is May 24, 2012.

IN WITNESS WHEREOF, the parties hereto have entered into this Franchise Agreement on May 24, 2012.

Park City Vending Zones - DRAFT

PARK CITY 1884

0 900 1,800 3,600 Feet

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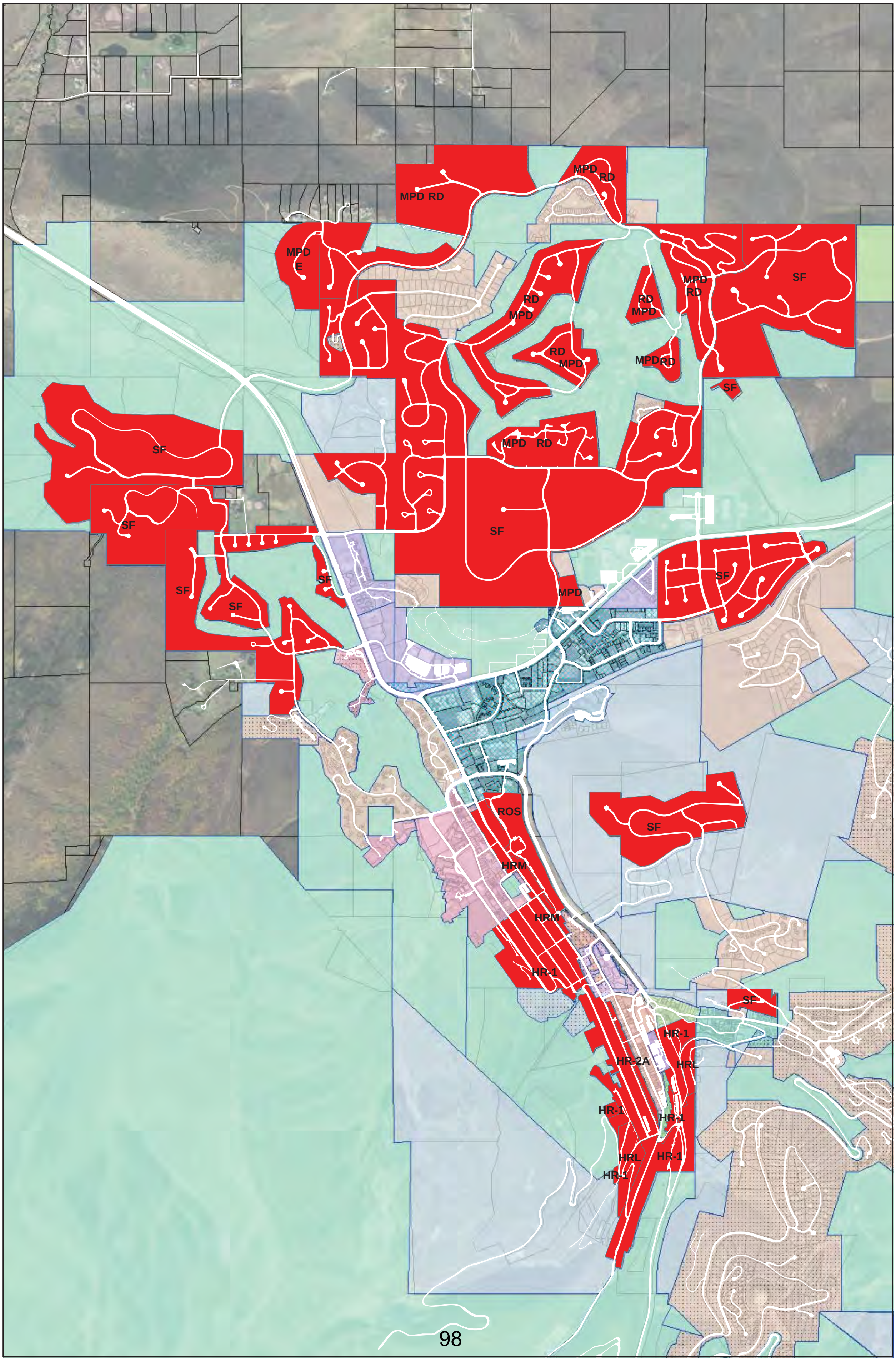


Yogui's
Ice Cream
(801) 608-6166
LIC # 2010-00591
SLOW
CROSSING
CHILDREN
CROSSING
PLEASE PURCHASE
FROM CURB SIDE


Yogui's Ice Cream
ICE CREAM
CHILDREN
CROSSING


ICE CREAM
STOP
FOR
CHILDREN
STOP
FOR
CHILDREN

City Council Staff Report

Subject: Award of Ice Cream Vending Franchise Agreement
Author: Shelley Hatch
Department: Finance Department
Date: May 24, 2012
Type of Item: Administrative

Summary Recommendations:
Award a franchise agreement ("Exhibit A"), in a form approved by the city Attorney, to Z-Cycles Ice Cream to allow ice cream vending within the public right-of-way for a one year term with automatic renewal for four successive on year terms unless either party provides the other written notice of its intent not to renew.

Topic/Description:
This is an application for a Vendor to sell ice cream in the Park City right-of-way pursuant to Street Vendors (a.k.a. Ice Cream Truck): Title 4, Chapter 3, Section 8 of the Municipal Code.

Background:
In 1997, the City council amended Title 4, Chapter 3, Section 8 of the Municipal Code to allow limited use of the City's rights-of-way for street vending by ice cream trucks through award of a franchise agreement. Currently, Park City has one existing ice cream franchise which was granted June 18, 2009 to Sergio Ice Cream applied. However, Sergio Ice Cream has not renewed its business license and therefore isn't currently licensed to conduct business in Park City.

Deliciouz Ice Cream Inc. and Yogui's & treats, also, a new applicant, have requesting a franchise agreement, and Z-Cycles Ice Cream is now requesting a Franchise agreement with the City.

In its application, Z-Cycles Ice Cream & Treats has given the following information:

1. Type of Food:
    - Pre-packaged ice cream
2. Months and time of day intend to sell:
    - May thru October every year, from 1pm until dusk.
3. Where vending is allowed for the ice cream truck:
    - A map of the areas which allow street vending to take place is attached. (Exhibit B)
4. What type of vehicle Z-Cycles Ice Cream & Treats will be using:
    - They will be selling from an ice cream vendor bike see picture provided.(Exhibit C)
5. Information that supports application:

- This Business supports a safe environment for the customers and an environmentally friendly atmosphere. Since it is all done from a bike the customers can be completely off the street and not be running up to a motor vehicle with blind spots. There will always be at least two people on duty. One to operate the ice cream bike and one to be on another bike to serve as “wingman” and support. The rides will have helmets, mirrors, bells for their and their customer safety. The ice cream bike is specially designed for this type of vending.

6. How long Z-Cycles Ice Cream & Treats has operated:
    - Z-Cycles Ice Cream & Treats is new, and is a family owned and operated business.
7. Vehicle presently have:
    - A clearly-audible back-up warning device when the vehicle is in reverse can be installed if needed.
    - A Convex mirror mounted on the front of the bike so that the rider may see the area in front of the bike.
    - A yellow flashing beacon on top of the bike can be installed if needed.
    - A swing arm to engage when selling ice cream to warn oncoming traffic to slow down can be installed if need.
8. Company will be able to:
    - Conduct background checks on all riders to ensure that no riders are registered sex offenders.
    - Agree to not pull anything behind the ice cream vendor bike.
    - Submit to an inspection by Summit County Health Department prior to operation.
    - Obtain insurance that provides no less than $1,000,000. Combined single limit per accident for bodily injury and property damage.
    - Indemnify Park City.
    - Obtain a Park City Business License.
    - Limit music playing from the bike based on conditions set by the City Council.

Analysis:
Park City’s Municipal code, title 4-3-8(5) allows the City, in its sole discretion, to award a franchise based upon public necessity, demand of service, pedestrian and vehicular traffic compatibility, competition, and public safety.

<u>Public Necessity / Demand of Service</u>

There are two other franchise applications who submitted their applications prior to this one.

There is currently one ice cream vendor franchise with Sergio Ice Cream, however it will expire 12-31-2012; and they have not paid their annual franchise fee. In any case, at any time any other ice cream vendor can apply for a franchisee agreement. These ice cream vendors will need to go through the same process to be awarded a franchise, based upon public necessity, demand of service, pedestrian and vehicular traffic compatibility, competition, and public safety.

This vendor intends to sell ice cream from noon until dusk for the months of March through October. This is consistent with the Franchise agreement and Park City's Municipal code, title 4-3-8(3) also restricts the areas where the bike is authorized to vend to primarily residential areas (detailed in agreement).

<u>Pedestrian and Vehicular Traffic Compatibility / Public Safety</u>

In order to evaluate the traffic and public safety impacts of an additional ice cream vendor the complaints received by Park City concerning ice cream vending are reviewed below.

The Park City Police Department has on record four complaints involving ice cream vending since 2007. Two of those complaints were noise complaints. The first noise complaint was resolved by the police asking the truck to turn off its music. The police responded to a second noise complaint but the truck moved prior to their arrival.

INCIDENT	DATE	TIME	LOCATION	DESC
07-03054	2/9/2007	2127	1897 Kearns Blvd	Ice Cream Trk Parked/playing music 45 min
07-05187	3/15/2007	1517	2270 Kearns Blvd	Ice Cream Trk waiting for children behind Elementary
07-08978	5/26/2007	2213	1847 Kearns Blvd	Ice Cream Trk doing business without license
10-13811	6/23/2010	1257	1900 Homestake	Homestake HOA wants to ban Ice Cream Trk

The Police have also received one complaint documenting a pedestrian safety concern. A citizen called to request that the Police Department warn an Ice Cream Truck driver not to wait for children behind the McPolin Elementary School. The citizen felt that doing so resulting in children running into the street without checking to make sure the street is safe.

The final police complaint involves the police responding to individuals selling food out of a truck. The individuals did not have a vendor's license or franchise and were warned to stop. This complaint occurred on May 16, 2007. It appears that this complaint was directed at Sergio Ice Cream two years before they received their franchise with the City as the license plate number matches the number of one of their trucks.

Business licensing also received one noise complaint. The complaint did not result in a citation being issued.

Proposed Franchise Agreement

The main points of the proposed franchise agreement with Z-Cycles Ice Cream & Treats are as follows:

1. TERM/REVOCATION
   The initial term of the franchise agreement is for one year, with automatic renewal for four successive one year terms unless either party provides the other written notice of its intent not to renew on or before May 23rd of any term of the agreement or if the City finds the franchise incompatible with traffic or neighborhoods. The grantee will have one opportunity for a hearing prior to termination, but waives and subsequent rights and the City may make the decision in its sole discretion.
2. Fee
   The proposed fee is $100.00, which will include the business license fees for a commercial vehicle.
3. SERVICE AREA
   The service area is defined by the Code and is limited to the single family (SF) zones the RD-MPD Zones within Park Meadows, all Historic Residential Zones (HR-1, HR2, HRC, HRM), and Sullivan Lane. If the council decides at some time to amend the code to expand the area, the Agreement would include the new area.
4. STANDARDS
   The agreement sets forth criteria for service in Section 3. These include a mirror on the front of the vehicle, no sales within the driving lanes, use of a swing are no towing, inspection by the Health Department, and maximum music levels consistent with the noise code.

   Z-Cycles Ice Cream & Treats vendor cannot obstruct pedestrian or vehicular traffic on streets or sidewalks. Also vendor cannot remain in a fixed location for more than one hour at a time. Vendor must move at least fifty feet (50') from their prior location every hour during which they are conducting business.

   Vendor cannot conduct business in a location that impairs reasonable pedestrian or vehicular access to any adjoining building, alley, yard or other property.

   The agreement also prohibits sales in speed zones over 25mph, school zones, at or within 30 feet of an intersection and to patrons of either golf course in town.

   The agreement prohibits the ice cream vendors from playing music if they are selling at the same time. If conflicts or complaints occur, franchisees may not be allowed to sell food within 300 feet of any other ice cream vendor.

The applicant has reviewed the Agreement and has not raised any issues. He has provided the City with copies of his Insurance Policy, Criminal History, Business license with other entities, and approval from the Summit county Health Department to sell Pre-packaged items.

The hours of operation shall be from 12 noon until dusk. The hours of operation may be limited or staggered with other franchisees if conflicts or complaints occur.

Code enforcement will do an annual review of the vendor to ensure compliance. Business Licensing will ensure background check are done on all drivers to ensure that no drivers are registered sex offenders nor have been convicted of any felony.

The proposed franchise agreement has the same terms as the two other franchise applications and is similar to prior agreements with other Ice Cream vendors.

Council has the discretion to add or remove terms from this agreement. Council may choose to grant additional ice cream franchise or deny this request based on the factors listed above (public necessity, demand of service, pedestrian and vehicular traffic compatibility, competition, and public safety). Staff recommends that Council award a franchise to Z-Cycles Ice Cream & Treats.

Department Review:
This report has been reviewed by the City Engineer, Police, Business Licensing and Code Enforcement.

Alternatives:

A. **Approve the Request:**
Award a franchise agreement (Exhibit A), in a form approved by the City Attorney, to Z-Cycles Ice Cream & Treats to allow ice cream vending within the public right-of-way for an initial one year term with automatic renewal for four successive on year terms unless either party provides the other written notice of its intent not to renew on or before May 16st of any term this is the recommended action.

B. **Deny the Request**
This would prevent a Z-Cycles Ice Cream & Treats from vending from the public right-of-way in Park City.

C. **Continue the Item:**
If the Council would like more information on this matter, it may postpone action on the agreement and request additional information.

D. **Do Nothing:**

This would prevent Z-Cycles Ice Cream & Treats from vending from the public right-of-way in Park City.

Significant Impacts:

None

Consequences of not taking the recommended action:

Z-Cycles Ice Cream & Treats will not be allowed to vend ice cream from a public right-of-way within Park City.

Recommendation:

Award a franchise agreement Exhibit A), in a form approved by the City Attorney, to Z-Cycles Ice Cream Z-Cycles Ice Cream & Treats & Treats to allow ice cream vending within the public right-of-way for a one year term with automatic renewal for four successive one year terms unless either party provides the other written notice of its intent not to renew.

Exhibits: Exhibit A- Franchise agreement
Exhibit B- Map of the areas which allow street vending
Exhibit C- Pictures of ice cream truck

Exhibit A:
[THIS DOCUMENT IS FOR IMFORMATIONAL PURPOSES ONLY, IT IS NOT AN OFFER TO CONTRACT]

STREET VENDOR FRANCHISE AGREEMENT

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The Franchising Authority, having determined that the financial, legal, and technical ability of the Grantee is reasonably sufficient to provide services, facilities, and equipment necessary to provide vending services to the community, desires to enter into this Franchise Agreement with the Grantee.

SECTION 1

Definition of Terms

1.1 Terms. For the purpose of this Franchise, the following terms, phrases, words, and abbreviations shall have the meanings ascribed to them below:

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B. "Franchising Authority" means Park City Municipal Corporation or the lawful successor, transferee, or assignee thereof.

C. "Grantee" means **Z-CYCLES ICE CREAM & TREATS** or the lawful successor, transferee, or assignee thereof.

D. "Person" means an individual, partnership, association, joint stock company, trust, corporation, or governmental entity.

E. "Public Way" shall mean the surface of any public street, alley, court, boulevard, parkway, way, lane, road, drive, circle, or other public right-of-way. Public way shall not include bike paths, sidewalks, trails or other pedestrian ways, private driveways or roads.

F. "Service Area" shall include the present boundaries of all Single Family Zones ("SF"), including the RD-MPD zones within Park Meadows, all Historic Residential Zones (HR-1, HR-2, HRC, HRM), and Sullivan Lane, as designated on attached Exhibit B of the Official Zoning Map of the Franchising Authority. Service Area shall not include locations in any Festival boundary, Special Even boundary or when

a public health or safety concern would be raised by vending. Service Area shall include any additions thereto made by amendment to Municipal Code Section 4-3-8, annexation or other legal means.

SECTION 2
Grant of Franchise

2.1 **Grant**. The Franchising Authority hereby grants to the Grantee a nonexclusive Franchise which authorizes the Grantee to operate a mobile street vending operation limited to the sale of ice cream and related food products from a single vehicle within Public Ways within the Service Area, subject to the terms herein.

2.2 **Term**. The Franchise granted hereunder shall be for an initial term of one year commencing on May 24, 2012 and terminating on May 23, 2013, unless otherwise lawfully terminated in accordance with the terms of this Franchise. This Franchise shall automatically renew for four (4) additional successive one year terms unless either party provides written notice to the other of its intent not to renew no later than January 1st of the current term.

2.3 **Franchise Fee**. The Grantee shall pay to the Franchising Authority an annual franchise fee of $100.00, which shall include the business license fee. This franchise fee is the same as the City's current other commercial vehicle fee and if that fee is amended by resolution, accordingly so shall this franchise fee.

2.4 **Renewal of Franchise.** Except as provided at Paragraph 2.2 above, no renewal right is granted herein.

2.5 **Franchise Non-Transferable**. The Grantee's right, title, or interest in the Franchise shall not be sold, transferred, assigned, or otherwise encumbered, other than to an entity controlling, controlled by, or under common control with the Grantee, without the prior written consent of the Franchising Authority.

SECTION 3
Standards of Service

3.1 **Conditions of Street Occupancy**. All operations shall be conducted so as to cause a minimum of interference with the proper use of Public Ways and with the rights and reasonable convenience of property owners who own property that adjoins any of such Public Ways.

3.2 **Relocation at Request of the Franchising Authority**. Grantee shall at all times obey public safety officers of the Franchising Authority and their designees. Upon order of any public safety officer, Grantee shall immediately relocate to a location designated by the officer.

3.3 **Safety Requirements and Standards of Operation**. Operation of the Franchise shall be performed in accordance with applicable state, county and city health and traffic regulations. The Grantee shall not endanger or interfere with the safety of persons or property in the Service Area.

The Grantee's vehicle shall conform to the following requirements, which may be amended by the Franchising Authority upon written notice to the Grantee:

A. The vehicle shall have a clearly-audible back-up device activated when the vehicle is in reverse. The Grantee or driver may not move the vehicle backwards for the purpose of selling or displaying food products.

B. A convex mirror mounted on the front of the vehicle so that the driver in a normal driving position may see the area in front of the vehicle which would otherwise be obscured by the hood.

C. The driver of the vehicle shall engage a yellow flashing beacon on top of the vehicle to alert motorists that the vehicle is in operation and selling food.

D. The vehicle shall have an operable swing arm to engage when selling food to warn oncoming traffic to slow.

E. The vehicle shall not pull a trailer or any other vehicle.

F. The vehicle shall have been inspected by and have written approval from the Summit County Health Department prior to operation.

G. The hours of operation shall be limited from twelve noon to dusk. The Grantee shall only sell to persons on sidewalks, side of the street or other pedestrian area; the Grantee shall not sell to any person standing within the paved roadway (driving lane). The hours of operation may be limited or staggered with other franchisees if conflicts or complaints occur.

H. The Grantee shall not sell food: 1) in speed zones in excess of 25 miles per hour; 2) in any school zone; 3) to patrons of either the Park City Golf Course or the Park Meadows Golf Course; nor 4) within an intersection or within 30 feet of an intersection.

I. The Grantee shall be allowed to play music from the vehicle during hours of operation at a decimal level established by the Park City Police Department, which in no event shall exceed a level which is plainly audible from a distance greater than 50 feet.

J. The Grantee shall not be allowed to play music within 300 feet of any other ice cream vendor or in an area where the Grantee is aware that an ice cream vendor vehicle has been within the past 30 minutes. If conflicts or complaints occur, franchisees may not be allowed to sell food within 300 feet of any other ice cream vendor.

K. Grantee shall conduct background checks on all drivers to ensure that no drivers are registered sex offenders nor have been convicted of any felony.

SECTION 4
Insurance and Indemnification

4.1 Insurance Requirements. The Grantee shall maintain in full force and effect, at its own cost and expense, during the term of the Franchise, Automobile Liability Insurance with limits not less than $1,000,000 combined single limit per accident for bodily injury and property damage. The Grantee shall provide a Certificate of Insurance designating the Franchising Authority as an additional insured by endorsement. Such insurance shall be unrestricted and primary to any City insurance. The City’s insurance is non-contributory and excess. Such insurance shall be non-cancelable except upon 30 days prior written notice to the Franchising Authority.

4.2 Indemnification. The Grantee shall defend, indemnify and hold the Franchise Authority and its agents, employees, and officers, harmless from and shall process and defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature to the extent permitted by law, brought against the Franchising Authority arising out of, in connection with, or incident to the operation of the Franchise and/or the Grantee's defective performance or failure to perform any aspect of this Agreement; provided, however, that if such claims are caused by or result from the concurrent negligence of the Franchising Authority, its agents, employees, and officers, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Grantee; and provided further, that nothing herein shall require the Grantee to hold harmless or defend the Franchising Authority, its agents, employees and/or officers from any claims arising from the sole negligence or intentional torts of the Franchising Authority, its agents, employees, and/or officers. This limited waiver has been mutually negotiated by the parties, and is expressly made effective only for the purposes of this Agreement. The provisions of this section shall survive the expiration or termination of this Agreement.

The Grantee expressly agrees that the indemnification provided herein constitutes the Grantee limited waiver of immunity as an employer under Utah Code Section 34A-2-105; provided, however, this waiver shall apply only to the extent an employee of Grantee claims or recovers compensation from the City for a loss or injury that Service Provider would be obligated to indemnify the City for under this Agreement. This limited waiver has been mutually negotiated by the parties, and is expressly made effective only for the purposes of this Agreement. The provisions of this section shall survive the expiration or termination of this Agreement.

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

SECTION 5
Enforcement and Termination of Franchise

5.1 **<u>Notice of Violation</u>**. In the event that the Franchising Authority believes that the Grantee has not complied with the terms of the Franchise, it shall notify the Grantee in writing of the exact nature of the alleged noncompliance.

5.2 **<u>Grantee's Right to Cure or Respond</u>**. The Grantee shall have 3 days from receipt of the notice described in Section 5.1 to respond to the Franchising Authority to: (a) cure such default; or (b) in the event that, by the nature of default, such default cannot be cured within the 3-day period, initiate reasonable steps to remedy such default and notify the Franchising Authority of the steps being taken and the projected date that they will be completed. The Franchising Authority must consent to additional time to cure the default; such consent shall not be unreasonably withheld. In the event that the Grantee fails to respond to the notice, or in the event that the alleged default is not remedied within 3 days or the date projected pursuant to above and agreed upon by the Franchise Authority, the Franchising Authority may terminate this Agreement at the next regularly scheduled meeting of the governing body of the Franchising Authority. The Franchising Authority shall notify the Grantee in writing of the time and place of such meeting and provide the Grantee with an opportunity to be heard. Upon the decision of the Franchising Authority to terminate the Franchise, which shall be made in the Franchising Authority's sole discretion, the Grantee shall immediately surrender its business license and cease operations. As consideration for the "experimental" grant of this Franchise, the Grantee expressly waives any right to contest or otherwise appeal said termination of the Franchise, or seek any damages as a result of said termination.

5.3 **<u>Traffic or Neighborhood Incompatibility.</u>** If the Franchising Authority believes that the operation of the Franchise, regardless of compliance with all the terms herein, has created an unreasonable traffic impact or negatively impacted the citizens of the Service Area as evidenced by complaints, and those impacts cannot be mitigated through the imposition of the additional conditions, the Franchising Authority may terminate this Agreement at the next regularly scheduled meeting of the governing body of the Franchising Authority. The Franchising Authority shall notify the Grantee in writing of the time and place of such meeting and provide the Grantee with an opportunity to be heard. Upon the decision of the Franchising Authority to terminate the Franchise, which shall be made in the Franchising Authority's sole discretion, the Grantee shall immediately surrender its business license and cease operations. As consideration for the "experimental" grant of this Franchise, the Grantee expressly waives any right to contest or otherwise appeal said termination of the Franchise, or seek any damages as a result of said termination.

<u>SECTION 6</u>
<u>Miscellaneous Provisions</u>

6.1 **<u>Actions of Parties</u>**. In any action by the Franchising Authority or the Grantee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious, and timely manner.

6.2 **<u>Amendments</u>**. This Agreement may not be amended except by written agreement properly executed by both parties.

6.3 **Notice**. Unless expressly otherwise agreed between the parties, every notice or response required by this Franchise to be served upon the Franchising Authority or the Grantee shall be in writing, and shall be deemed to have been duly given to the required party five business days after having been posted in a properly sealed and correctly addressed envelope when hand delivered or sent by certified or registered mail, postage prepaid.
The notices or responses to the Franchising Authority shall be addressed as follows:

City Attorney's Office
Park City Municipal Corporation
P.O. Box 1480
Park City, UT 84060-1480

The notices or responses to the Grantee shall be addressed as follows:

Z-Cycles Ice Cream & Treats
2818 Holiday Ranch Loop RD
Park City, Utah 84060

The Franchising Authority and the Grantee may designate such other address or addresses from time to time by giving written notice to the other.

6.4 **Descriptive Headings**. The captions to Sections contained herein are intended solely to facilitate the reading thereof. Such captions shall not affect the meaning or interpretation of the text herein.

6.5 **Severability**. If any Section, sentence, paragraph, term, or provision hereof is determined to be illegal, invalid, or unconstitutional, by any court of competent jurisdiction or by any state or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of any other Section, sentence, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of the Franchise, or any renewal or renewals thereof.

6.6 **Applicable Law.** The terms and conditions contained herein shall be interpreted according to the laws of the State of Utah.

6.7 **Venue.** Any action initiated before a court of law shall be in a court of proper jurisdiction in Summit County, Utah.

6.8 **Effective Date**. The effective date of this Franchise is May 24, 2012.

IN WITNESS WHEREOF, the parties hereto have entered into this Franchise Agreement on May 24, 2012.

Park City Vending Zones - DRAFT

0 900 1,800 3,600 Feet

N

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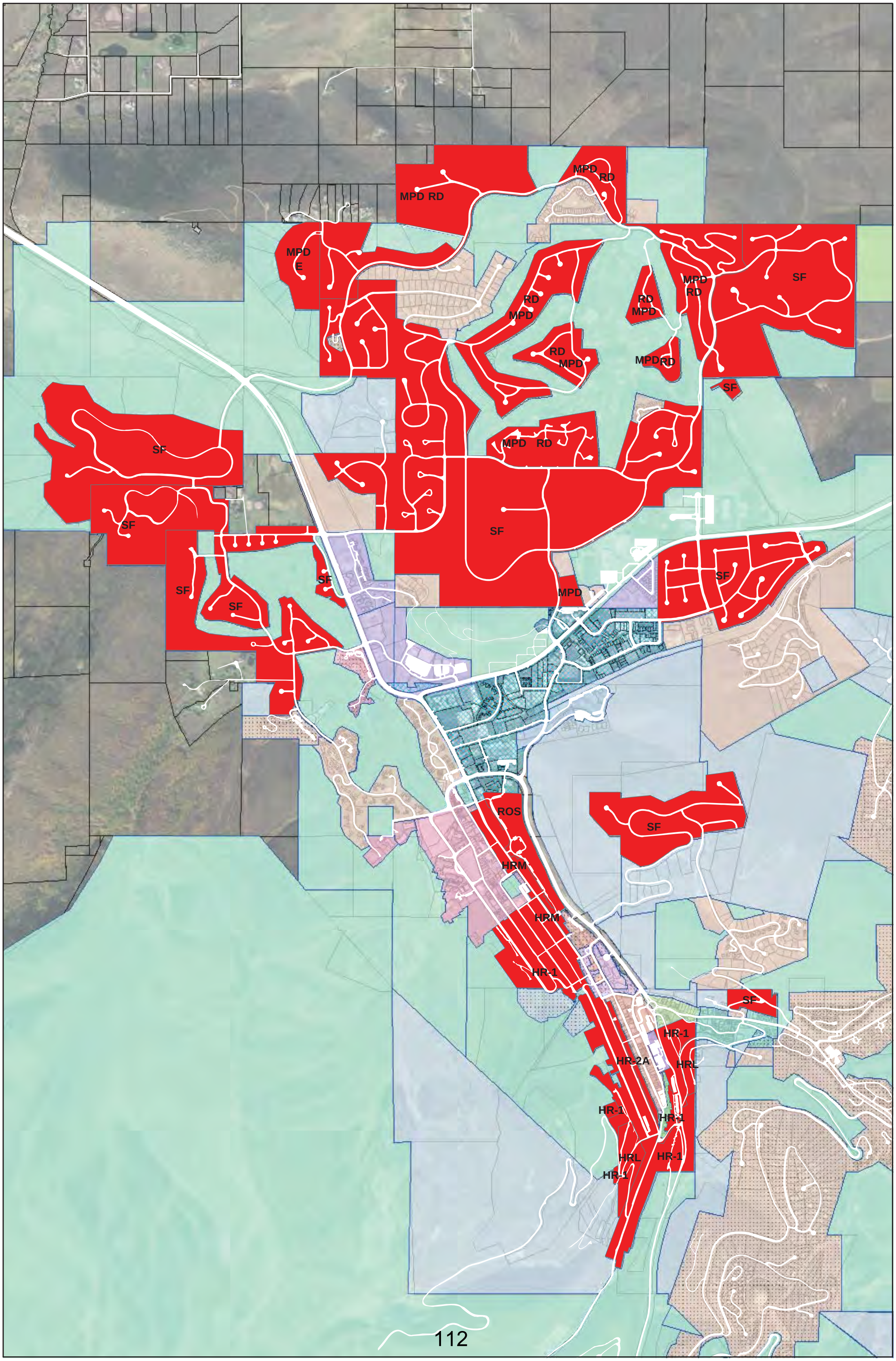

We will purchase one bike this summer.

City Council
Staff Report

Subject:	**Award of Ice Cream Vending Franchise Agreement**
Author:	**Shelley Hatch**
Department:	**Finance Department**
Date:	**May 24, 2012**
Type of Item:	**Administrative**

Summary Recommendations:
Award a franchise agreement ("Exhibit A"), in a form approved by the city Attorney, to Deliciouz Ice Cream Inc. to allow ice cream vending within the public right-of-way for a one year term with automatic renewal for four successive on year terms unless either party provides the other written notice of its intent not to renew.

Topic/Description:
This is an application for a Vendor to sell ice cream in the Park City right-of-way pursuant to Street Vendors (a.k.a. Ice Cream Truck): Title 4, Chapter 3, Section 8 of the Municipal Code.

Background:
In 1997, the City council amended Title 4, Chapter 3, Section 8 of the Municipal Code to allow limited use of the City's rights-of-way for street vending by ice cream trucks through award of a franchise agreement. Currently, Park City has one existing ice cream franchise which was granted June 18, 2009 to Sergio Ice Cream applied. However, Sergio Ice Cream has not renewed its business license and therefore isn't currently licensed to conduct business in Park City.

Z-cycles Ice Cream & Treats, and Yogui's Ice Cream also new applicants, have requesting a franchise agreement, and now Deliciouz Ice Cream Inc is now requesting a Franchise agreement with the City.

In its application, Deliciouz Ice Cream Inc. has given the following information:

1. Type of Food:
   - Pre-packaged ice cream
2. Months and time of day intend to sell:
   - May thru October every year, from 1pm until dusk.
3. Where vending is allowed for the ice cream truck:
   - A map of the areas which allow street vending to take place is attached. (Exhibit B)
4. What type of vehicle Deliciouz Ice Cream Inc. will be using:
   - They will be selling from an Ice Cream truck see picture provided.(Exhibit C)
5. Information that supports application:

- During the warm spring and hot summer days children enjoy refreshing ice cream to cool down. Deliciouz Ice Cream Inc. will be convenient, accessible, and available to provide ice cream on these hot days. At this time there is no other franchise to support vending ice cream. Providing this service in the allowed residential area would provide a great and wonderful convenience for the children and adults.

6. How long Deliciouz Ice Cream Inc. has operated:
    - Deliciouz Ice Cream Inc. is a new business. Owner has work in the business for about a year.
7. Vehicle presently have:
    - A clearly-audible back-up warning device when the vehicle is in reverse.
    - A Convex mirror mounted on the front of the vehicle so that the driver may see the area in front of the vehicle normally obscured by the hood.
    - A yellow flashing beacon on top of the vehicle.
    - A swing arm to engage when selling ice cream to warn oncoming traffic to slow down.
8. Company will be able to:
    - Conduct background checks on all drivers to ensure that no drivers are registered sex offenders.
    - Agree to not pull a trailer or any other vehicle from the ice cream truck.
    - Submit to an inspection by Summit County Health Department prior to operation.
    - Obtain insurance that provides no less than $1,000,000. Combined single limit per accident for bodily injury and property damage.
    - Indemnify Park City.
    - Obtain a Park City Business License.
    - Limit music playing from the vehicle based on conditions set by the City Council.

Analysis:
Park City's Municipal code, title 4-3-8(5) allows the City, in its sole discretion, to award a franchise based upon public necessity, demand of service, pedestrian and vehicular traffic compatibility, competition, and public safety.

<u>Public Necessity / Demand of Service</u>

There are two other franchise applications who submitted their applications.

There is currently one ice cream vendor franchise with Sergio Ice Cream however it will expire 12-31-2012, and they have not paid their annual franchise fee. In any case, at any time any other ice cream vendor can apply for a franchisee agreement. These ice cream vendors will need to go through the same process to be awarded a franchise, based upon public necessity, demand of service, pedestrian and vehicular traffic compatibility, competition, and public safety.

This vendor intends to sell ice cream from noon until dusk for the months of March through October. This is consistent with the Franchise agreement and Park City's Municipal code, title 4-3-8(3) also restricts the areas where the truck is authorized to vend to primarily residential areas (detailed in agreement).

Pedestrian and Vehicular Traffic Compatibility / Public Safety

In order to evaluate the traffic and public safety impacts of an additional ice cream vendor the complaints received by Park City concerning ice cream vending are reviewed below.

The Park City Police Department has on record four complaints involving ice cream vending since 2007. Two of those complaints were noise complaints. The first noise complaint was resolved by the police asking the truck to turn off its music. The police responded to a second noise complaint but the truck moved prior to their arrival.

INCIDENT	DATE	TIME	LOCATION	DESC
07-03054	2/9/2007	2127	1897 Kearns Blvd	Ice Cream Trk Parked/playing music 45 min
07-05187	3/15/2007	1517	2270 Kearns Blvd	Ice Cream Trk waiting for children behind Elementary
07-08978	5/26/2007	2213	1847 Kearns Blvd	Ice Cream Trk doing business without license
10-13811	6/23/2010	1257	1900 Homestake	Homestake HOA wants to ban Ice Cream Trk

The Police have also received one complaint documenting a pedestrian safety concern. A citizen called to request that the Police Department warn an Ice Cream Truck driver not to wait for children behind the McPolin Elementary School. The citizen felt that doing so resulting in children running into the street without checking to make sure the street is safe.

The final police complaint involves the police responding to individuals selling food out of a truck. The individuals did not have a vendor's license or franchise and were warned to stop. This complaint occurred on May 16, 2007. It appears that this complaint was directed at Sergio Ice Cream two years before they received their franchise with the City as the license plate number matches the number of one of their trucks.

Business licensing also received one noise complaint. The complaint did not result in a citation being issued.

Proposed Franchise Agreement

The main points of the proposed franchise agreement with Deliciouz Ice Cream Inc. are as follows:

1. TERM/REVACATION
   The initial term of the franchise agreement is for one year, with automatic renewal for four successive one year terms unless either party provides the other written notice of its intent not to renew on or before May 23th of any term of the agreement or if the City finds the franchise incompatible with traffic or neighborhoods. The grantee will have one opportunity for a hearing prior to termination, but waives and subsequent rights and the City may make the decision in its sole discretion.
2. Fee
   The proposed fee is $100.00, which was the fee charged to the existing franchisee.
3. SERVICE AREA
   The service area is defined by the Code and is limited to the single family (SF) zones the RD-MPD Zones within Park Meadows, all Historic Residential Zones (HR-1, HR2, HRC, HRM), and Sullivan Lane. If the council decides at some time to amend the code to expand the area, the Agreement would include the new area.
4. STANDARDS
   The agreement sets forth criteria for service in Section 3. These include a mirror on the front of the vehicle, no sales within the driving lanes, use of a swing are no towing, inspection by the Health Department, and maximum music levels consistent with the noise code.

   Deliciouz Ice Cream vendor cannot obstruct pedestrian or vehicular traffic on streets or sidewalks. Also vendor cannot remain in a fixed location for more than one hour at a time. Vendor must move at least fifty feet (50') from their prior location every hour during which they are conducting business.

   Vendor cannot conduct business in a location that impairs reasonable pedestrian or vehicular access to any adjoining building, alley, yard or other property.

   The agreement also prohibits sales in speed zones over 25mph, school zones, at or within 30 feet of an intersection and to patrons of either golf course in town.

   The agreement prohibits the ice cream vendors from playing music if they are selling at the same location at the same time. If conflicts or complaints occur, franchisees may not be allowed to sell food within 300 feet of any other ice cream vendor.

   The applicant has reviewed the Agreement and has not raised any issues. He has provided the City with copies of his Insurance Policy, Criminal History, Business license with other entities, and approval from the Summit county Health Department to sell Pre-packaged items.

The hours of operation shall be from 12 noon until dusk. The hours of operation may be limited or staggered with other franchisees if conflicts or complaints occur.

Code enforcement will do an annual review of the vendor to ensure compliance. Business Licensing will ensure background check are done on all drivers to ensure that no drivers are registered sex offenders nor have been convicted of any felony.

The proposed franchise agreement has the same terms as the two other franchise applications and is similar to prior agreements with other Ice Cream vendors.

Council has the discretion to add or remove terms from this agreement. Council may choose to grant additional ice cream franchise or deny this request based on the factors listed above (public necessity, demand of service, pedestrian and vehicular traffic compatibility, competition, and public safety). Staff recommends that Council award a franchise to Deliciouz Ice Cream Inc.

Department Review:
This report has been reviewed by the City Engineer, Police, Business Licensing and Code Enforcement.

Alternatives:

A. **Approve the Request:**
Award a franchise agreement (Exhibit A), in a form approved by the City Attorney, to Deliciouz Ice Cream Inc. to allow ice cream vending within the public right-of-way for an initial one year term with automatic renewal for four successive on year terms unless either party provides the other written notice of its intent not to renew on or before May 16st of any term this is the recommended action.

B. **Deny the Request**
This would prevent a Deliciouz Ice Cream from vending from the public right-of-way in Park City.

C. **Continue the Item:**
If the Council would like more information on this matter, it may postpone action on the agreement and request additional information.

D. **Do Nothing:**
This would prevent Deliciouz Ice Cream Inc. from vending from the public right-of-way in Park City.

Significant Impacts:
None

Consequences of not taking the recommended action:
Deliciouz Ice Cream Inc. will not be allowed to vend ice cream from a public right-of-way within Park City.

Recommendation:
Award a franchise agreement Exhibit A), in a form approved by the City Attorney, to Deliciouz Ice Cream INC. to allow ice cream vending within the public right-of-way for a one year term with automatic renewal for four successive one year terms unless either party provides the other written notice of its intent not to renew.

Exhibits: Exhibit A- Franchise agreement
Exhibit B- Map of the areas which allow street vending
Exhibit C- Pictures of ice cream truck

Exhibit A:
[THIS DOCUMENT IS FOR IMFORMATIONAL PURPOSES ONLY, IT IS NOT AN OFFER TO CONTRACT]

STREET VENDOR FRANCHISE AGREEMENT

This Franchise Agreement (this "Franchise") is between **PARK CITY MUNICIPAL CORPORATION**, hereinafter referred to as "Franchising Authority" and **DELICIOUZ ICE CREAM INC** hereinafter referred to as "Grantee."

The Franchising Authority, having determined that the financial, legal, and technical ability of the Grantee is reasonably sufficient to provide services, facilities, and equipment necessary to provide vending services to the community, desires to enter into this Franchise Agreement with the Grantee.

SECTION 1

Definition of Terms

1.1 Terms. For the purpose of this Franchise, the following terms, phrases, words, and abbreviations shall have the meanings ascribed to them below:

A. "Franchise" shall mean the authorization to conduct the business of an ice cream vendor as prescribed herein.

B. "Franchising Authority" means Park City Municipal Corporation or the lawful successor, transferee, or assignee thereof.

C. "Grantee" means **DELICIOUZ ICE CREAM INC** or the lawful successor, transferee, or assignee thereof.

D. "Person" means an individual, partnership, association, joint stock company, trust, corporation, or governmental entity.

E. "Public Way" shall mean the surface of any public street, alley, court, boulevard, parkway, way, lane, road, drive, circle, or other public right-of-way. Public way shall not include bike paths, sidewalks, trails or other pedestrian ways, private driveways or roads.

F. "Service Area" shall include the present boundaries of all Single Family Zones ("SF"), including the RD-MPD zones within Park Meadows, all Historic Residential Zones (HR-1, HR-2, HRC, HRM), and Sullivan Lane, as designated on attached Exhibit B of the Official Zoning Map of the Franchising Authority. Service Area shall not include locations in any Festival boundary, Special Even boundary or when

a public health or safety concern would be raised by vending. Service Area shall include any additions thereto made by amendment to Municipal Code Section 4-3-8, annexation or other legal means.

SECTION 2
Grant of Franchise

2.1 **Grant**. The Franchising Authority hereby grants to the Grantee a nonexclusive Franchise which authorizes the Grantee to operate a mobile street vending operation limited to the sale of ice cream and related food products from a single vehicle within Public Ways within the Service Area, subject to the terms herein.

2.2 **Term**. The Franchise granted hereunder shall be for an initial term of one year commencing on May 24, 2012 and terminating on May 23, 2013, unless otherwise lawfully terminated in accordance with the terms of this Franchise. This Franchise shall automatically renew for four (4) additional successive one year terms unless either party provides written notice to the other of its intent not to renew no later than January 1st of the current term.

2.3 **Franchise Fee**. The Grantee shall pay to the Franchising Authority an annual franchise fee of $100.00, which shall include the business license fee. This franchise fee is the same as the City's current other commercial vehicle fee and if that fee is amended by resolution, accordingly so shall this franchise fee.

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2.5 **Franchise Non-Transferable**. The Grantee's right, title, or interest in the Franchise shall not be sold, transferred, assigned, or otherwise encumbered, other than to an entity controlling, controlled by, or under common control with the Grantee, without the prior written consent of the Franchising Authority.

SECTION 3
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3.1 **Conditions of Street Occupancy**. All operations shall be conducted so as to cause a minimum of interference with the proper use of Public Ways and with the rights and reasonable convenience of property owners who own property that adjoins any of such Public Ways.

3.2 **Relocation at Request of the Franchising Authority**. Grantee shall at all times obey public safety officers of the Franchising Authority and their designees. Upon order of any public safety officer, Grantee shall immediately relocate to a location designated by the officer.

3.3 **Safety Requirements and Standards of Operation**. Operation of the Franchise shall be performed in accordance with applicable state, county and city health and traffic regulations. The Grantee shall not endanger or interfere with the safety of persons or property in the Service Area.

The Grantee's vehicle shall conform to the following requirements, which may be amended by the Franchising Authority upon written notice to the Grantee:

A. The vehicle shall have a clearly-audible back-up device activated when the vehicle is in reverse. The Grantee or driver may not move the vehicle backwards for the purpose of selling or displaying food products.

B. A convex mirror mounted on the front of the vehicle so that the driver in a normal driving position may see the area in front of the vehicle which would otherwise be obscured by the hood.

C. The driver of the vehicle shall engage a yellow flashing beacon on top of the vehicle to alert motorists that the vehicle is in operation and selling food.

D. The vehicle shall have an operable swing arm to engage when selling food to warn oncoming traffic to slow.

E. The vehicle shall not pull a trailer or any other vehicle.

F. The vehicle shall have been inspected by and have written approval from the Summit County Health Department prior to operation.

G. The hours of operation shall be limited from twelve noon to dusk. The Grantee shall only sell to persons on sidewalks, side of the street or other pedestrian area; the Grantee shall not sell to any person standing within the paved roadway (driving lane). The hours of operation may be limited or staggered with other franchisees if conflicts or complaints occur.

H. The Grantee shall not sell food: 1) in speed zones in excess of 25 miles per hour; 2) in any school zone; 3) to patrons of either the Park City Golf Course or the Park Meadows Golf Course; nor 4) within an intersection or within 30 feet of an intersection.

I. The Grantee shall be allowed to play music from the vehicle during hours of operation at a decimal level established by the Park City Police Department, which in no event shall exceed a level which is plainly audible from a distance greater than 50 feet.

J. The Grantee shall not be allowed to play music within 300 feet of any other ice cream vendor or in an area where the Grantee is aware that an ice cream vendor vehicle has been within the past 30 minutes. If conflicts or complaints occur, franchisees may not be allowed to sell food within 300 feet of any other ice cream vendor.

K. Grantee shall conduct background checks on all drivers to ensure that no drivers are registered sex offenders nor have been convicted of any felony.

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4.1 Insurance Requirements. The Grantee shall maintain in full force and effect, at its own cost and expense, during the term of the Franchise, Automobile Liability Insurance with limits not less than $1,000,000 combined single limit per accident for bodily injury and property damage. The Grantee shall provide a Certificate of Insurance designating the Franchising Authority as an additional insured by endorsement. Such insurance shall be unrestricted and primary to any City insurance. The City's insurance is non-contributory and excess. Such insurance shall be non-cancelable except upon 30 days prior written notice to the Franchising Authority.

4.2 Indemnification. The Grantee shall defend, indemnify and hold the Franchise Authority and its agents, employees, and officers, harmless from and shall process and defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature to the extent permitted by law, brought against the Franchising Authority arising out of, in connection with, or incident to the operation of the Franchise and/or the Grantee's defective performance or failure to perform any aspect of this Agreement; provided, however, that if such claims are caused by or result from the concurrent negligence of the Franchising Authority, its agents, employees, and officers, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Grantee; and provided further, that nothing herein shall require the Grantee to hold harmless or defend the Franchising Authority, its agents, employees and/or officers from any claims arising from the sole negligence or intentional torts of the Franchising Authority, its agents, employees, and/or officers. This limited waiver has been mutually negotiated by the parties, and is expressly made effective only for the purposes of this Agreement. The provisions of this section shall survive the expiration or termination of this Agreement.

The Grantee expressly agrees that the indemnification provided herein constitutes the Grantee limited waiver of immunity as an employer under Utah Code Section 34A-2-105; provided, however, this waiver shall apply only to the extent an employee of Grantee claims or recovers compensation from the City for a loss or injury that Service Provider would be obligated to indemnify the City for under this Agreement. This limited waiver has been mutually negotiated by the parties, and is expressly made effective only for the purposes of this Agreement. The provisions of this section shall survive the expiration or termination of this Agreement.

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

SECTION 5
Enforcement and Termination of Franchise

5.1 Notice of Violation. In the event that the Franchising Authority believes that the Grantee has not complied with the terms of the Franchise, it shall notify the Grantee in writing of the exact nature of the alleged noncompliance.

5.2 Grantee's Right to Cure or Respond. The Grantee shall have 3 days from receipt of the notice described in Section 5.1 to respond to the Franchising Authority to: (a) cure such default; or (b) in the event that, by the nature of default, such default cannot be cured within the 3-day period, initiate reasonable steps to remedy such default and notify the Franchising Authority of the steps being taken and the projected date that they will be completed. The Franchising Authority must consent to additional time to cure the default; such consent shall not be unreasonably withheld. In the event that the Grantee fails to respond to the notice, or in the event that the alleged default is not remedied within 3 days or the date projected pursuant to above and agreed upon by the Franchise Authority, the Franchising Authority may terminate this Agreement at the next regularly scheduled meeting of the governing body of the Franchising Authority. The Franchising Authority shall notify the Grantee in writing of the time and place of such meeting and provide the Grantee with an opportunity to be heard. Upon the decision of the Franchising Authority to terminate the Franchise, which shall be made in the Franchising Authority's sole discretion, the Grantee shall immediately surrender its business license and cease operations. As consideration for the "experimental" grant of this Franchise, the Grantee expressly waives any right to contest or otherwise appeal said termination of the Franchise, or seek any damages as a result of said termination.

5.3 Traffic or Neighborhood Incompatibility. If the Franchising Authority believes that the operation of the Franchise, regardless of compliance with all the terms herein, has created an unreasonable traffic impact or negatively impacted the citizens of the Service Area as evidenced by complaints, and those impacts cannot be mitigated through the imposition of the additional conditions, the Franchising Authority may terminate this Agreement at the next regularly scheduled meeting of the governing body of the Franchising Authority. The Franchising Authority shall notify the Grantee in writing of the time and place of such meeting and provide the Grantee with an opportunity to be heard. Upon the decision of the Franchising Authority to terminate the Franchise, which shall be made in the Franchising Authority's sole discretion, the Grantee shall immediately surrender its business license and cease operations. As consideration for the "experimental" grant of this Franchise, the Grantee expressly waives any right to contest or otherwise appeal said termination of the Franchise, or seek any damages as a result of said termination.

SECTION 6
Miscellaneous Provisions

6.1 Actions of Parties. In any action by the Franchising Authority or the Grantee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious, and timely manner.

6.2 Amendments. This Agreement may not be amended except by written agreement properly executed by both parties.

6.3 Notice. Unless expressly otherwise agreed between the parties, every notice or response required by this Franchise to be served upon the Franchising Authority or the Grantee shall be in writing, and shall be deemed to have been duly given to the required party five business days after having been posted in a properly sealed and correctly addressed envelope when hand delivered or sent by certified or registered mail, postage prepaid.
The notices or responses to the Franchising Authority shall be addressed as follows:

City Attorney's Office
Park City Municipal Corporation
P.O. Box 1480
Park City, UT 84060-1480

The notices or responses to the Grantee shall be addressed as follows:

Deliciouz Ice Cream Inc
1405 Utahna Dr
Salt lake City, Utah 84104

The Franchising Authority and the Grantee may designate such other address or addresses from time to time by giving written notice to the other.

6.4 Descriptive Headings. The captions to Sections contained herein are intended solely to facilitate the reading thereof. Such captions shall not affect the meaning or interpretation of the text herein.

6.5 Severability. If any Section, sentence, paragraph, term, or provision hereof is determined to be illegal, invalid, or unconstitutional, by any court of competent jurisdiction or by any state or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of any other Section, sentence, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of the Franchise, or any renewal or renewals thereof.

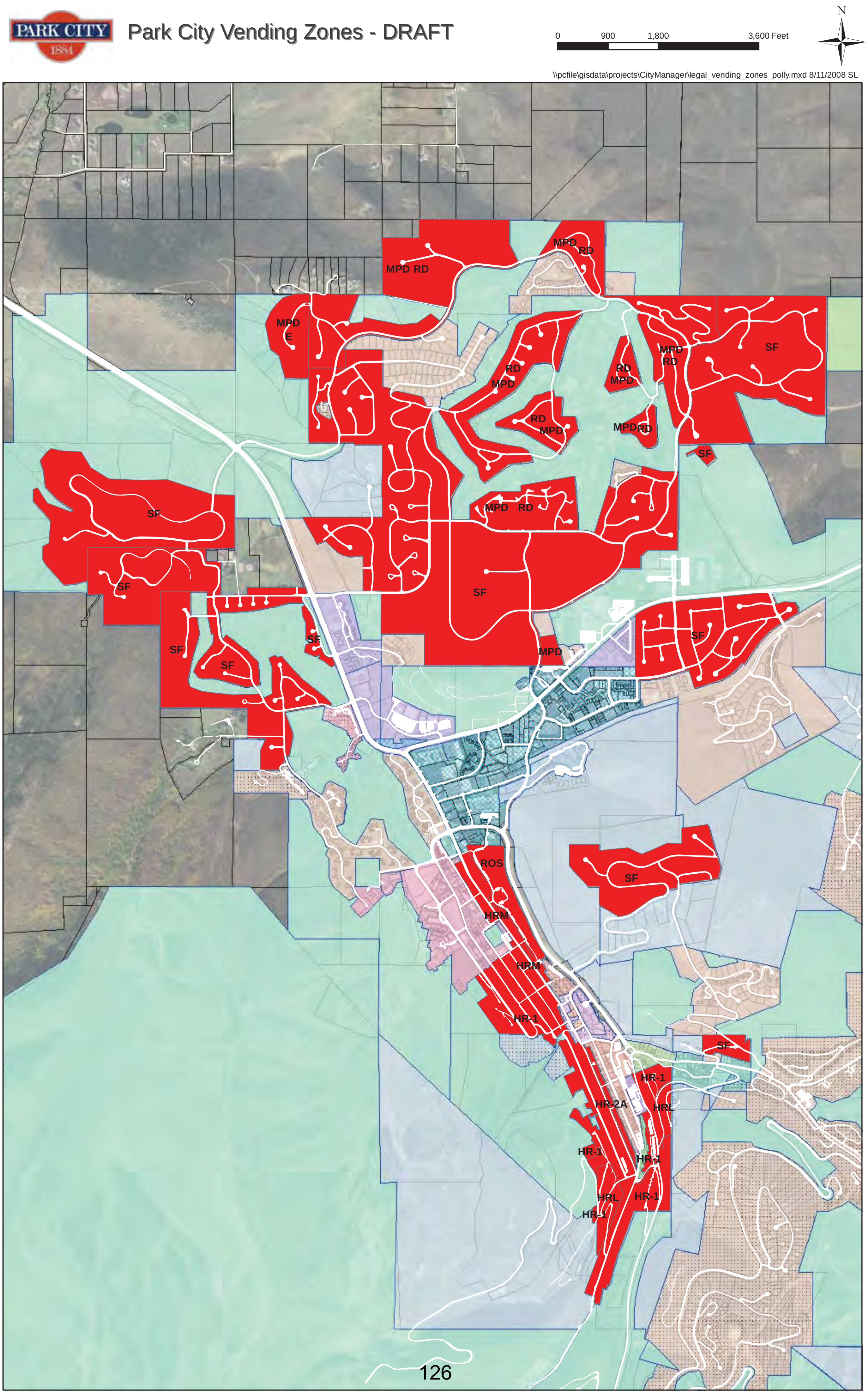
6.6 Applicable Law. The terms and conditions contained herein shall be interpreted according to the laws of the State of Utah.

6.7 Venue. Any action initiated before a court of law shall be in a court of proper jurisdiction in Summit County, Utah.

6.8 Effective Date. The effective date of this Franchise is May 24, 2012.

IN WITNESS WHEREOF, the parties hereto have entered into this Franchise Agreement on May 24, 2012.

Park City Vending Zones - DRAFT




deliciouz ice cream


SLOW


CHILDREN
CROSSING
GRUMMAN OLSON


STOP
FOR
CHILDREN
STOP
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WATCH FOR
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CAUTION
WATCH FOR
CHILDREN

City Council
Staff Report

Subject:	**Amendment to Professional Services Contract for Empire Avenue Reconstruction**
Author:	**Matthew Cassel, P.E., City Engineer**
Department:	**Engineering**
Date:	**May 24, 2012**
Type of Item:	**Administrative**

Summary Recommendations:
The Council should authorize the City Manager to sign amendment No. 1 to the Service Provider/Professional Services Agreement with Stanley Consultants for construction engineering management and post construction services related to the 2012 reconstruction of Empire Avenue in the amount of $130,804.68.

Topic/Description:
Stanley was awarded the full contract on January 5, 2012 to provide design, bidding services, construction engineering management services and post construction services for the Empire Avenue Reconstruction Project. At that time, enough funds were only available for Stanley Consultants to complete the design and bidding process for the project. When additional funds were identified, staff would return to Council with an amendment to the contract.

This amendment No. 1 to the contract with Stanley Consultants will provide for the construction engineering management and post construction services for the Empire Avenue Re-construction project. Their fee for these elements is $130,804.68.

Approved funding for this project is as follows:
Capital Project cp0155 contains $51,463, which is the remaining funds approved for OTIS Phase II(a) projects. During the City Council meeting on May 17 staff made Council aware that a construction contract for the Empire Ave. street reconstruction portion of the OTIS projects would be presented to Council for approval on May 24th. It has been staff's recommendation that Council adopt a long term funding strategy for the entirety of the remaining OTIS projects rather than on a project by project basis. Council indicated that they would like to consider funding the remaining OTIS projects, Historic Park City/Main Street Projects and Stormwater Capital Improvements with an additional Resort City Sales Tax levy.

In order to begin construction this summer on the Empire Avenue OTIS project staff recommends a $1.8 million bridge loan be used to cover the currently unbudgeted expense. Staff recommends that an additional $1.8 million transfer from the General Fund balance to the Capital Fund should be used to cover the project cost. The General Fund balance can be replenished to the 18% allowable level once additional revenue is secured.

Water funds will be used for the waterline inspection portion of this project. Snyderville Basin Water Reclamation District (SBWRD) and Questar Gas will finance the inspection of their own facilities.

Background:

City Council adopted the Old Town Improvement Study (OTIS) in 2002. This was actually the second study, as the City has been steadily improving infrastructure in Old Town since an earlier study in 1992 made similar recommendations. Street projects which have been accomplished since 1992 include most of Swede Alley, King Road, Ontario Avenue, Marsac Avenue, Woodside Avenue south of 12th Street, Upper Park Avenue, Prospect Street, Upper Norfolk and lower Woodside/Norfolk, Hillside Avenue and Sandridge Drive. In May 2011, the OTIS study was updated with current estimates of construction costs and with a reprioritization of projects. Empire Avenue rose to the top of the list mostly because of the deteriorating and highly problematic water line in Empire Avenue.

To keep residents along Empire Avenue informed and provide them with a venue to voice their issues and concerns, three public involvement meetings were scheduled to be held during the course of the project. The first public meeting was held on February 7, 2012 during the preliminary design phase of the project with the purpose of capturing initial public concerns that staff will need to address. The second public meeting was held on March 27, 2012 as the design nears completion and was used to show the residents the nearly complete design and again provide for their input.

The third public meeting will be held just before construction starts in late May/Early June. This meeting's objective will be to let the residents know construction will be starting and give them a chance to meet the contractor.

Analysis:

When the contract was approved by City Council on January 5, 2012, the construction engineering management portion was $103,736.52. Because of the resident's concerns with the road width and their drive connections into the new street, staff requested Stanley Consultants to revisit their costs with consideration to increase their inspector's time, significantly increase the Public Involvement time and to increase the time the Project Manager/Field Engineer spends on the project addressing specific questions and concerns. The increase for these elements is $27,068.16.

Staff has reviewed this increase to the construction engineering management portion of the project and finds it to be justifiable and appropriate for the anticipated needs at this stage of the Empire Avenue Re-Construction project.

Stanley Consultant's original fee for the project was $294,784.37. This fee included providing design and bidding services and providing construction engineering management and post construction services. This amendment no. 1 will increase their total original fee to $321,852.53.

Department Review:
This report has been reviewed by Water Department, Public Works, Budget, City Manager, and Legal. All issues have been resolved.

Alternatives:

A. Approve the Request:
This is the staff's recommendation.

B. Deny the Request:
This would make it difficult to oversee and monitor the re-construction of Empire Avenue this 2012 construction season.

C. Continue the Item:
If the Council needs more information the item can be continued.

D. Do Nothing:
This option would make it difficult to oversee and monitor the construction of the project.

Significant Impacts:
The reconstruction of Empire Avenue will heavily impact the adjacent residents. To mitigate this issue, the Public Involvement, Inspection and Field Engineering service budgets have been increased significantly to keep atop and address the concerns and issues of the residents during the construction phase.

Consequences of not taking the recommended action:
Empire Avenue is a local street where the utilities are in need of replacement. Not taking the recommended action will not allow staff to start and complete the reconstruction of Empire Avenue this coming summer.

Recommendation:
The Council should authorize the City Manager to sign amendment No. 1 to the Service Provider/Professional Services Agreement with Stanley Consultants for construction engineering management and post construction services related to the 2012 reconstruction of Empire Avenue in the amount of $130,804.68.

Exhibit A – Scope of Work and Fee for Amendment No. 1 to Stanley Consultant's Contract

Empire Avenue Reconstruction – Addendum 1

Task 4 Construction Management

TASK 4.1 – Pre-Construction Meeting

We will conduct a pre-construction conference including the Contractor, the City, and our PI team. Construction procedural matters will also be addressed including reporting requirements, pay authorizations, RFI submittals, change orders, and periodic schedule updates. We will ask the contractor to produce a task specific schedule. Lastly, we will provide photos and video of the roadway and buildings potentially impacted by the construction process.

Deliverables: Meeting agenda and minutes.

TASK 4.2 – Pre-Construction Public Open House

Fehr & Peers will arrange and facilitate a "Meet the Contractor" open house before the start of construction. The purpose of the open house will be for stakeholders and residents to meet the contractor, receive an update on the project schedule, anticipated traffic control, discuss any issues they may have, and get information on the upcoming construction.

Deliverables: Public Comments

TASK 4.3 – Construction Administration

Our staff, construction inspector, and field engineer will document daily construction and inspection activities that includes, participating in weekly construction meetings, evaluation of change orders and review of weekly schedules.

Deliverables: Reports, completed forms, meeting minutes, record of conversations with affected parties, schedule review, and payment approvals.

TASK 4.4 – On Site Public Involvement and Coordination

Fehr & Peers will assist the project team in resolving construction related issues with the residents. Fehr & Peers will be on site weekly to give residents an opportunity to discuss concerns regarding construction impacts with the PI coordinator. Concerns aired will be discussed with the contractor/project team at the weekly construction meeting. Fehr & Peers will maintain the Facebook page and monitor the project hotline. Fehr & Peers will prepare and coordinate weekly construction updates for email distribution and coordinate posting weekly updates to the project Facebook page and with Park City's "projects under construction" webpage. Fehr & Peers will respond to complaints within one business day. As appropriate, Fehr & Peers will forward complaints to the contractor/construction management team for resolution; it will be the responsibility of the contractor and Park City to resolve the issue in question, and Fehr & Peers' responsibility to follow up with complainants to determine whether the issue was successfully resolved.

TASK 4.5 – Construction Observation and Coordination

We will have a full-time Inspector on-site to inspect and document construction activities. He will provide regular updates to Park City and the PI Team. Our Inspector will coordinate construction testing on an as needed basis with the Contractor to ensure the material testing complies with plans and specifications. The inspector will evaluate the traffic control to confirm compliance with MUTCD standards.

Deliverable: Daily reports, which include construction activities performed, equipment used, and traffic control compliance, pay quantities.

The Construction Inspector will maintain a marked set of field changes that will show design alterations used to produce an electronic set of as-builts. Any design revisions or field changes will require approval from the City prior to implementation. Any variance from the design will be noted in redline mark-ups.

Deliverable: Observation memorandum, and construction documents.

The inspector, in coordination with the Contractor, will confirm substantial completion and will notify the City. We will schedule a final walkthrough and develop a punch list to complete the project. Upon satisfactory completion of the punch list items and a final walkthrough by the City, we will recommend final payment.

Deliverable: Substantial Completion Form; memo showing punch list items and the completion dates; and Final Payment request.

Task 5 Post Construction

TASK 5.1 – Post Construction Documentation

We will review the Contractor's field changes. We will use this information to prepare as-built plans. We will provide as-built plans on mylar and an electronic version in GIS format.

Fehr & Peers will distribute a post-construction survey to stakeholders and residents to gauge success of the project and gather lessons learned for future construction projects. In addition, Fehr & Peers will provide Park City with a post-construction public involvement report, which will include an overview and analysis of PI activities, copies of all information distributed to the public, a log of all information and comments received, a stakeholder database, and copies of all surveys received.

Deliverable: As-built drawings, plans in GIS format, project lessons learned report, and public involvement report

Assumptions

Construction will last for 22 weeks. Staff time for various tasks was based on this time frame. If construction lasts longer that 22 weeks costs will increase above those stated here, and will require a contract modification.

The inspector has 800 hours. It is assumed that he will not need to be full time at the beginning of the project since he is not inspecting the water and sewer work. He will also not be full time at the end of the project after the majority of the work is complete and the contractor is performing punch list items. This also assumes 8 hours days five days a week.

The project manager/field engineer has approximately 5 hours per week during construction. A significant portion of this will be used to attend the weekly meeting. Design changes and coordination with the contractor or residents will be 1-2 hours maximum.

There is approximately 10 hours per week for PI effort. This includes attendance at weekly meetings.

Construction paperwork will consist of one file each for daily reports, pay requests, and information from contractor including test results.

Stanley Consultants, Inc. Empire Avenue Basic Fee

Client: Park City Municipal Corporation

Project : Empire Avenue Reconstruction Addendum 1

Total Fee:
$130,804.68

Prepared: 05/17/12

Activity - Task Description	CLIENT LIAISON	TECHNICAL ADVISOR	PROJECT MANAGER	LAND SURVEYOR	OFFICE SURVEY	ROADWAY ENGINEER	ROADWAY DESIGNER	STORMWATER ENGINEER	STORMWATER DESIGNER	CAD	RESIDENT ENGINEER	CONSTRUCTION OBSERVER	DESIGN/FIELD ENGINEER	SR. FIELD ENG	CONSTRUCTI ON OFFIC SUPPORT	LAB MANAGER	TESTER/RUN NER	LAB TECH	PI Manager	PI Support	Utility Office	Utility CAD	Landscape Engineer	Utility Engineer	Utility Coordinator	Geotech Engineer	Utility Location	TOTAL HOURS	Loaded
	$215	$191	$124	$153	$101	$124	$86	$124	$64	$86	$153	$86	$71	$124	$79	$86	$64	$101	$115	$75	$68	$91	$102	$97	$130	$89	$120		
Task 4.0 - Construction Management																													
Pre-Construction Meeting	0	0	4	0	0	0	0	0	0	0	4	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	12	$1,456.56
Pre-Construction Public Open House	0	0	4	0	0	0	0	0	0	0	0	4	0	0	0	0	0	0	12	25	0	0	0	0	0	0	0	45	$4,097.80
Construction Adminstration	0	0	110	0	0	10	0	0	0	0	0	0	0	0	50	0	0	0	0	0	0	0	0	0	0	0	0	170	$18,876.20
On-Site Public Involvement and Coordination	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	55	165	0	0	0	0	0	0	0	220	$18,700.00
Construction Observation and Coordination	0	0	0	0	0	0	0	0	0	0	0	800	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	800	$68,992.00
Inspection and Testing Coordination	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	$0.00
Testing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	$0.00
Task 4 Subtotal Hours	0	0	118	0	0	10	0	0	0	0	4	808	0	0	50	0	0	0	67	190	0	0	0	0	0	0	0	1247	**$112,122.56**
Task 5.0 - Post Construction																													
Record Drawings	0	0	16	0	0	0	0	8	0	40	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	66	$6,609.12
Task 5 Subtotal Hours	0	0	16	0	0	0	0	8	0	40	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	66	**$6,609.12**
Total Hours	**0**	**0**	**134**	**0**	**0**	**10**	**0**	**8**	**0**	**40**	**4**	**810**	**0**	**0**	**50**	**0**	**0**	**0**	**67**	**190**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**1313**	**$118,731.68**
																													$0.00
																												EXPENSES =	$12,073.00
																												LABOR =	$118,731.68
																												TOTAL FEE =	**$130,804.68**

Client: Park City Municipal Corporation
Project : Empire Avenue Reconstruction Addendum 1

Engineering Services Estimate Prepared: 05/17/12

PI Reproduction Costs	1	Each	$1,098.00	**$1,098.00**
PI Mileage	25	Trips	$60.00	**$1,500.00**
8.5 x 11 Copies	2000	Each	$0.10	**$200.00**
Mileage	15000	Miles	$0.56	**$8,325.00**
Phones	5	Month	$70	**$350.00**
Aircard	5	Month	$60	**$300**
Legal Notices for Construction Advertisement	1	Each	$300	**$300**
TOTAL ESTIMATED EXPENSES				**$12,073.00**

City Council Staff Report

Subject: **Empire Avenue Reconstruction Project Construction Agreement**
Author: **Matthew Cassel, P.E., City Engineer**
Department: **Engineering**
Date: **May 24, 2012**
Type of Item: **Administrative**

Summary Recommendations:
The City Council should authorize the City Manager to execute a construction agreement for the re-construction of Empire Avenue with Condie Construction in a form approved by the City Attorney and in an amount of $2,831,127.

Topic/Description:
This construction agreement is with Condie Construction for work associated with Empire Avenue Re-Construction including road removal and replacement, upgrade of existing water main, installation of hydrants, installation of new water services and/or meters as required, installation of curb and gutter, installation of sidewalk between Silver King Drive and Shadow Ridge and upgrade of traffic and regulatory signage. Coordination with Questar Gas for the upgrade of their facilities and SBWRD for sewer improvements between Silver King Drive to Manor Way will also occur within this project.

Approved funding for this project is as follows:
Capital Project cp0155 contains $51,463, which is the remaining funds approved for OTIS Phase II(a) projects. During the City Council meeting on May 17 staff made Council aware that a construction contract for the Empire Ave. street reconstruction portion of the OTIS projects would be presented to Council for approval on May 24th. It has been staff's recommendation that Council adopt a long term funding strategy for the entirety of the remaining OTIS projects rather than on a project by project basis. Council indicated that they would like to consider funding the remaining OTIS projects, Historic Park City/Main Street Projects and Stormwater Capital Improvements with an additional Resort City Sales Tax levy.

In order to begin construction this summer on the Empire Avenue OTIS project staff recommends a $1.8 million bridge loan be used to cover the currently unbudgeted expense. Staff recommends that an additional $1.8 million transfer from the General Fund balance to the Capital Fund should be used to cover the project cost. The General Fund balance can be replenished to the 18% allowable level once additional revenue is secured.

Water funds will be used for the waterline design and construction portion of this project ($1,162,992) and Snyderville Basin Water Reclamation District (SBWRD) will fund their portion of the project ($333,558). Questar Gas will finance the design and construction of their facilities and is not included as part of the cost of this project.

Background:
City Council adopted the Old Town Improvement Study (OTIS) in 2002. This was actually the second study, as the City has been steadily improving infrastructure in Old Town since an earlier study in 1992 made similar recommendations. Street projects which have been accomplished since 1992 include most of Swede Alley, King Road, Ontario Avenue, Marsac Avenue, Woodside Avenue south of 12^{th} Street, Upper Park Avenue, Prospect Street, Upper Norfolk and lower Woodside/Norfolk, Hillside Avenue and Sandridge Drive. In May 2011, the OTIS study was updated with current estimates of construction costs and with a reprioritization of projects. Empire Avenue rose to the top of the list mostly because of the deteriorating and highly problematic water line in Empire Avenue.

To keep residents along Empire Avenue informed and provide them with a venue to voice their issues and concerns, three public involvement meetings were scheduled to be held during the course of the project. The first public meeting was held on February 7, 2012 during the preliminary design phase of the project with the purpose of capturing initial public concerns that staff will need to address. The second public meeting was held on March 27, 2012 as the design nears completion and was used to show the residents the nearly complete design and again provide for their input.

The third public meeting will be held just before construction starts in late May/Early June. This meeting's objective will be to let the residents know construction will be starting, give them a chance to meet the contractor and distribute contact information.

Analysis:
The design consultants and staff advertised to obtain competitive bids for the Reconstruction of Empire Avenue. The project was advertised in the Park Record and the Salt Lake Tribune and on Park City's website. Bids were received on May 10, 2012 and five (5) bids were received. Engineer's construction estimate for the project was $3,559,099.

COMPANY	**BID SUM**
Condie Construction	$2,831,127
Lyndon Jones Construction	$3,552,966
SCI	$3,861,751
Kilgore Paving	$4,006,245
Granite Construction	$4,378,078

All bids submitted were reviewed and compliant with the terms of the Contract Documents.

When the Reconstruction of Empire Avenue is completed, additional operation and maintenance cost is not anticipated by staff.

Department Review:
This report has been reviewed by City Manager, Water, Budget, Public Works and Legal. All issues have been resolved.

Alternatives:

A. Approve the Request:
This is the staff's recommendation.

B. Deny the Request:
This would make it difficult to complete the construction in the 2012 construction season.

C. Continue the Item:
If the Council needs more information the item can be continued, but this would cause the same consequence as denying the request.

D. Do Nothing:
This option would not allow for the construction on this project to commence.

Significant Impacts:
The reconstruction of Empire Avenue will heavily impact the adjacent residents. To mitigate this issue, the Public Involvement budget has been increased significantly in our design and construction engineering consultant's contract to keep atop and address the concerns and issues of the residents during the construction phase.

Consequences of not taking the recommended action:
Empire Avenue is a local street where the utilities are in need of replacement. Not taking the recommended action will not allow staff to start and complete the reconstruction of Empire Avenue this coming summer.

Recommendation:
The City Council should authorize the City Manager to execute a construction agreement for the re-construction of Empire Avenue with Condie Construction in a form approved by the City Attorney and in an amount of $2,831,127.

Exhibit - Consultant letter of recommendation

Stanley Consultants INC.

A Stanley Group Company
Engineering, Environmental and Construction Services - Worldwide

May 14, 2012

Matthew Cassel, P.E.
Park City Municipal Corporation
445 Marsac Avenue
Park City, UT 84060

Mr. Cassel,

Subject: Empire Avenue Award Recommendation

We have tabulated and reviewed the bids for the Empire Avenue Reconstruction Project. Condie Construction Company was the low bidder. Based on their bid package and our phone discussions, we recommend that Condie Construction Company be awarded the contract.

Sincerely,

Stanley Consultants, Inc.

David Osborn
Senior Engineer

383 West Vine Street, Suite 400 • Salt Lake City, UT 84123 • phone 801.293.8880 • fax 801.293.8886
internet: www.stanleyconsultants.com

City Council
Staff Report

DATE: May 24, 2012
DEPARTMENT: Public Works
AUTHOR: Pace Erickson, Troy Dayley
TITLE: PAVEMENT MANAGEMENT BID
TYPE OF ITEM: Appeal

Summary Recommendations:
Staff recommends Council deny the appeal of Bonneville Asphalt & Repair LLC (Bonneville).

Description:
Appeal of the disqualification of Bonneville bid on the Crack Seal schedule which was part of the Pavement Management Request for Bids. .

Topic:
Park City Pavement Management bid results, Crack Sealing bid. The five Bid schedules are: Type II Slurry Seals, Trail Sealcoat, Street Overlays, Utility Adjustments and Crack Sealing.

Process:
Council as the appeal authority shall review the evidence as presented by each side, accept sworn testimony relevant to the appeal and deliberate and make a decision. A written decision of the appeal decision shall be sent to Bonneville Asphalt & Repair LLC within one week.

Background:
The pavement management program maximizes pavement life and minimizes pavement costs by identifying the time frame for carrying out appropriate maintenance or rehabilitation. The benefit of this practice is to extend pavement life and reduce the overall life cycle cost. Pavements typically deteriorate in a non-linear fashion. Twenty-five percent of the deterioration occurs during the first seventy-five percent of pavement life. The more cost-effective maintenance should occur when the pavement is still in fair condition. Pavement repairs can be done inexpensively using crack sealing, slurry sealing and overlay techniques. Proper pavement management minimizes the need for costly pavement reconstruction.

The 2012 Pavement Management program was advertised to bidders April 7 – 22, 2012. The bid opening was conducted on May 1, 2012 in which there were 9 bids submitted.

The project encompasses five separate bid schedules in one bid package. Contractors could choose which projects within the bid package they wish to submit a bid.

Contractors can choose to bid on all or just a portion of the entire Pavement Management program. The five bid schedules were:

Type II Slurry Seals,
Trail Sealcoat,
Street Overlays,
Utility Adjustments
Crack Sealing.

Summary of Protest:
Project Manager (Troy Dayley), at the time of the bid, determined that the bid proposal submitted by Bonneville Asphalt & Repair LLC had elements which were non-compliant with the sealed bid requirement of the bidding process. A Post-It note was attached to the outside of the envelope which detailed an addition to the bid amount of $200 a ton for bid Schedule "E" Crack Seal.

Several bidders in attendance also said the Post-It note attached to the outside of the envelope was non-responsive with the bidding requirements. Based upon the fact that the bid submitted by Bonneville Asphalt & Repair LLC contained elements which were not in a sealed envelope, Park City determined the bid for Schedule "E" Crack Seals from Bonneville Asphalt & Repair LLC to be non-responsive with the requirements below:

BID SUBMITTED: Bids shall be submitted in a sealed envelope which is marked on the outside "Sealed Bid – **SLURRY SEAL, SEALCOAT TRAILS, OVERLAYS, UTILITY ADJUSTMENTS AND CRACK SEALS 2012** ". The date of the opening shall also be shown on the envelope. If submitted by mail, the sealed envelope containing the bid shall be enclosed in a mailing envelope. Bids shall be submitted on the "Bid Proposal" form, accompanying the specifications and shall be properly executed as indicated thereon."

AWARD OR REJECTION: Contract will be awarded to the lowest most qualified responsible Bidder complying with these instructions and with the Invitation to Bid and not necessarily the lowest Bidder………. Proposals lacking required information will not be considered.

Bonneville alleged that they relied on staff when attaching the post-it note and were informed of the procedure to appeal. The instructions to bidders clearly state the appropriate individual to contact regarding any and all question pertaining to the bid. The responsible City representative in the Request for Bidders is located on page (3). By directing questions to someone other than the Project Manager, Bonneville erred by not following the instructions in the bid

Park City Appeals Procedure:
Any supplier, vendor, or contractor who determines that a decision has been made adversely to him, by the City, in violation of these regulations, may appeal that decision to the City Council.

The complainant contractor shall promptly file a written appeal letter with the manager, within five working days from the time the alleged incident occurred.

The letter of appeal shall state all relevant facts of the matter and the remedy sought. Upon receipt of the notice of appeal, the manager shall forward the appeal notice, his investigation of the matter, and any other relevant information to the City Council. The City Council shall conduct a hearing on the matter and provide the complainant an opportunity to be heard.

A written decision shall be sent to the complainant.

Letter of Appeal from Bonneville Asphalt & Repair
Park City received a letter of appeal from Bonneville Asphalt & Repair LLC in compliance with the appeal process:

May 4, 2012
Park City Public Works
1053 Iron Horse Drive
Park City, Utah 84060
RE: Bid Opening - Rejected Crack Seal Bid
Dear Troy & Pace
As previously discussed, this is the situation in question.
Matt our senior estimator for 13 years, submitted our sealed bid package on Tuesday around 9:00 am for $2090 per ton for Crack Seal and other bid schedules. At the last minute I decided to make a change and we called Public Works to inquire about the format for making a change before the bid opening. Your secretary instructed Matt to just come in and that it wouldn't be a problem. Matt came back in and offered to open it and make all necessary changes but she said "just put a post-it-note on it that will be fine."
As a point of reference, we have done this on a couple occasions and were fine. So we didn't feel concerned. We would have been more than willing to open it and make the changes and reseal the envelope.
The City should accept our proposal based on the fact we followed all your instructions.
Interestingly, though, in the same envelope, you allowed the submission of the bid for the Utility Adjustments Schedule to be submitted.
This could have all been avoided if the secretary had accepted Matt's offer to open the bid package and make the changes.
We successfully completed the Park City Crack Seal project last year and hope to be able to work with your City in the future.
Thank you for allowing this appeal,
Shaun Heaton
Bonneville Asphalt & Repair LLC

<u>Staff Determination of Appeal</u>
Staff has reviewed the following documents prior to forming a recommendation for City Council regarding the appeal:

Bonneville Asphalt & Repair LLC Appeal Letter dated May 4, 2012

Lisa Gourley written account of occurrence
Pavement Management Bid documents and instructions to bidders

Staff's understanding of the facts regarding this appeal based upon the above documents and interviewing staff are as follows:

Prior to the bid opening on May 1, 2012 representative Matthew Messerly of Bonneville Asphalt & Repair LLC (Estimator) requested their bid back to make last minute changes to the bid submitted by Bonneville Asphalt & Repair LLC. City staffer Lisa Gourley who was working at the Public Works front desk complied with Mr. Messerly's request and returned the sealed envelope to Mr. Messerly per the City's Bidding Policy.

Ms. Gourley asked Mr. Messerly if he intended to be back to submit Bonneville Asphalt & Repair LLC bid in time for the bid opening scheduled for 1:00 pm or if he just wanted to open it, insert the information and turn it back in.

Mr. Messerly informed Ms. Gourley he would not be opening the bid packet, rather he would be writing on the outside of the envelope.

Ms. Gourley offered Mr. Messerly a Post-It note to write on. **(Ms. Gourley's account of the conversation differs with Mr. Messerly's account in the letter of appeal sent by Shaun Heaton representing Bonneville Asphalt & Repair LLC.)**

The bid package was submitted with the Post-It note attached to the outside of the envelope. Staff deemed this non-responsive with the bidding instructions for bid Schedule "E" Crack Seals.

Because of the importance to keep consistency during the bidding process regarding any and all questions pertaining to the bid document and specifications, instructions clearly state the individual who is responsible for answering all questions relating to the bid. The responsible City representative in the Request for Bidders is located on page (3) and clearly states:

OWNER: Park City Municipal Corporation

Project Manager/Contact:
All questions to be submitted in writing to: Troy Dayley
Streets & Streetscapes Supervisor
P.O. Box 1480
1053 Iron Horse Drive
Park City, UT 84060
(435) 615-4909 fax
troy@parkcity.org

Bonneville Asphalt & Repair LLC erred by not complying with the bid instructions by directing questions to someone other than the Project Manager and was

deemed non-responsive for bid Schedule "E" Crack Seals. The next lowest bid was from Ridge Rock Inc. It is important to note that all of the other bidding contractors were responsive in submitting a sealed bid.

Because there were 5 separate schedules, Park City did however consider the other portions of the bid which was responsive to the "Instructions to Bidders" and properly submitted as a sealed bid as to the other schedules. As a properly responsive sealed bid, staff is recommending Bonneville Asphalt & Repair LLC be awarded bid Schedule "D" Utility Adjustments as part of the Pavement Management Program.

Regardless of the factual dispute, Bonneville erred by not complying with the explicit directions of the Bid and therefore Staff denied the bid as to that schedule.

<u>Department Review:</u>
This staff report has been reviewed by Public Works, Legal, Engineering and Administration Departments.

<u>Alternatives:</u>
A. Approve the Protest:
Council could grant the appeal and grant the award to Bonneville.

B. Deny the Protest:
Council could deny the protest. The award would be granted to the next lowest bidder for that schedule.

C. Continue the Item:
Council could continue the request. Continuing the request and not awarding the contract to Ridge Rock Inc. would delay the project. Potentially a new bidding process may be necessary.

D. Do Nothing:
Staff does not recommend this alternative. Doing nothing would also delay the Pavement Management project and may cause the need to rebid the Pavement Management project or delay the project by one year.

<u>Significant Impacts:</u>
The continuation of the Pavement Management Program is critical to sustain the overall condition of Park City pavements. Delaying the project may put it during inclement weather which is not favorable for the Pavement Management program which may necessitate postponing one year.

<u>Recommendation:</u>
Staff recommends Council deny the appeal of Bonneville Asphalt & Repair LLC.

Attachment:

SLURRY SEAL BID

ON

MAY 1, 2012

On May 1st, 2012 Kristie had informed me that a bid had been turned in, but she had received a phone call from a lady from Bonneville Asphalt, and said they would be in as they needed to add more info into the packet we had already received. While Kristie was at lunch, between 11:00am and 12:00pm a gentle man stopped by telling me he was with Bonneville Asphalt and he needed his bid packet so he could add to his packet.

With what info and past experiences taking bid packets, when he arrived, I had the packet ready and handed it to him. I asked him if he would be back in time with the packet, or if he just wanted to open it and turn it back in. He told me he would not be opening the packet and he would just write on the outside of the envelope. Not knowing any of the procedures regarding writing on the envelope policy, I offered him a post –it to write on if he wanted. He accepted my offer and stuck it on the packet. When Kristie returned from lunch, I explained that a gentleman from Bonneville Asphalt had come in and his change was on the envelope due to he didn't want to open the envelope and put his addition inside, so there was a post-it with his changes on it.

Lisa S. Gourley

Lisa S Gourley

City Council Staff Report

DATE: May 24, 2012
DEPARTMENT: Public Works
AUTHOR: Pace Erickson, Troy Dayley
TITLE: 2012 Pavement Management
TYPE OF ITEM: Administrative

SUMMARY RECOMMENDATIONS: Accept the 2012 Pavement Management bids and authorize staff to enter into an agreement with:

1. Kilgore Paving for pavement overlays in the amount of **$489,741.90**
2. Intermountain Slurry Seal for slurry seals in the amount **$87,553.44**
3. Ridge Rock for crack seal and trail seal coat in the amount of **$89,868.90**
4. Bonneville Asphalt for utility adjustments in the amount not to exceed **$48,400.00**
In a form approved by the City Attorney.

DESCRIPTION:

Topic. Pavement Management Program 2012

Background. The pavement management program maximizes pavement life and minimizes pavement costs by identifying the time frame for carrying out appropriate maintenance or rehabilitation. The benefit of this practice is to extend pavement life and reduce the overall life cycle cost. Pavements typically deteriorate in a non-linear fashion. Twenty-five percent of the deterioration occurs during the first seventy-five percent of pavement life. The more cost-effective maintenance should occur when the pavement is still in fair condition. Pavement repairs can be done inexpensively using sealing and overlay techniques. Proper pavement management should minimize the need for costly pavement reconstruction.

The pavement management plan has been up-dated several times in the last twenty years most recently in 2005 by Local Technology Assistance Program (LTAP) a group affiliated with Utah State University. The review consisted of visually inspecting the surface of every city street, analyzing the data, ranking streets, developing implementation plans based on different funding levels and supplying Park City Municipal Corporation with a tool to develop future pavement management plans.

Pavement condition reports have identified the overall condition of Park City's pavement system. A remaining service life (RSL) scale is used with 20 year remaining life being pavement in the best possible condition and a 0 year remaining life being the worst. This condition report includes the effect of surface, base, subgrade, load, environmental conditions and materials.

Last year staff worked with the City Engineer and representatives of GARCO testing to review current mix designs. GARCO felt Park City's mix might be a bit too stiff for the extreme fluctuations in temperatures and that a more flexible mix with a temperature range of PG +58° to

-28° would work much better for our climate. Park City's current asphalt mix design is significantly stiffer. A more flexible mix is more malleable and less prone to cracking. One advantage of a stiffer mix is less prone to rutting which has not been an issue in Park City. Staff has incorporated the new mix design into this years' pavement management bid specifications.

Pavement Condition Warranted maintenance/rehabilitation effort based on remaining service life (RSL)

16-20	RSL	Minimal - crack sealing
12-15	RSL	Some - minor patching, fog seals, slurry seals and crack sealing
8-11	RSL	Routine - thin overlays or micro seals and cape seals
4-7	RSL	Increasing - thicker overlays or possible reconstruction
0-4	RSL	High - surface or base reconstruction, possibly subgrade stabilization or total reconstruction

The average remaining service life of all Park City pavements is 8.74 years. A value of 8.74 means that a pavement is in a routine maintenance category requiring thin to medium thickness overlays, slurry sealing and crack sealing to extend the service life of the pavements. Delay would increase the cost of repair significantly for these pavements. In a sense, they are the optimal pavements for repair. All pavements which are determined to have an RSL of 4 or below while can benefit from some very thick overlays are beyond restoration within the pavement management program. These pavements are patched as soundly as possible and are sent to the CIP budget for consideration for reconstruction.

LTAP recommends a RSL of 10 years which is optimum for pavements in the intermountain area. An RSL of 8.74 puts Park City very close to achieving the recommended RSL with current funding and materials cost levels. The higher we can keep the pavement score the less expensive they will be to repair and maintain.
In the spring of 2012 LTAP is scheduled to perform an update complete street condition assessment.

Asphalt forecast
Staff has seen significant increases from just a year ago. Asphalt Pavement up13%,
Slurry Seal up 25% and Crack Seal is now up 35% from last year's bids.
With our volatile oil prices that directly influence the costs of pavement treatments it's very difficult to predict what future increases might look like.

Analysis.
The sealed bid notification/process was advertised in the Park Record, Salt Lake Tribune and on the City Webpage.

Slurry Seal
The following streets have been identified within the pavement management program as needing 60,801 square yards of slurry seal as part of the overall pavement management strategy.

Section/ Street Name
Deer Valley North: Solamere Drive to Deer Valley intersection
Solamere Drive: Deer Valley Drive to Telemark North

Solamere Drive: Telemark North to Sunridge Drive

Telemark Drive: Solamere Drive to Solamere Drive

Eladar Place: Solamere Drive to end CDS

Rising Star: Oak Wood Drive to end CDS

Iron Cyn: from cross roads through both cul-de-sacs

TMI Parking Lot @ Swede Alley and Main Street

Oak Leaf Court: Sunridge Drive to end CDS

Crack Seal

Crack seal is an excellent way to prolong pavement life by sealing the surface cracks to prohibit water penetration on pavements which are in relatively good condition. However, all pavements in various stages and condition benefit from crack sealing. Public Works will apply 30 tons of crack seal to various city streets and 3 tons of crack seal to bike paths.

Utility Adjustments

Utility adjustments are required after an overlay to raise manholes, water valves and monument markers to the same grade as the pavement surface. Some require lowering prior to an overlay due to the milling process in advance of an overlay. 61 water valves/monuments and 65 manholes have been identified as needing to be adjusted prior to and after overlay application:

Section/ Street Name	Water/Survey	Manholes
Equestrian Court: Lucky John Dr to end CDS	4	2
Meadow Creek Drive from Creek Dr. to end of CDS	2	4
Thaynes Canyon Dr: Pay Day to Three Kings Drive	0	6
Wyatt Earp: SR248 to Paddington	10	4
Hidden Splendor Ct: Thaynes Canyon to end CDS	1	2
Transit Center: Swede Alley to SR224	3	0
Swede Alley: Heber Ave to 5th Street	0	2
Prospector Ave: Gold Dust to Bonanza Dr.	0	7
Holiday Ranch Loop Road Little Kate to 4way intersection	0	9
Various repairs to utility cuts at top of Royal Street	1	3
Mt Oak Court: Little Kate Rd. to end of CDS	0	1
Estates Drive American Saddler thru Estates Circle	30	17
Additional Utility adjustments	10	8
Total Utility Adjustments	**61**	**65**

Overlays

The following streets and Bike Paths have been identified within the pavement management program to receive a total of 5,460 tons of asphalt in the form of overlays as part of the overall pavement management strategy:

Section/ Street Name
Equestrian Court: Lucky John Dr to end CDS
Meadow Creek Drive from Creek Dr. to end of CDS
Thaynes Canyon Dr: PayDay to Three Kings Drive
Wyatt Earp: SR248 to Paddington
Hidden Splendor Court: Thaynes Cyanon to end CDS
Transit Center: Swede Alley to SR224
Swede Alley: Heber Ave to 5th Street
Prospector Ave: Gold Dust to Bonanza Dr.
Holiday Ranch Loop Road Little Kate to 4way intersection
Various repairs to utility cuts at top of Royal Street
Mt Oak Court: Little Kate Rd. to end of CDS
Estates Drive American Saddler thru Estates Circle

Section / Bike Path
Bike Path from Meadows drive to Pay Day Drive
Bike Path from Bonanza Drive to Sidewinder Drive

Sealcoat Trails

The following Bike Paths have been identified within the pavement management program to receive a total of 13,365 square yards of sealcoat as part of the overall pavement management strategy:

Section / Bike Path
Hwy 248 Trail: Sidewinder Dr.t to Wyatt Earp Dr.
Deer Valley: from Doe Pass to end
Mc Polin Farm Trail: White Pine Cyn Rd to Meadows Drive

Bid Results

There were five bids received for street overlays, two bids for slurry seals, four bids for crack sealing, five bids for seal coat trails, and two bids for utility adjustments. Additionally a bid was rejected due to non-conforming of the sealed bid requirement therefore Bonneville Asphalt & Repair's crack seal bid was rejected from the final bid tabulations. An appeal to that decision is being heard by Council on May 24, 2012 and that award may be altered based on the outcome of the appeal.

Street Overlays

Kilgore Paving	**$489,741.90**	**(Recommended)**
Staker & Parsons Co.	$516,977.16	
Geneva Rock Products	$599,872.08	
Morgan Pavement	$506,947.08	
Bonneville Asphalt	$649,024.45	

Slurry Seals

Intermountain Slurry Seal	**$87,553.44**	***(Recommended)***
M&M Asphalt	$103,361.70	

Seal Coat Trails		
Ridge Rock	**$11,493.90**	***(Recommended)***
Kilgore Paving	$13,765.95	
M&M Asphalt	$24,057.00	
Superior Asphalt	$27,799.20	
Bonneville Asphalt	$14,701.50	
Crack Sealing		
Ridge Rock	**$78,375.00**	***(Recommended)***
Bonneville Asphalt	*$75,570.00*	***(Disqualified)***
Kilgore Paving	$85,008.00	
M&M Asphalt	$99,000.00	
Superior Asphalt	$110,385.00	
Utility Adjustments		
Bonneville Asphalt	**$48,400.00**	***(Recommended)***
Morgan Pavement	$83,000.00	

Department Review. Bids were reviewed by the Public Works Department and Legal Department.

ALTERNATIVES:

1. Accept the 2012 pavement management bids, approve awarding and authorize staff to enter into an agreement with the lowest qualified bidders.

(Staff Recommended)
1. Kilgore Paving for pavement overlays in the amount of $489,741.90
2. Intermountain Slurry Seal for slurry seals in the amount $87,553.44
3. Ridge Rock for crack seal and trail seal coat in the amount of $89,868.90
4. Bonneville Asphalt for utility adjustments in the amount not to exceed $48,400.00

2. Change scope and re-bid the 2012 pavement management program.
(Staff does not recommend this alternative.)

3. Reject all bids.
(Staff does not recommend this alternative.)

SIGNIFICANT IMPACTS:
The pavement management plan is designed to maintain and improve Park City pavement quality. Approval of less than the recommended program will cause a decline of pavement quality.

CONSEQUENCES OF NOT TAKING THE RECOMMENDED ACTION: Failure to maintain an adequate pavement management program will increase maintenance costs in subsequent years and lower overall pavement quality.

RECOMMENDATION: Alternative A: Accept the 2012 Pavement Management bids and authorize staff to enter into an agreement with:

1. Kilgore Paving for pavement overlays in the amount of $489,741.90
2. Intermountain Slurry Seal for slurry seals in the amount $87,553.44
3. Ridge Rock for crack seal and trail seal coat in the amount of $89,868.90
4. Bonneville Asphalt for utility adjustments in the amount not to exceed $48,400.00
In a form approved by the City Attorney.

City Council
Staff Report

Subject:	**QUINN'S JUNCTION PARTNERSHIP ANNEXATION AND ZONING MAP AMENDMENT**
Date:	**May 24, 2012**
Project Number:	**PL-12-01473**
Type of Item:	**Legislative-Annexation and Zoning Map amendment**

Summary Recommendation
Staff recommends the City Council conduct a public hearing, consider input, and consider approving the Quinn's Junction Partnership Annexation and amendment to the zoning map, based on the findings of fact, conclusions of law, and conditions of approval as stated in the attached Ordinance, or as amended at the meeting.

Purpose of this meeting
The purpose of this meeting is to 1) review the revised conditions of approval based on Council's discussion at the May 17th meeting, 2) conduct a public hearing; and 3) provide a final action on the proposed Quinn's Junction Partnership annexation and zoning map amendment.

Description

Project Name:	Quinn's Junction Partnership Annexation
Applicant:	Quinn's Junction Partnership ("QJP")
Representative:	Michael Martin, General Partner Quinn's Junction Partnership
Location:	Southwest quadrant of US 40 and SR 248 intersection
Proposed Zoning:	Community Transition and Regional Commercial Overlay (CT-RCO)
Adjacent Land Uses:	Dedicated open space, US 40 and SR 248, Quinn's Sports Complex and Open Space, Park City Heights MPD, Park City Medical Center, USSA Center of Excellence, Summit County Health Department, Medical Offices, Rail Trail recreation trail, Quinn's Water Treatment Plant, and vacant agricultural land.
Proposed Uses:	Movie studio, offices/retail, hotel, and associated uses (total of 374,000 square feet)

Proposal
The applicant is requesting annexation into Park City and CT-RCO zoning, with Master Plan Development approval, for a 29.55 acre parcel of undeveloped land for the purpose of constructing 374,000 square feet of commercial uses, limited to a movie studio and media campus, including a 100 room hotel, amphitheater, and associated uses.

The property is located in the southwest quadrant of the Quinn's Junction Planning Area, at the intersection of US Highway 40 and State Road (SR) 248. The annexation plat and legal description are attached to the Ordinance.

The proposed zoning is Community Transition- Regional Commercial Overlay (CT-RCO) for the entire parcel. The use of the overlay zone recognizes the unique circumstances of the project and acknowledges the County's vested density determination based upon prior applications as limited to the express terms of the proposed MPD, without creating a precedent for adjacent parcels in the CT zone. A further commercial up-zone of other parcels in the existing City CT zone would remain inconsistent under the current Land Use plan of the General Plan.

The property is subject to a County Settlement Agreement that acknowledges a vested development right for a Film and Media Campus of 355,000 gross commercial square feet, with possible future phases, if the City denies annexation and the project is developed in Summit County.

Background
Please refer to the May 17th Staff Report for background information and staff analysis regarding the application.

Revisions to the MPD
In response to City Council comments and discussion at the May 17th meeting, the applicant made the following revisions to the MPD plans:

1. Added berming and landscaping to the south property line area to further mitigate impacts of the buildings on the view shed from HWY 248 looking north.
2. Building flexibility zones identified.
3. Fencing heights identified on the Fencing Plan.
4. Trail to be constructed by the City, with applicant funding as per the Conditions of Approval.
5. Parking phasing, with north end parking to be of pervious paving per conditions of approval.

Annexation Review Process
For additional background information on the annexation review process, all reports, exhibits and minutes are available on the City's web site www.parkcity.org, under the Living Here/ Community Development/ Quinn's Junction Partnership Annexation web page, or from the Planning Department.

Planning Commission recommendation
On April 25, 2012, the Planning Commission conducted a final public hearing and voted (4 to 2) to forward to City Council a negative recommendation on the Quinn's Junction Partnership annexation and zoning petition, according to the findings of fact and conclusions of law outlined in the May 17th report.

Review pursuant to Utah Code Annotated (UCA) Sections 10-2-401, 10-2-402 and 10-2-403 and Review pursuant to the Annexation Policy Plan

Please refer to the May 17th Staff Report for a detailed review and analysis of the annexation application pursuant to the Utah Code Annotated (UCA) Sections 10-2-401, 10-2-402 and 10-2-403 and the Annexation Policy Plan.

Staff Recommendation

Given that annexation is a legislative act and that, qualified by the express conditions of the Settlement and Annexation Agreements, it is a unique tool that the Council can utilize to annex this parcel and protect the City's entry corridor. Annexation of the parcel will provide local control of land uses, activities, signs, site planning, design and architectural character (e.g. form, vernacular, materials, colors, finishes, details).

This annexation is a unique situation. Given the Settlement Agreement that has placed this annexation before the City Council, Staff recommends that the Council consider assessing the pros and cons of annexing this project in a broader sense with consideration given to the 2009 Visioning Plan (e.g. filters) and to the future of Park City (e.g. economic diversification) and consider whether local control over this parcel is in the best interest of the Park City community in the broadest sense.

Staff's assessment of this annexation, and recommendation that this property be annexed into Park City, is not intended to replace the more narrow focus of the General Plan, but rather serves as a broader look at a unique dilemma.
The Annexation Agreement contains a set of Design Guidelines that will allow City Staff to address site design, building design, landscaping, parking, lighting, and a number of other concerns. City Staff does not believe that the County's Agreement and Code address these issues to the same degree. Further, conditions of approval as noted by the Planning Commission and as amended by the Council provide an additional level of guarantee that future development on this site will meet the standards set by other developments in Park City, in terms of site planning, design, and attention to detail that a quality project would do anyway.

Staff recommends that the City Council consider annexing this key property that is within the City's Annexation Expansion Area, and consider that the proposed project will likely be built regardless of annexation and that future uses, activities, impacts, etc. will be better addressed and mitigated by the Council.

Discussion requested

Staff requests the Council discuss the following items:

1. Changes made to the MPD plans (berming, landscaping, fencing, parking)
2. Findings, Conclusions and Conditions of Approval in the Draft Ordinance.
3. Draft Development Agreement

Notice

The property was posted and notice of the public hearing was published in the Park Record and mailed to affected property owners in accordance with requirements of the Land Management Code.

Public Input

Public input was received at hearings conducted by the Planning Commission on March 14th and 28th and April 11th and 25th. A public open house was conducted by the applicant at the Park City Ice Center on March 27, 2012. Public input was primarily concerned with noise, lighting, total number of parking spaces and the minimum open space, design of security fencing, disruptive studio and concert activities, access, and traffic impacts. There was public input that encouraged green roofs along Hwy 248 and quality architecture and materials to mitigate impacts of the development on the Hwy and input to maintain control of the site to keep the ambiance of Park City, There was input to make sure that the scope of the project and uses is fully understood. Additional input expressed hope that the City would hold high expectations for the project to make sure the project would be an amenity that contributes to the community.

Public input was provided at the May 17th meeting regarding what the studios expectations of tax incentives from the City or State are and whether a wildlife study was submitted. Also, there was a statement that the public doesn't show up to speak on items because they trust the Planning Commission and the decisions they make.

Future Process

If the annexation is approved then the Final MPD plans, as approved by the City Council, become the basis for review of the administrative Conditional Use Permit, along with the Annexation Agreement and Land Management Code of Park City. The administrative Conditional Use Permit application is required to be submitted to and reviewed by the Planning Director for compliance with the Settlement Agreement, the LMC, and the Final MPD plans, as a condition precedent to issuance of any building permits for development on this site.

A subdivision plat, to create legal lot(s) of record and dedicate utility, drainage, and access easements and trails, etc. is a requirement prior to site work and issuance of building permits. All future applications will be processed in accordance with the code in effect at that time. Subdivision plats are reviewed by the Planning Commission with final approval by the City Council.

Recommendation

Staff recommends the City Council conduct a public hearing, consider input, and consider approving the Quinn's Junction Partnership Annexation and amendment to the zoning map, based on the findings of fact, conclusions of law, and conditions of approval as stated in the attached Ordinance, or as amended at the meeting.

Exhibits
Ordinance
Exhibit A- Revised pages of the MPD Plans
Exhibit B- Draft Development Agreement

Ordinance 12- DRAFT

AN ORDINANCE ANNEXING APPROXIMATELY 29.55 ACRES OF PROPERTY LOCATED AT THE SOUTHWEST CORNER OF THE SR248 AND US40 INTERCHANGE IN THE QUINN'S JUNCTION AREA, KNOWN AS THE QUINN'S PARTNERSHIP ANNEXATION, INTO THE CORPORATE LIMITS OF PARK CITY, UTAH, AND AMENDING THE OFFICIAL ZONING MAP OF PARK CITY TO ZONE THE PROPERTY COMMUNITY TRANSITION (CT) WITH A REGIONAL COMMERCIAL OVERLAY (RCO) DESIGNATION

WHEREAS, on January 24, 2005, the property owner, Quinn's Junction Partnership, of the property shown on the attached Annexation Plat "Exhibit A", the "Property"), first petitioned the City Council for approval of an annexation into the Park City limits; and

WHEREAS, the Property is approximately 29.55 acres in area and is located southwest of the intersection of State Road 248 and US-40 as described in the attached Legal Description "Exhibit B"; and

WHEREAS, the Property is included within the Park City Annexation Expansion Area, and is not included within any other municipal jurisdiction; and

~~WHEREAS, on January 17, 2012, an Annexation Agreement "Exhibit D" was entered into by and among the Quinn's Junction Partnership and Park City Municipal Corporation; and~~

WHEREAS, on January 18, 2012, Summit County and the Quinn's Junction Partnership executed a Settlement Agreement "Exhibit C" regarding vested development rights for this parcel, including an Annexation Agreement which was entered into by and among the Quinn's Junction Partnership and Park City Municipal Corporation on January 17, 2012 ("Annexation Agreement"); and

WHEREAS, on January 20, 2012, a revised annexation petition, including a zoning map amendment request to zone the property Community Transition (CT) with a Regional Commercial Overlay (RCO) was submitted. Additional information related to the annexation petition and the Master Planned Development for a 374,000 sf (Gross Floor area as described in the January 17, 2012 Annexation Agreement) movie/film studio campus, with associated uses and a 100 room hotel, was submitted to the City, and the submittal was deemed complete; and

WHEREAS, the Park City Council accepted the Quinn's Junction Partnership Annexation petition on January 26, 2012; and

WHEREAS, the City reviewed the petition against the criteria stated in Sections 10-2-403 (2), (3), and (4) of the Utah Code, annotated 1953 as amended, and found the petition complied with all applicable criteria of the Utah Code; and

WHEREAS, On February 2, 2012, the City Recorder certified the annexation petition and delivered notice letters to the “affected entities” required by Utah Code, Section 10-2-405, giving notice that the petition had been certified and the required 30-day protest period had begun; and

WHEREAS, no protests were filed by any “affected entities” or other jurisdictions within the 30-day protest period and the petition was considered accepted on March 5, 2012; and

WHEREAS, the Planning Commission, after proper notice, conducted public hearings regarding the Annexation petition application on March 14th, March 28th, April 11th, and April 25th ; and

WHEREAS, on April 25, 2012, the Planning Commission voted to forward to City Council a negative recommendation on the proposed annexation and zoning of Community Transition (CT) with a Regional Commercial Overlay (RCO) as described in the Annexation Agreement; and

WHEREAS, on May ~~____~~17th and May ~~____,~~ 24th, 2012, the City Council conducted public hearings and discussed the annexation, MPD, and zoning map amendment and took public testimony on the matter, as required by law; and

WHEREAS, the January 17, 2012, Annexation Agreement outlines parameters, conditions, and restrictions regarding the Master Planned Development (the “Proposed MPD”) on the 29.55 acres for a film and media campus, with associated uses; and.

WHEREAS, the MPD Plans dated __________ as “Exhibit F” submitted by the Applicant, set forth further conditions, design objectives and standards, building massing and articulation, site plan requirements, landscaping and buffering, materials, and other specific items that have a goal of enhancing rather than detracting from the aesthetic quality of the entry corridor; and

WHEREAS, a Development Agreement, between the City and Petitioner pursuant to the Land Management Code, Section 15-8-5 (C), setting forth further terms and conditions of the Annexation and Master Planned Development is herein included as Exhibit G.

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

SECTION 1. ANNEXATION APPROVAL. The Property is hereby annexed into the corporate limits of Park City, Utah according to the Annexation Plat executed in substantially the same form as is attached hereto as “Exhibit A” and according to the Findings of Fact, Conclusions of Law, and Conditions of Approval as stated below.

The Property so annexed shall enjoy the privileges of being in Park City as described in the Annexation Development Agreement attached as “Exhibit G” and shall be subject to all City levies and assessments as described in the terms of said Annexation Development Agreement.

The Property shall be subject to all City laws, rules and regulations upon the effective date of this Ordinance.

SECTION 2. ANNEXATION DEVELOPMENT AGREEMENT. Council hereby authorizes the Mayor to execute the Annexation Development Agreement in substantially the same form as is attached hereto as “Exhibit G” and as approved by the City Attorney.

SECTION 3. COMPLIANCE WITH STATE LAW, GENERAL PLAN, AND ANNEXATION POLICY PLAN. This annexation meets the standards for annexation set forth in Title 10, Chapter 2 of the Utah Code, the Park City General Plan, and The Annexation Policy Plan - Land Management Code Chapter 8, Annexation. The CT zoning designation with Regional Commercial Overlay (RCO) is consistent with the Annexation Agreement approved by the City Council and executed on January 17, 2012.

SECTION 4. OFFICIAL PARK CITY ZONING MAP AMENDMENT. The Official Park City Zoning Map is hereby amended to include said Property in the CT zoning district, with an RCO overlay as shown in “Exhibit E”.

SECTION 5. FINDINGS OF FACT, CONCLUSIONS OF LAW, AND CONDITIONS OF APPROVAL.

Findings of Fact

1. The property is subject to the January 17, 2012 Annexation Agreement between Park City and Quinn’s Junction Partnership that sets forth certain requirements and waivers for the MPD development. These waivers are due to pre-existing vesting in Summit County and the terms of the January 18, 2012 County Settlement Agreement.
2. Land Uses proposed in the MPD Plans include a 100 room/key hotel and associated lodging uses, a film studio campus with sound stages, and associated uses, including support commercial, recording studio, outdoor stage amphitheater, enclosed atrium area between the hotel and ballroom/meeting space, screening rooms and theater, related mixed use office/retail/entertainment, sound stages, film school and related educational uses, associated offices, workshops, and production support and offices. The Gross Floor Area allowed per the Annexation Agreement is 374,000 square feet. Exceptions to the Floor Area, including porches, balconies, patios and decks, vent shafts, courts, and one atrium subject to further restrictions, are spelled out in the Annexation Agreement.

3. Proposed uses as identified in the MPD Plans (Exhibit F) are consistent with the January 17, 2012 Annexation Agreement.
4. The ~~Planning Commission~~ City Council as the final approving body of the MPD has~~may~~ decreased the number of Off-Street Parking Spaces within MPDs based upon a parking analysis and recommendation from the Planning Department per Section 15-6-5 (E).
~~4.~~5. The discussion in the "analysis" sections of the staff reports dated March 14th, March 28th, April 11th, April 25th, May 17th and May 24th, 2012 are incorporated herein.

Conclusions of Law

1. Due to the unique circumstances of the terms and conditions of the County Settlement Agreement, the Annexation and Zoning Map amendment are consistent with the Annexation Agreement (Exhibit D), the City's Annexation Policy Plan, Quinn's Junction Study Area, the required findings and conclusions of LMC 15-6-6, and the Park City General Plan (2005).
2. Approval of the Annexation and Zoning Map amendment does not adversely affect the health, safety, and welfare of the citizens of Park City.

Conditions of Approval

1. The Official Zoning Map shall be amended to designate the Quinn's Junction Partnership Annexation property with Community Transition (CT) zoning, with a Regional Commercial Overlay (RCO) limited to the commercial uses of the Annexation Agreement dated January 17, 2012 as expressly approved in the MPD concurrently approved herein.
2. The attached Exhibits, including the ~~Annexation~~ Development Agreement for the Quinn's Junction Annexation and the Annexation Agreement, shall be fully executed and recorded at Summit County, along with the Annexation Plat.
3. The Master Planned Development Plans hereby approved and all final design, Administrative CUP and building permits shall comply with the Annexation Agreement and all applicable Land Management Code "LMC" provisions that are not contrary to said~~the~~ Annexation Agreement.
4. The required Administrative Conditional Use permit application for final design shall be reviewed for consistency with the Annexation Agreement and the MPD Plans package, these conditions of approval including site design, building massing and height, setbacks, architectural design and vernacular, materials, colors, landscaping, lighting, fencing, grading, berming, trails, circulation for buses and emergency vehicles, parking and phasing, etc. and conditions of the Annexation Development Agreement. Rendered elevations, material and color samples, shall be provided for Planning Department review prior to approval of the Administrative Conditional Use permit. Maximum building height of Building 8 (formerly Pad 7) is limited to 50 feet or maximum height not to exceed 60 feet in the event a major, long term film production contract necessitates the full studio height ~~unless a production contract is entered into~~ in compliance

with Paragraph 2.5(e) of the Annexation Agreement. Final Architectural Review pursuant to 15-2.23-6 shall be concurrent with the Administrative CUP. Commissioner Jack Thomas shall participate in the Administrative CUP as a liaison for purpose of further input on final design and architectural elements. Final building footprints shall substantially conform to the MPD Site Plan approved by the City Council. Minor variations in building size and articulation will be considered by the Planning Director at the time of review of the Administrative CUP, provided that there is no increase in the total Gross Floor Area for each of the four main areas, namely: 1) the hotel, 2) office/sound stage support, 3) sound stage, and 4) retail/support. Final building footprints shall be located within the identified building pads.

5. A preliminary landscape plan, provided by a licensed landscape architect, and including landscape site design and materials consistent with those identified in the Annexation Agreement and as further specified in the MPD Plan package is required to be submitted with the Administrative Conditional Use permit application. The landscape plan shall identify grading, heights, and undulation of the perimeter berming to soften the view of the commercial structures. The landscape plan shall include a planting plan and an irrigation plan. Ground cover for green roofs shall also be included in the landscape plan. Perimeter landscaping should be of a substantial size and shall be reviewed and approved by the City Arborist and Landscape Architect. The landscape plan shall indicate how the landscaping will be phased and shall indicate perimeter plantings to be installed prior to vertical construction to provide screening of construction work. Temporary irrigation will be required to ensure these plantings survive. Final landscape plans, consistent with the preliminary landscape plan submitted with the Administrative CUP, shall be submitted and must be approved by the City with the building permit plan sets.
6. Parking lot and all other exterior lighting shall meet requirements of the LMC with additional restrictions on the overall wattage, automatic timers, and lighting designed in zones and shall comply with best lighting practices as recommended by the Dark Skies organization. A lighting plan, provided by a qualified lighting professional, shall be submitted with the Administrative Conditional Use permit application.
7. Security fencing on the property perimeter shall not exceed 7' in height and ~~shall generally~~internal gate fencing may be ~~5' to 6'~~12' in height in areas limited to as shown on Exhibit F (page__). Fencing~~and~~ shall not include razor wire or other details that read as "high security" fencing. Use of electronic monitoring is allowed. Fencing details shall be provided with the Administrative Conditional Use permit application and shall be consistent with the Final MPD Plan Package (Exhibit F(page 39) in terms of location, design, materials, colors, and extent. Perimeter fencing shall be phased consistent with the phased parking lot construction described in #16 below.
8. All vehicular access points to the development from SR-248 shall comply with any and all existing Corridor Preservation Agreements. Changes to

these Agreements must be approved by the Utah Department of Transportation ~~working cooperatively with Park City Municipal Corporation Transportation Department~~. The City approves of the two proposed access locations as depicted on the Final MPD Plan Package (Exhibit F- page ___). The Applicant will be responsible for filing application for required access approvals with the Utah Department of Transportation. Without additional UDOT approvals, there will be a single public access to the property at the signalized intersection of Round Valley Drive and SR 248, and emergency access as approved by UDOT, and the Fire and Building departments.

9. In the event that the south secondary access point is approved, this access shall be located in such a way as to not preclude access to the adjacent City open space parcel. Necessary cross access easements shall be provided, preferably on the subdivision plat, through the public area of the MPD to provide access to the signalized intersection for the City parcel.
10. Traffic Management Plans for special events shall be approved by the City's Special Events staff as well as by the City's Police Departments of Transportation and Public Safety. All necessary special event permits and conditional use permits shall be obtained prior to commencing the Special Event or Master Festival. No overcrowding permits may be granted by the Building Department.
11. Outdoor activities and noise shall be limited to 7AM to 10 PM and shall not exceed the City's noise ordinance, unless otherwise allowed through a Special Event/Master Festival permit in accordance with the Municipal Code.

~~12. Applicant shall coordinate with UDOT and adjacent property owners to pursue alternative access to the Park and Ride facility from SR 248 east of US 40. This access would provide a true community benefit and would mitigate traffic on SR 248 from US 40 to Richardson's Flat Road. Contributions to this access road could be acknowledged by allowing the development to utilize the Park and Ride lot to further reduce both traffic and parking impacts of the development.~~

~~13.~~12. ~~The applicant should work with the City and State in good faith to find funding for additional underground parking to mitigate the impact of the large amount of surface parking~~.

~~14.~~13. At the time of the Administrative Conditional Use permit application, the applicant shall identify the square footage of all parking areas and all hard surfaced areas. Interior and perimeter parking lot landscaping shall meet requirements of the LMC Chapter 3. Snow storage areas shall be provided in accordance with the LMC Sections 15-3-3(E) and15-3-4.8(E).

~~15.~~14. At the time of the Administrative Conditional Use permit application, the applicant shall provide a detailed parking analysis to identify specific uses, square footage, employee, hours of operation, shared parking ratios, and other items that will allow the Planning Staff to ~~understand~~ calculate the parking demands as such relates to the progression of the proposed phasing plan. The parking analysis shall ~~analysis shall~~ look at

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the extent to which alternative modes of travel (bus, shuttle, carpool, bike, etc.) and use of the Richardson Park and Ride can reduce the demand for parking at the site, on a day to day basis. The parking analysis shall also provide information about special events and parking demand. ~~Staff's initial parking analysis recommends r~~Reductions for shared parking as well as support uses which reduce the required parking spaces ~~from a total of 957~~are hereby approved up to a maximum of ~~668~~ 730 surface spaces, ~~based on the information provided with the MPD, with~~ and an additional 150 ~~of those 668~~ spaces ~~proposed~~ underground at the hotel, for a total of 880 spaces. ~~In addition to addressing the total permitted parking spaces, the Administrative CUP shall limit the total square footage of impervious surface in a like percentage of the total project area in~~. ~~Based upon the Administrative CUP submittal, the Planning Director may approve a change in the parking up to 20% either way. Any request beyond 20% for additional parking or impervious surface area or further reductions would have to return to the Planning Commission,t~~

~~16.~~15. A phased parking plan shall be provided by the Applicant with the Administrative Conditional Use permit for approval by the Planning Department. The plan shall identify only essential paving with each phase of development, ~~strive to~~propose measures to reduce parking demand with various programs and incentives, and ~~strive to find funding for additional underground parking~~mitigate employee parking, particularly on the public campus and during construction. Prior to building ~~phase 2~~each phase of parking, the applicant shall provide a ~~professional~~ parking analysis of existing conditions and needs, including ~~established and proposed~~ traffic mitigation and use of the Richardson Park and Ride by full-time shift employees and mitigation of construction employee parking (such use the City hereby approves). The Planning Director must approve proceeding to construction for each phase of the parking, such approval may not be unreasonably withheld. The final phase of parking area on Exhibit _____ (farthest north/east lot) and any un-striped temporary parking shall contain a permeable surface area system.

~~17.~~16. The applicant shall pay the City $75,000 to fulfill the ~~C~~proportionate share of the development's construction of public trail connections to the Park City Heights Rail Trail connector. ~~and~~ The City shall build the trail. The applicant may install trail head amenities as shown on the MPD Plans ~~shall be completed by the applicant and~~ at their expense ~~of the applicant prior to issuance of a certificate of occupancy for any building~~.

~~18.~~17. Bike racks shall be provided for the various uses, as required by LMC Section 15-6, Master Planned Developments (hotel, mixed use, trail head area, sound stage, etc.).

~~19.~~18. Construction of a bus loop/bus shelter shall be provided prior to issuance of a certificate of occupancy for the hotel or mixed use buildings. The shelter shall be located at the bus drop-off located at one location of either option A, or B~~C~~, as approved by the Citiy transit manager.

~~20.~~19. A grading plan shall be submitted with the Administrative Conditional Use permit application. Excavated materials shall remain on

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site to the greatest extent possible. Final grading plans, consistent with the preliminary grading plan submitted with the Administrative CUP, shall be submitted and must be approved by the City with the building permit plan sets.

~~21.~~20. Grading of the site, including the undulating berms and swales along SR 248 shall meet the sight distance and clear zone requirements of UDOT and be consistent with the grading proposed in the MPD Plans (with additional berm east of Building 2 adjacent to city property).

~~22.~~21. All landscaping, parking lots, driveways, roads, plazas, sidewalks, trails on the property, and other common areas shall be maintained by the property owner, or an Owner's Association, as the City will not maintain such areas.

~~23.~~22. Recycling centers shall be installed in the hotel, mixed use, and sound stage areas prior to issuance of a certificate of occupancy for the building.

~~24.~~23. The hotel shall provide shuttle service for guests within Park City and encourage guests to utilize shuttles from the airport as well as around town. The shuttle service shall be in place prior to issuance of a final certificate of occupancy for the hotel.

~~25.~~24. In accordance with Paragraph 2.5(h) of the Annexation Agreement, the applicant shall pay all applicable fees, including development, Building and Planning, Business licensing, and all other legally imposed fees and taxes collected by City Departments for services, utilities, etc.

~~26.~~25. A storm water management plan, prepared by a licensed professional, shall be submitted with the Administrative Conditional Use permit application and must meet all applicable code requirements on-site. The plan shall be consistent with best management practices for storm water management, including pre versus post run-off, water oil separators for parking facilities, and 100 year storm event detention on site. Final storm water plans, consistent with the preliminary plan submitted with the Administrative CUP, shall be submitted and must be approved by the City with the building permit plan sets.

~~27.~~26. Roof top mechanical equipment shall be architecturally screened from public view.

~~28.~~27. Trash and recycling enclosures shall be screened with landscaping, fencing, buildings, berms, etc. per the LMC.

~~29.~~~~28.~~ ~~Shadow~~ Shadow LEED ~~Silver~~ construction per the annexation agreement is required for the movie studios. Based on the agreement of the anticipated manager of the complex, Raleigh Studios, Raleigh shall use best efforts to determine whether it is in their best interests to seek and obtain LEED Silver Construction Certificaiton. ~~per the Annexation Agreementthe stipulation of Raleigh Studios is required; however no third party certification is required.~~

~~30.~~29. Areas of plazas, pedestrian walk ways, patios, etc. shall not be heat melted. Solar panels and skylights are allowed on rooftops per the LMC Chapter 5.

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~~31.~~30. Acknowledging that the inside areas of the studio campus may be active 24/7, the applicant shall propose specific h~~H~~ours of operation ~~shall be proposed and~~ for approval~~ed~~ by the Planning Director as part of the Administrative CUP to mitigate traffic of employee loading and unloading. Support commercial uses, such as food service, deli, café, etc. shall be open during filming hours and office hours to mitigate vehicular trips off site for breaks and lunch. Where possible, set shift work will be scheduled in non-peak traffic times.

~~32.~~31. Additional Building articulation as required by LMC Chapter 5 shall be demonstrated on the final building plans prior to issuance of a building permit.

~~33.~~32. Permanent power shall be provided for the trailer parking area and the applicant shall use best effort to utilize solar or other renewable energy resource if technically and economically feasible.

~~34.~~33. A sign plan must be filed with the Administrative CUP in compliance with LMC Title 12. No icon, water tower, or billboards are allowed. Internal “plaza” areas shall be defined on the sign plan.

~~35.~~34. Final Subdivision approval shall contain covenants and restrictions (CCRS) in compliance with Paragraph 2.6 of the Annexation Agreement.

~~36.~~35. Water service is provided by Summit Water.~~,~~ ~~with an emergency connection to the City system.~~ The applicant may be required to construct an emergency connection to the City system if required by state drinking water approval or the project fails the flow and standards required by the International Fire Code (2009), specifically including Section 507, Appendix B and Table B105.1. Should City service be necessary in the future, the project may first be required to annex into the City Water District and the applicant shall pay applicable impact and user fees in effect at such time and make such dedications as required by LMC 15-8-5(C) (1-3).

~~37.~~36. This MPD approval and zoning approved herein are limited to the terms of the Annexation Agreement and due to the unique circumstances regarding a legal settlement of historic claims in the Summit County Settlement Agreement, such approval shall not be considered precedent for future zoning amendments or annexation petition to this or neighboring properties in the Quinn’s/CT zone area. All future development applications, changes in commercial use, or rezone requests shall be processed in accordance with the General Plan, zoning and LMC in effect at the time of application. The densities approved herein shall not be considered in terms of neighborhood compatibility in the event of a rezone or CT amendment request by other properties within the CT zone.

~~38.~~37. As part of the required Construction Mitigation Plan, to be submitted prior to issuance of any building permits on the property, the landscape guarantee shall insure phased and adequate berming along SR248 in the event the project is not completed, and the construction guarantee bond shall take into consideration the location of this property on the entry corridor and mitigation of physical and visual impacts of construction not completed on ~~at~~ this property.

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~~39.~~38. No wood burning devices or outdoor gas firepits/fireplaces~~devices~~ with the exception of one fire pit (non-wood burning) and permanent BBQ applicances are allowed on the property at the hotel~~.~~

~~40.~~39. Specific soils test pits shall be reviewed prior to building permit issuance and if environmental issues, such as contaminated soils are present, a mitigation plan shall be required prior to issuance of permits. To satisfy this condition, developer may submit prior tests and studies performed on the property.

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SECTION 6. EFFECTIVE DATE. This Ordinance shall take effect upon publication of this Ordinance, recordation of the Annexation Plat and Annexation Agreement, and compliance with state annexation filing requirements, pursuant to the Utah Code Annotated Section 10-2-425.

PASSED AND ADOPTED this ___day of _______, 2012.

PARK CITY MUNICIPAL CORPORATION

____

Dana Williams, MAYOR

ATTEST:

____

Janet M. Scott, CITY RECORDER

APPROVED AS TO FORM:

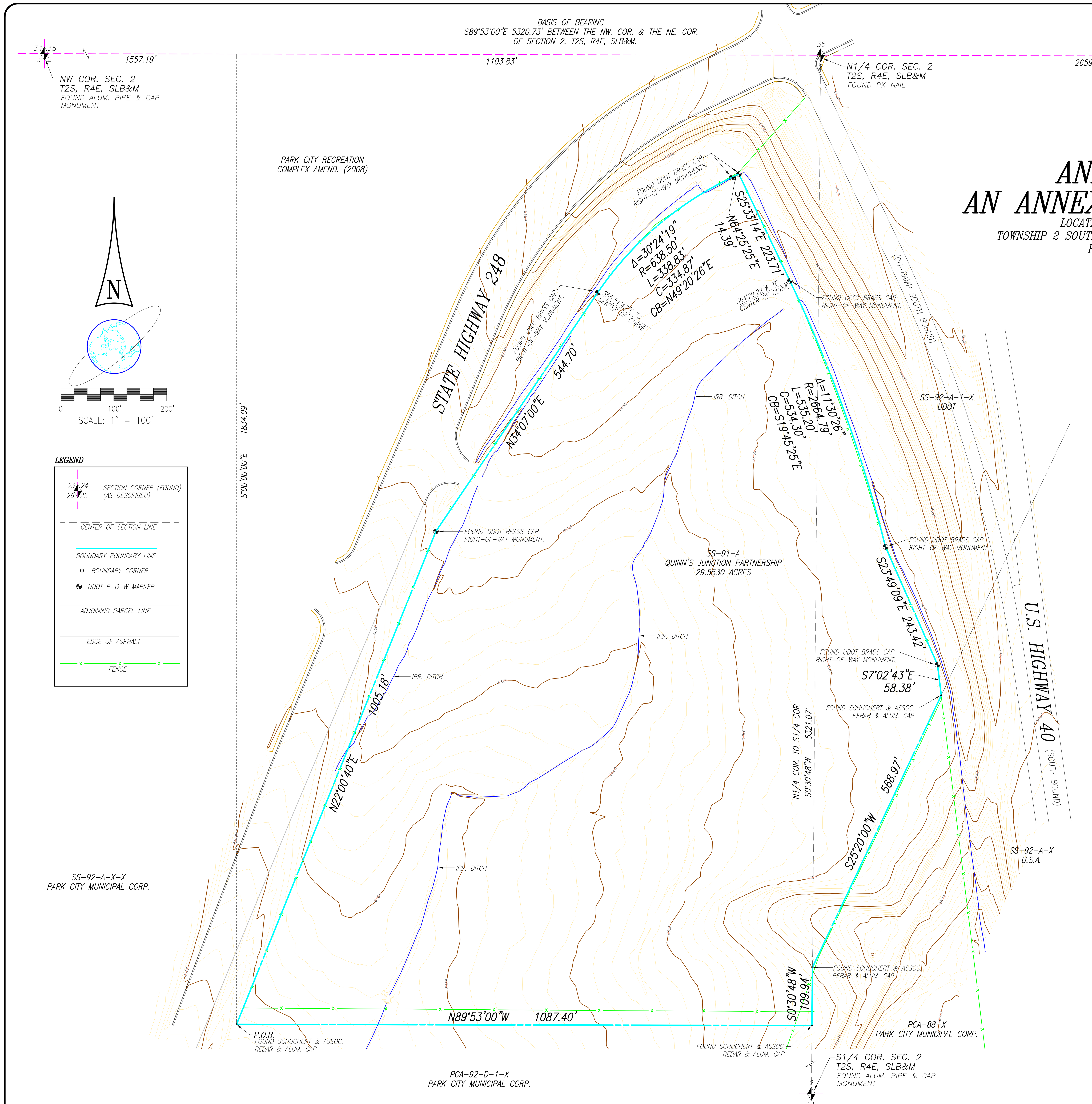
____

Mark D. Harrington, CITY ATTORNEY

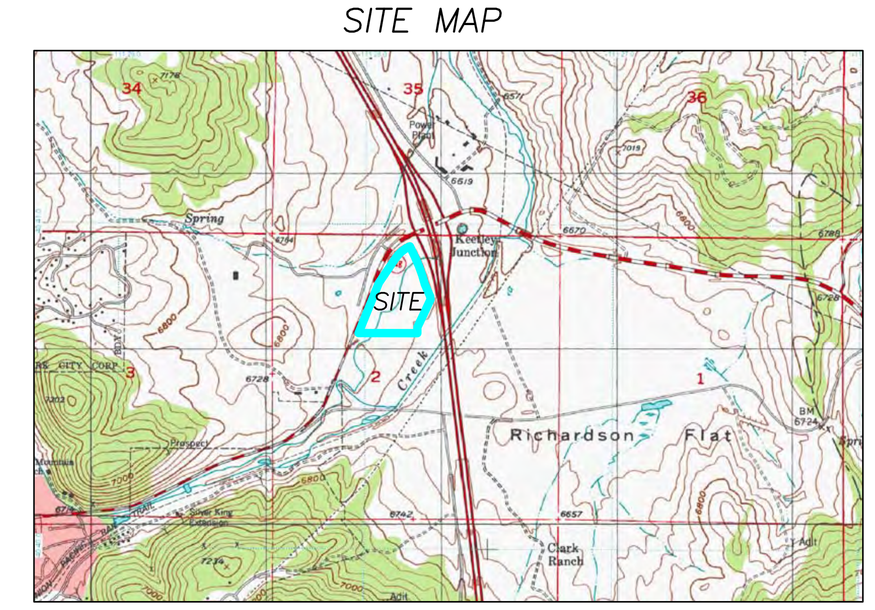
Exhibits to the Ordinance

Exhibit A- Annexation plat
Exhibit B- Legal Description
Exhibit C- County Settlement Agreement executed January 18, 2012
Exhibit D- City Annexation Agreement
Exhibit E- Zoning map amendment
Exhibit F- Final MPD Plans packet (to be attached under separate cover)
Exhibit G- Annexation Development Agreement (DRAFT is attached to the Staff Report as Exhibit B)

ANNEXATION PLAT
AN ANNEXATION TO PARK CITY
LOCATED IN THE NORTH HALF OF SECTION 2,
TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN
PARK CITY, SUMMIT COUNTY, UTAH



SITE MAP



SURVEYOR'S CERTIFICATE

I, Ted M. Biehn, do hereby certify that I am a Registered Land Surveyor, and that I hold Certificate No. 163473 as prescribed under the laws of the State of Utah. I further certify that, by the authority of the owners, I have made a survey of the tract of land shown on this plat and described below.

_______________ DATE _______________

Ted M. Biehn
PLS 163473

BOUNDARY DESCRIPTION

QUINN'S JUNCTION PARCEL

Beginning on the easterly line of State Highway 248 at a point which is S89°53'00"E 1557.19 feet along the Section Line (Basis of Bearing) and S0°00'00"E 1834.09 feet from an aluminum pipe monument at the Northwest Corner of Section 2, Township 2 South, Range 4 East, Salt Lake Base and Meridian from which Section Corner the GLO Stone Monument at the Northeast Corner of said Section 2 bears S89°53'00"E 5320.73 feet);

thence N22°00'40"E 1005.18 feet along the easterly Right-Of- Way Line of said Highway to a UDOT brass cap monument;

thence N34°07'00"E 544.70 feet along said Right-Of-Way Line to a UDOT brass cap monument and the beginning of a 638.50 foot radius curve the center of which bears S55°51'43"E;

thence Northeasterly 338.83 feet along said Right-Of-Way Line and said curve to the right through a central angle of 30°24'19" (chord bearing = N49°20'26"E 334.87 feet) to a UDOT brass cap monument;

thence N64°25'25"E 14.39 feet along said Right-Of-Way Line to a UDOT brass cap monument, said point also being on the westerly Right-Of-Way Line of US Highway 40;

thence S25°33'14"E 223.71 feet along said westerly Right-Of-Way Line to a UDOT brass cap monument and the beginning of a 2664.79 foot radius curve the center of which bears S64°29'22"W:

thence Southeasterly 535.20 feet along said Right-Of-Way Line and said curve to the right through a central angle of 11°30'26"(chord bearing = S19°45'25"E 534.30 feet) to a UDOT brass cap monument;

thence S23°49'09"E 243.42 feet along said Right-Of-Way Line to a UDOT brass cap monument;

thence S7°02'43"E 58.38 feet along said Right-Of-Way to a rebar with aluminum cap at a point that is S89°53'00"E 800.00 feet and S25°20'00"W 1336.80 feet from the PK nail marking the North Quarter Corner of said Section 2;

thence S25°20'00"W 568.97 feet to a rebar with aluminum cap on the North-South Center of Section Line of said Section 2:

thence S0°30'48"W 109.94 feet along said North-South Center of Section Line to a rebar with aluminum cap, said point being S0°30'48"W 1834.13 feet from said North Quarter Corner of Section 2;

thence N89°53'00"W 1087.40 feet to a rebar with aluminum cap and the point of beginning. Contains 29.5530 acres.

COMMENTS

1. This Survey was requested by Quinn's Junction Partnership.
2. The Basis of Bearing = S89°53'00"E between the NW. Cor. and the NE. Cor. of Section 2, as shown hereon.
3. The Bearings shown are the same as the Record of Survey by Shcuchert & Associates recorded as Entry No. 425892 11-23-1992

Robinson, Biehn & Biehn, Inc.
Professional Land Surveyors
RBB
5330 South 900 East, Suite 120
Salt Lake City, Utah 84117-7261
(801) 266-1118 (801) 262-5814 Fax

PLANNING COMMISSION APPROVAL

APPROVED THIS ________ DAY OF ____________ AD, 2012
BY THE PARK CITY PLANNING COMMISSION

____
CHAIRMAN, PLANNING COMMISSION

CITY ENGINEER APPROVAL

APPROVED THIS ________ DAY OF ____________ AD, 2012
BY THE CITY PARK CITY ENG.

____
PARK CITY ENGINEER

CITY ATTORNEY

APPROVED THIS ________ DAY OF ____________ AD, 2012
BY THE PARK CITY ATTORNEY.

____
PARK CITY ATTORNEY

CERTIFICATE OF ATTEST

I CERTIFY THIS RECORD OF SURVEY MAP WAS APPROVED BY THE PARK CITY COUNCIL
THIS ______ DAY OF ____________ AD, 2012

____
PARK CITY RECORDER

PARK CITY COUNCIL

APPROVED THIS ________ DAY OF ____________ AD, 2012
BY THE PARK CITY COUNCIL.

________________ ________________
ATTEST. CITY CLERK MAYOR

ANNEXATION PLAT
AN ANNEXATION TO PARK CITY
LOCATED IN THE NORTH HALF OF SECTION 2,
TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN
PARK CITY, SUMMIT COUNTY, UTAH

RECORDED # ________________

STATE OF UTAH, COUNTY OF SUMMIT COUNTY,
RECORDED AND FILED AT THE REQUEST OF ________________

DATE ________ TIME ________ BOOK ________ PAGE ________

FEE $ ________

DEPUTY COUNTY RECORDER SUMMIT COUNTY RECORDER

ANNEXATION AGREEMENT

THIS ANNEXATION AGREEMENT (the "Agreement") is entered into as of this 17th day of January, 2012, by and among QUINNS JUNCTION PARTNERSHIP (Michael Martin, General Partner), the sole owner of certain undeveloped real property in the Snyderville Basin, including all legal claims belonging to Ralph Merrill (the "QJP"), and PARK CITY MUNICIPAL CORPORATION, a political subdivision of the State of Utah, by and through its City Manager (the "Park City").

RECITALS:

A. QJP is the owner of approximately 29 acres of land and appurtenant real property rights, located on the southwest corner of Quinn's Junction, which is at the intersection of U.S. 40 and S/R 248 in the Snyderville Basin, Summit County, Utah (the "Property"). QJP desires to build a mixed use development on the Property consisting of a Motion Picture Studio and Media Campus, ancillary and support commercial and lodging (the "Film Studio").

B. QJP has asserted claims and commenced litigation against Summit County ("the County") in two separate lawsuits and other administrative actions that are currently pending in State and Federal Courts. QJP anticipates consolidating the cases and adding the Park City as a defendant to the litigation.

C. As a result of this litigation several disputes have arisen between the Park City, the County and QJP.

D. The parties desire to settle all claims, actions, and litigation between them (the "Litigation").

E. This Agreement is part of that certain *Settlement Agreement For Film And Media Campus* (the "Settlement Agreement") which is expected to be entered into by and between the County and QJP. This Agreement and the Settlement Agreement collectively implement the agreed upon conditions for settlement of the Litigation.

F. This Agreement provides that QJP shall attempt in good faith to annex into Park City. In the event of a rejection of the annexation petition, QJP will be vested with certain development rights within unincorporated Summit County as defined in the County Settlement Agreement.

PARK CITY AND QJP HEREBY AGREE AS FOLLOWS:

ARTICLE I
Property

1.1 Legal Description of Property. The legal description of the Property included with the Film Studio is attached to the County Settlement Agreement as Exhibit A, which is incorporated into this Agreement by this reference. No other property may be added to the legal description of the Film Studio for purposes of this Agreement, except by written amendment. Except as expressly set forth in this Agreement, this Agreement shall not affect any land other than the Property.

1.2 General Description of Film Studio. The Film Studio covered by this Agreement consists of approximately 29 acres of land located generally nearby and on the southwest corner of U.S. 40 and S.R. 248 in Summit County, Utah.

1.3 Vested Development Right. As a compromise of claims and in settlement of the Litigation, Park City hereby recognizes that the Property has a vested development right to the commercial uses, densities, and configuration as part of a Motion Picture Studio and Media Campus as stated in the County Settlement Agreement.

ARTICLE II
Annexation to Park City

2.1 Annexation Declaration Area. Utah law favors that development take place within the boundaries of cities and towns where land is located in a city's annexation declaration area. The Property is within the Park City Annexation Declaration Area.

2.2 Petition. Park City shall expedite its review process to decide whether to annex the Property or not within 90 days of acceptance of the petition. The petition shall include the most recent traffic study and the most recent Environmental report on the QJP property.

2.3 Decision on Petition. Park City shall use all reasonable efforts to either approve or reject the QJP Annexation Petition within ninety (90) days. If reasonable circumstances require additional time (such as QJP failure to provide legally required information, third party protest, or state or local mandated notice provisions), both parties shall continue to cooperate to expedite the review and QJP shall provide at least 14 days written notice after the expiration of 90 days of its intent to withdraw the petition unless the City Council votes to annex. QJP agrees it will not withdraw the petition prior to the City Council rendering a final decision/vote or the expiration of the above time periods, whichever occurs first.

2.4 Zoning. The annexation petition will propose Regional Commercial Overlay- CT (Community Transition) zoning for the Property, which Park City will adopt concurrently if the annexation is approved to enable the Master Plan discussed in Section 2.5.

2.5 Master Plan. The intent of the parties is to include such Master Plan components in a development agreement to be approved by the City Council concurrently with the annexation of the Property. The City Council shall receive the recommendation of the Planning Commission regarding the annexation, zoning and Master Planned Development ("MPD"). Due to the pre-existing vesting in the County and the terms of the County Settlement Agreement, QJP shall be exempt from any conflicting Park City Land Management Code provisions as expressly stated in the MPD. The following shall form the basis of the final MPD:

a. Total Development Activity shall be limited to a Gross Commercial Floor Area of 374,000 square feet. Gross Commercial Floor Area shall include all enclosed areas of a building but shall not include roads, parking lots, or parking structures. Unenclosed porches, balconies, patios and decks, vent shafts, courts and one atrium subject to the restrictions below are not calculated in Gross Commercial Floor Area. As part of the MPD Site Plan in subsection (b), QJP may propose an enclosed atrium which primarily serves as a pedestrian connection between two building pads but which may also be used for studio film/set work provided such atrium is not a stand-alone studio/building and may not be converted to habitable space, is in an area screened from SR 248, and is approved as part of the Annexation, such approval not to be unreasonably withheld.
b. The Site Plan and berming shall materially be the same as Site Plan included as **Attachment A**, unless modified by the City Council and accepted by QJP. Final design approval shall be an administrative conditional use permit reviewed by the Planning Department in compliance with LMC Chapter 5 and the Architectural Standards attached as **Attachment B**. This Annexation Agreement shall govern in the event of any conflict with Attachment B. Green Building design and construction shall meet minimum shadow LEED standards. All signage must comply with generally applicable Park City codes and no icon, water tower, or highway billboard is permitted.
c. No open space, setbacks or affordable housing requirements may be imposed. QJP shall post City affordable housing information in a work place accessible to all its employees.
d. Uses, including the amphitheater, shall be of the type as shown on **Attachment C** and/or consistent with the Film Studio and Campus concept and the gross square footage of those uses shall not exceed the limitation of paragraph 2.5 a. above. The hotel shall limited to 100 rooms and keys. The amphitheater stage may not be oriented toward City open space and shall be reviewed for compliance with Attachment B.
e. Maximum building height 50 feet for sound stages, or a maximum height not to exceed 60 feet in Pad 7 of Attachment A in the event a major, long-term film production contract necessitates the full studio height. Non- Sound Stage Buildings:

- No more than 70% of the remaining buildings on the campus are between 36 - 40 feet in height.
- Remaining building(s) on the campus are not greater than 28 feet in height (the CT Zone height limit).
- No building shall be greater than 28 feet in height unless located more than 150 feet from the centerline of a public roadway.
- Smaller buildings are massed and/or placed strategically to break up the volumes of the Sound Stage Buildings. This "stepping" will mitigate the appearance of the vertical façade of the taller buildings.

f. Park City acknowledges that the Movie Studio portion of the campus shall have perimeter and entry security controls. Otherwise, internal circulation and trails shall otherwise comply with generally required MPD requirements.

g. The City shall request state funding for structured/underground parking andQJP shall support the City's request including the use of lobbyists to coordinate such joint request for the 2012 legislative session. Mitigation of the visual impacts of the parking and its relation to public transit planned for the project are acknowledged to be a material element of this settlement. Both parties must agree in advance on any legislative strategy regarding film studios in Park City or in the County or associated parking as stated above.

h. QJP shall pay all normal and legally imposed fees associated with planning review, permits and subsequent Development Activity, and all generally applicable impact fees, levies and taxes, all of which shall be nonrefundable unless otherwise provided by Park City ordinance. Park City acknowledges prior receipt of the annexation fee and no additional annexation fee is required.

i. QJP is responsible for coordinating water and utility service, which may include a third party provider, in compliance with applicable standards prior to annexation approval.

j. As a result of QJP's rights vesting as a result of County applications prior to the Quinns Junction Area Study (the "QJAS"), Park City hereby finds the terms of this Agreement exempt from the findings of the QJAS.

2.6 Non-compete and Sundance Sponsorship. QJP shall encourage the owner/operator of the Film Studio (currently anticipated to be Raleigh Studios) to consult with and enter into such sponsorship and use agreement with the Sundance Institute regarding the 2012 Sundance Film Festival (and thereafter so long as the studio is operational) . Any agreements reached between Raleigh and Sundance shall be confidential but shall be provided to Park City prior to the approval of annexation of the property. QJP shall create covenants and restrictions (CCRs) applicable to the entire Property, including the Film Studio and all commercial owners and tenants, which prohibit commercial uses of any facility within the MPD which directly ambushes the Sundance Film Festival. Nothing herein shall prevent independent negotiations and agreements between the film studio operator and Park City or any Park City Master Festival License (MFL) holder. If such agreements are reached either prior to or subsequent annexation of the property, QJP shall incorporate such provisions into the CCRS so as to apply to all commercial tenants or owners. Direct ambush commercial uses shall be defined to include but not be limited to event rental or subleasing during the dates of the Sundance Film Festival for the purposes of commercial business activity, marketing or promotional gifting not approved by Sundance which directly and materially competes with existing, official Sundance sponsorship. In the event annexation is not approved, this paragraph 2.6 shall apply to the vested development rights as defined in the County Settlement Agreement.

ARTICLE III
Release

3. Mutual Releases. At the time of, and contingent upon approval or rejection of the completed annexation, and excepting the parties' respective rights and obligations under this Agreement, QJP, on behalf of itself and QJP's partners, officers, directors, employees, agents, attorneys and consultants, hereby releases Park City, council members, officials, employees, agents, attorneys and consultants, and Park City, on behalf of itself and Park City's board members, officials, employees, agents, attorneys and consultants, hereby releases QJP and QJP's partners, officers, directors, employees, agents, attorneys and consultants, from and against any and all claims, demands, liabilities, costs, expenses of whatever nature, whether known or unknown, and whether liquidated or contingent, arising on or before the date of this Annexation Agreement in connection with the Property or the application for annexation, processing or approval of applications relating to annexation of the Property or the Film Studio, to include any past claims for vested development rights, not including those recognized by Summit County, that are not provided for in this Agreement and any claims or potential claims arising out those lawsuits styled Merrill v. Summit County, Case No. 2:08-cv-723 pending in the U.S. District Court in and for the State of Utah, Central Division, and Merrill v. Summit County, Case No. 050500052 pending in the Third District Court, Summit County, Utah Nothing herein shall alter or effect the terms and conditions of the Settlement agreement or subsequent agreements if annexation fails as provided herein between QJP and Summit County.

ARTICLE IV
General Terms and Conditions.

4.1 Agreements to Run with the Land. This Annexation Agreement and its accompanying Exhibits shall be recorded against the Property described in Exhibit A to the County Settlement Agreement. The agreements contained herein shall be deemed to run with the land and shall be binding on and shall inure to the benefit of all successors in ownership of the Property. As used herein, QJP shall include the parties signing this Agreement and all successor owners of any part of the Property.

4.2 State and Federal Law. The parties agree, intend and understand that the obligations imposed by this Agreement are only such as are consistent with state and federal law. The parties further agree that if any provision of this Agreement becomes, in its performance, inconsistent with state or federal law or is declared invalid, this Agreement shall be deemed amended to the extent necessary to make it consistent with state or federal law, as the case may be, and the balance of the Agreement shall remain in full force and effect.

4.3 Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements, whether oral or written, covering the same subject matter. This Agreement may not be modified or amended except in writing mutually agreed to and accepted by both parties to this Agreement.

4.4 Applicable Law. This Agreement is entered into under and pursuant to, and is to be construed and enforceable in accordance with, the laws of the State of Utah.

4.5 Rights of Third Parties. This Agreement is not intended to affect or create any additional rights or obligations on the part of third parties.

4.6 Execution of Agreement. This Agreement may be executed in multiple parts as originals or by facsimile copies of executed originals; provided, however, if executed and evidence of execution is made by facsimile copy, then an original shall be provided to the other party within seven (7) days of receipt of said facsimile copy.

4.7. City Council Approval. This Agreement is subject to the legislative approval of the City Council at an appropriately noticed open and public meeting.

4.8. Notices. Notices pursuant to this Agreement shall be deemed to have been properly given when deposited, postage prepaid, with the U.S. Postal Service, addressed to the parties as follows:

Quinns Junction Partnership
Attn: Greg S. Ericksen
Law Offices of Greg S. Ericksen
1065 South 500 West
Bountiful, UT 84010

With copies to:

Scott M. Lilja
VanCott Bagley Cornwall & McCarthy
36 South State Street, Suite 1900
Salt Lake City, UT 84111

Park City Municipal Corporation
Attention: City Attorney
P. O. Box 1480
Park City, Utah 84060
Tel.: (435) 615-5025
Fax: (435) 615-4901

4.9 Legislative Decision. The parties acknowledge that the decision to annex is purely a legislative decision by the City Council and nothing herein shall limit the City Council's discretion or power to make that legislative decision. While certain staff members of Park City have provided preliminary input to Quinn's and interested purchasers of the Property, and staff will continue to do so, such input is merely advisory as the final authority and decision to annex rests solely with the legislative body of Park City. Nothing herein shall limit the Park City's ability to annex the Property so long as an annexation petition is in conformance with U.C.A. § 10-2-403, and all other applicable requirements of Park City ordinances, the Park City General Plan, and Title 10, Chapter 2, Part 4 of the Utah Code.

4.10 This Agreement is contingent on QJP and Summit County entering into the *Settlement Agreement for Film and Media Campus* referred to in Recital E. above. In the event that *Settlement Agreement* is not entered into within 10 days from the date of this Agreement, this Agreement is null and void.

4.11 In the event Park City does not annex the property into the City jurisdiction in good faith as provided in this agreement, the parties hereby agree that QJP may apply to Summit County for development without protest ("protest" does not include public comment on final site planning and aesthetic design) from Park City provided that the application is consistent with the County Settlement Agreement. Nothing herein shall prevent Park City from public hearing participation or submitting comments on Settlement Agreement amendments or any subsequent development plan amendments.

DATED this 17th day of January, 2012.

QUINN'S JUNCTION PARTNERSHIP

By: [signature], General Partner Q.J.P.

PARK CITY MUNICIPAL CORPORATION

By: ______________________
Thomas Bakaly, City Manager

Attest:

Sharon C Bauman
City Recorder's Office

Approved as to Form:

____
City Attorney's Office

PARK CITY SUMMIT COUNTY UTAH
CORPORATE
Seal
MARCH 1, 1884

LEGAL DESCRIPTION

EXHIBIT A

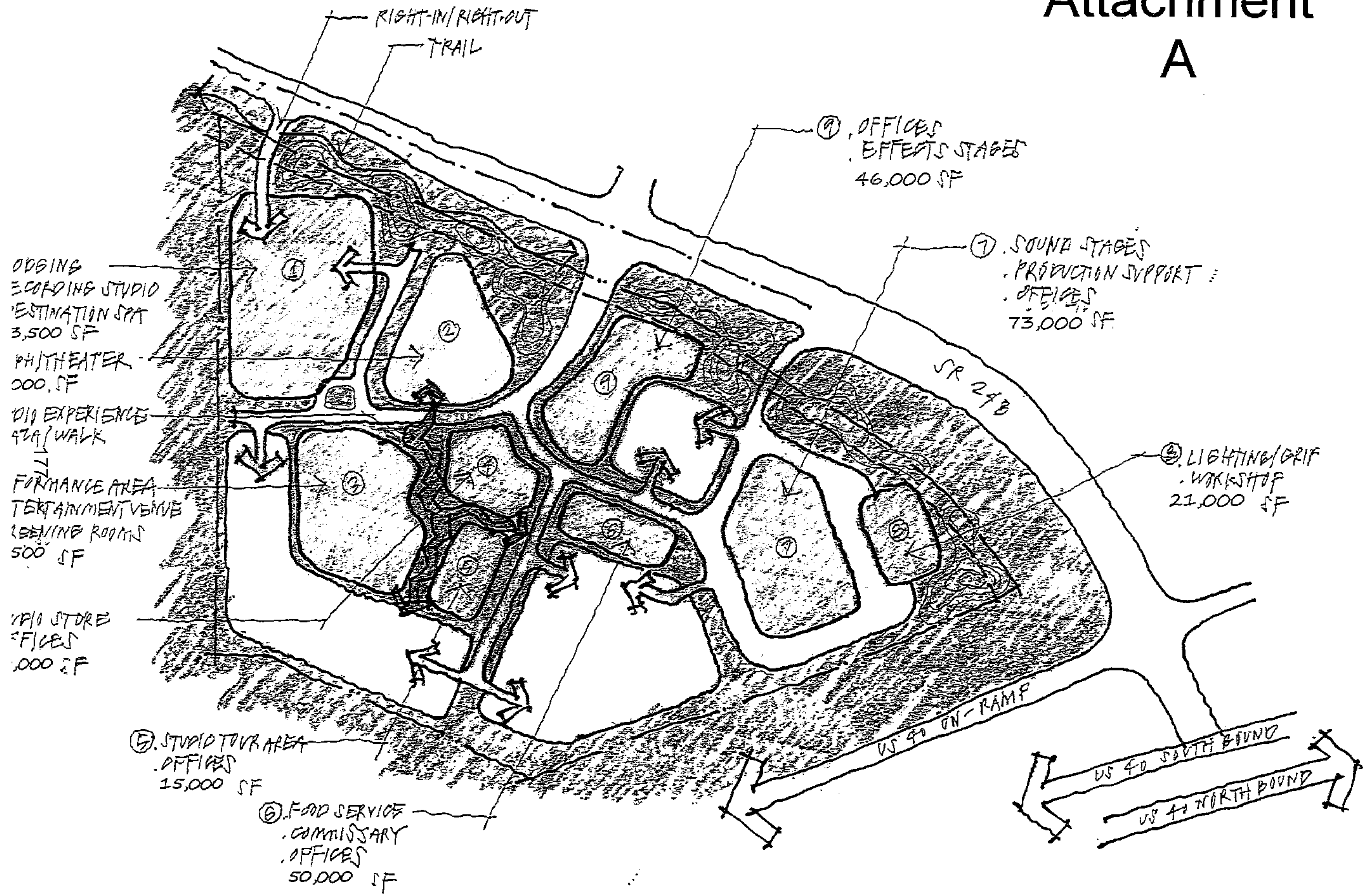
*Order No. **161891***

The land referred to in this exhibit is situated in the county of Summit State of Utah, and is described as follows:

Beginning on the Easterly line of State Highway 248 at a point which is South 89°53' East along the Section line 1557.19 feet and South 00°00'00" East 1834.09 feet from an aluminum pipe monument at the Northwest corner of Section 2, Township 2 South, Range 4 East, Salt Lake Base and Meridian (from which Section corner the Glo Stone Monument at the Northeast corner of said Section 2 bears South 89°53'00" East 5320.725 feet), thence along the Easterly right of way line of said Highway North 22°00'40" East 1005.180 feet to a UDOT brass cap monument, thence along said right of way line North 34°07'00" East 544.699 feet to a UDOT brass cap monument, thence along said right of way line 338.834 feet along the arc of a 638.500 foot radius curve to the right (chord bears North 49°20'26" East 334.872 feet) to a UDOT brass cap monument, thence North 64°25'25" East 14.394 feet to a UDOT brass cap monument, thence along the Westerly right of way line of the new U.S. Highway 40 South 25°33'14" East 223.713 feet to a UDOT brass cap monument, thence along said Westerly right of way line 535.196 feet along the arc of a 2664.790 foot radius curve to the right (chord bears South 19°45'25" East 534.297 feet) to a UDOT brass cap monument, thence along said right of way line South 23°49'09" East 243.421 feet to a UDOT brass cap monument, thence along said right of way line South 7°02'43" East 58.383 feet to a rebar with aluminum cap at a point that is South 89°53' East along the Section line 800.00 feet and South 25°20'00" West 1336.802 feet from the PK nail marking the location of the North Quarter corner of said Section 2, thence South 25°20'00" West 568.966 feet to a rebar with aluminum cap on the North-South Quarter Section line of said Section 2, thence along said Quarter Section line South 0°30'48" West 109.935 feet to a rebar with aluminum cap at a point that is South 0°30'48" West 1834.13 feet from said North Quarter corner of Section 2, thence North 89°53'00" West 1087.396 feet to a rebar with aluminum cap at the point of beginning.

Tax ID No: SS-91-A

Attachment A



Attachment B

Architectural Design Guidelines

The purpose of the architectural design guidelines is to provide direction for development of the vertical elements of the Film Studio Campus in order to achieve a built environment that is in harmony with the natural setting, existing structures where appropriate, and provides a comfortable, distinctive, and stimulating environment. The buildings currently located west of the US 40 and SR 248 Interchange and also located in the Park City Municipal limits were developed as a gathering of buildings to support sport, recreation and health.

In the design process, the existing buildings were reviewed by the Park City Planning Staff and Planning Commission. As such, the building designs capture the essence of the mountain setting while at the same time honoring the architecture of the era. Varying examples of this style can be found in the IHC Hospital, Summit County Public Health Center and Park City Ice Arena.

The goal of these design guidelines is to synthesize the proposed Film Studio Campus design into an architectural expression that connects to the surrounding structures and respects the importance of the Park City entry corridor.

General Guidelines

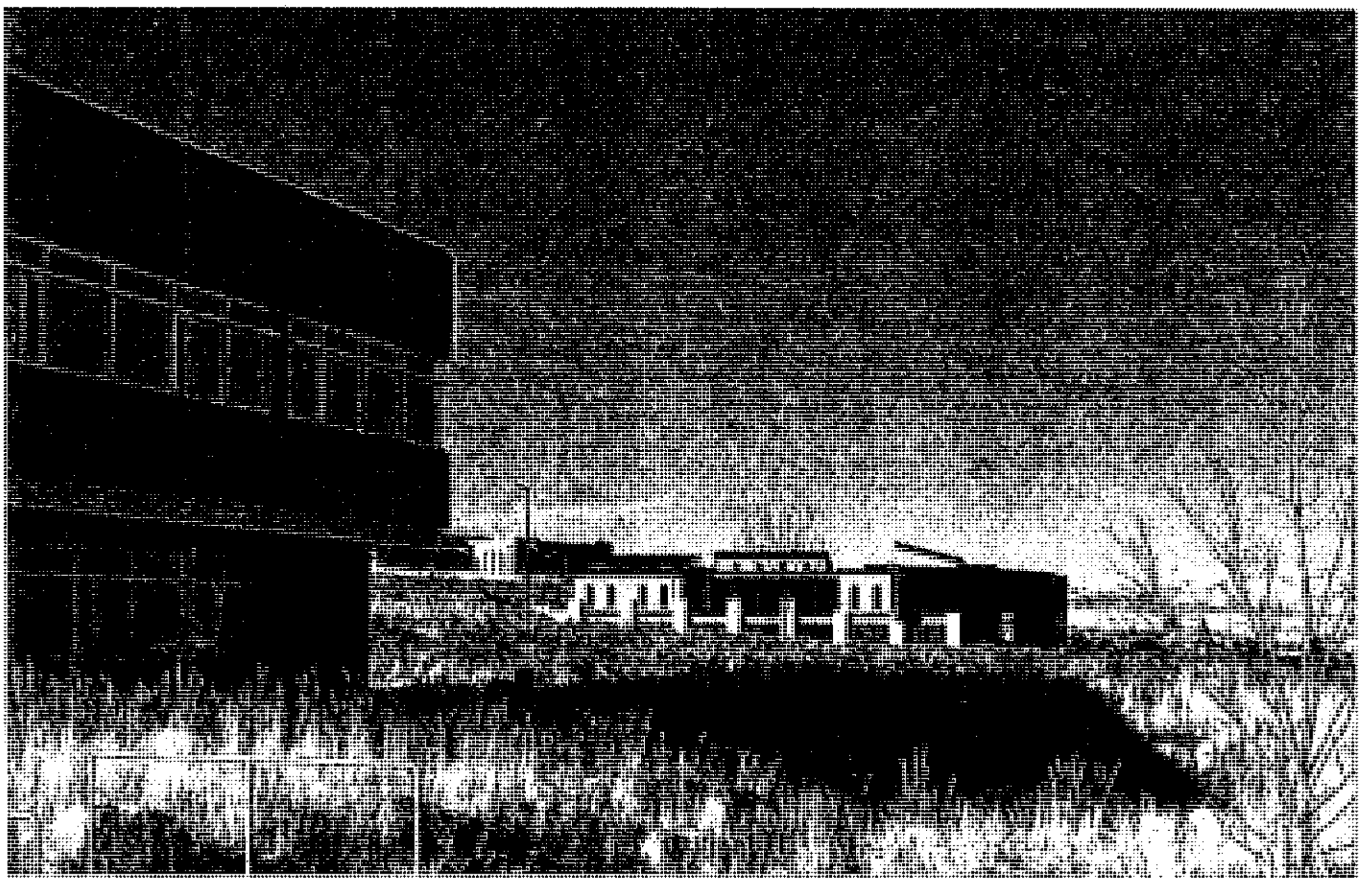
- Each new building should have a distinct architectural concept that is consistent in theme but rich in subtle variation.

- Buildings should be designed to provide a clear, unified, and easily identifiable image. Methods to achieve this include using similar architectural styles and materials, complementary roof forms, signs, colors, and pavement.

- All buildings should relate visually to one another and be compatible with adjacent buildings.

- Encouraged architectural and landscape design qualities and elements for the Film Studio Campus buildings are:

  - Using buildings to screen parking areas, service areas and storage areas;
  - Providing building modulation, entry accentuation and rich architectural details;
  - Incorporation of water conservation site design;
  - Use of shielded exterior lighting,protecting the night sky and creating path illumination; and
  - Natural landscaping to soften building exteriors and buffer between uses.
  - Green Building design and construction to meet minimum LEED Silver Standards.



View of three compatible buildings showing natural landscaping as a buffer between uses.

ADG2

Height and Mass

- The height and mass of the Film Studio Campus buildings should consider the visual and physical relationship to adjacent uses. A structure that dominates its environment by its relative size is strongly discouraged.

- The mass of a larger building should be broken down into a group of buildings clustered into traditional building compounds or a campus setting to create a sense of community.

- Building design should employ clean, simple, geometric forms and coordinated massing to produce overall unity, scale, and interest.

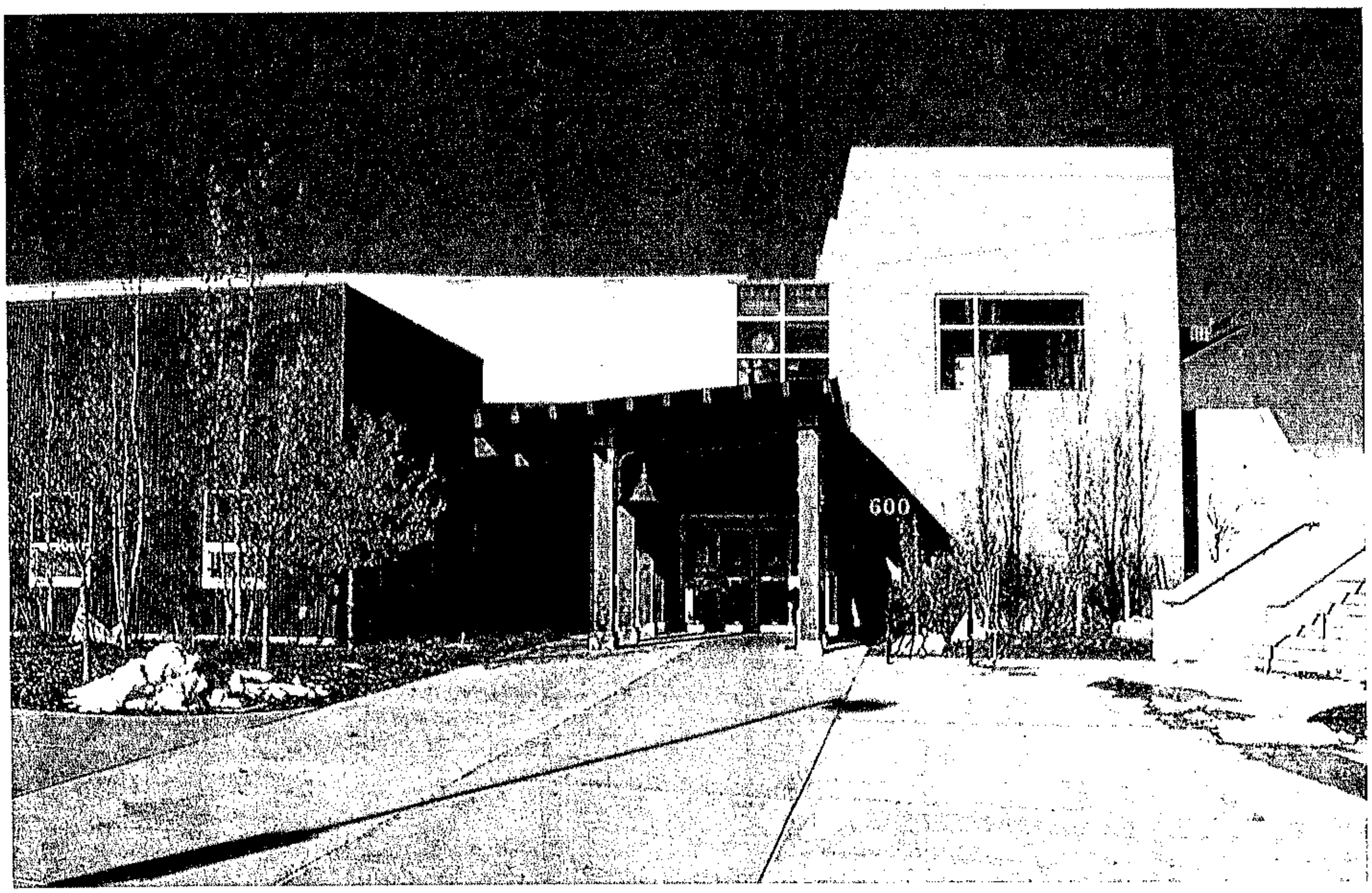
- Varying building heights, massing, roof forms and setbacks to define different functions such as offices, residential, hotel, studio and other uses is encouraged.

- Buildings should relate to the terrain and each other in their massing and forms. Larger masses should be located at the centers of building compositions, with smaller forms stepping outwards and down.

IHC Hospital showing variation in building mass and roof form.

ADG3

- Variety in building forms should be employed to create visual character and interest.
- Facades with a high level of visual interest from both vehicular and pedestrian viewpoints are encouraged. The exterior character of all buildings should enhance pedestrian activity in their immediate vicinities.
- Long building facades should be broken up with architectural details. Facades with varied setbacks are encouraged to provide visual interest.
- Rear and side wall elevations should provide building offsets and architectural details similar to the front facade.
- Entrances to individual buildings should be readily identifiable to visitors through the use of recesses or pop-outs, roof elements, columns, or other architectural elements.



Park City Ice Arena showing a variety of form and identifiable entry.

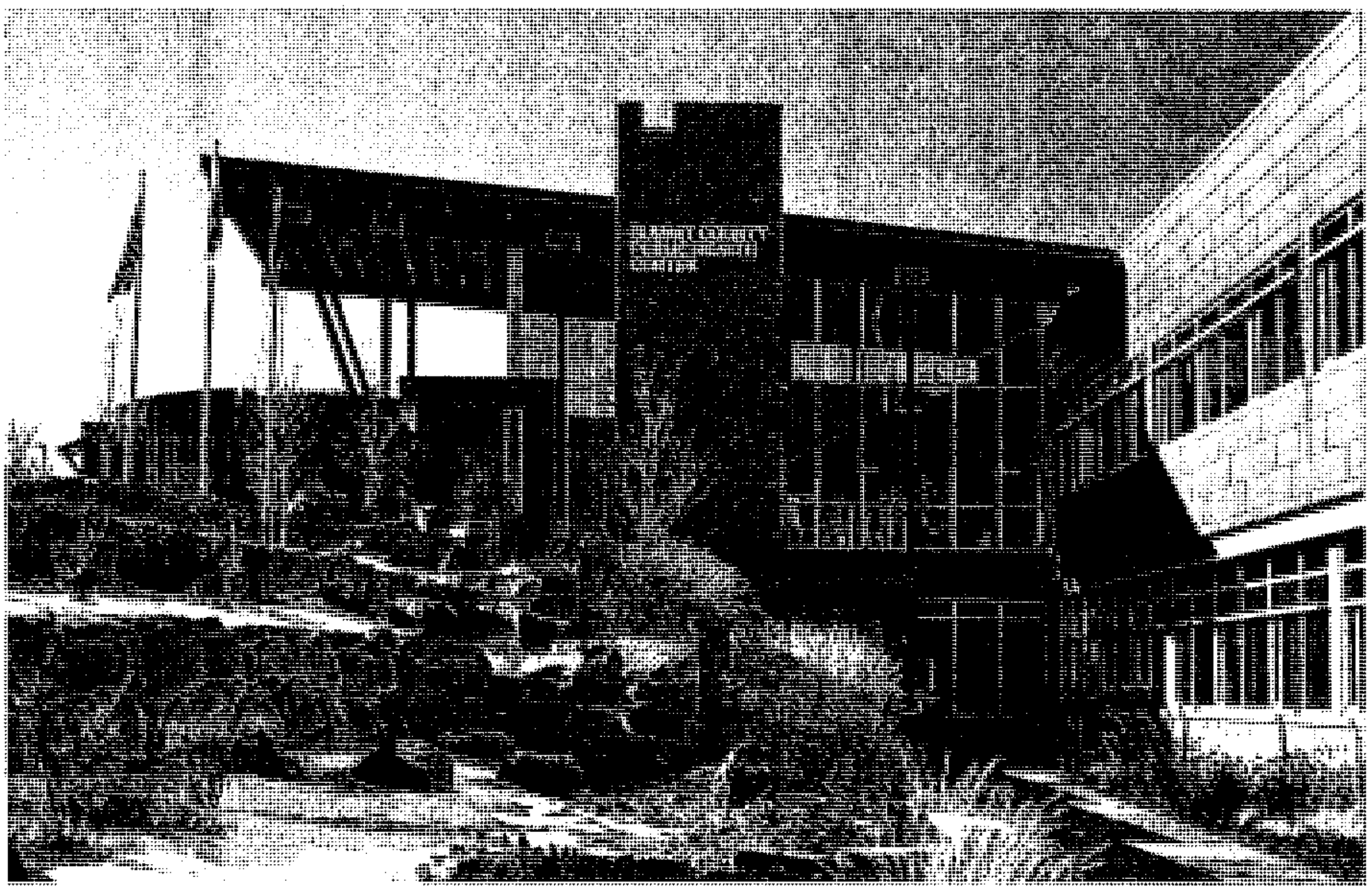
Roofs

- Roofs should be integral to the architectural theme of the Film Studio Campus buildings and contribute to the visual continuity. Rooflines of buildings should include variations to avoid long, continuous planes.

- Rooftops should be considered as design elements from various viewpoints: at ground level, from other buildings, and from adjacent perimeter roadways. Mixing roof forms on buildings creates variety in the "roofscape." Roofs should also be interesting when seen from above from upper levels of the mountain terrain.

- Rooftop equipment should be screened from view on all four sides by architectural features integrated with the design of the building.

- Roof design shall allow solar panels to be integrated into the roof design. Building orientation and shading design should minimize solar gain and maximize daylight harvesting.



Summit County Public Health Center showing a roof as a design element.

Materials and Color

- Materials should be chosen to withstand abuse or accidental damage by machinery. False facades and other simulated materials and ornamentation are not allowed.
- Clear or lightly tinted low-e glass (glazing) should be used, particularly at pedestrian levels where transparency between indoor and outdoor spaces is desirable.
- The use of various siding materials (i.e. masonry, concrete, metal, or wood siding to produce effects of texture and relief that provide architectural interest) is required.
- The use of compatible colors in a single facade or composition is required. Compatible colors add interest and variety while reducing building scale and breaking up plain walls.
- A color palette should be used on the Film Studio Campus buildings to help reduce their perceived size. Contrasting design elements and material colors that help break up the vertical monotony of large walls is necessary.

Example of Material Palette.

ADG6

Attachment C

FILM AND TELEVISION/RECORDING STUDIO -PARK CITY

	Squae Footage	Bldg Number	Bldg Total SF
STUDIO LODGING	85,000	1	
RECORDING STUDIO	2,500	1	
DESTINATION SPA	6,000	1	
			93,500
AMPITHEATER	6,000	2	
			6,000
SPECIAL EVENT STAGE	15,000	3	
SCREENING ROOMS	14,000	3	
ENTERTAINMENT VENUE	3,000	3	
PERFORMANCE AREAS/ OTHER VILLAGE VENUES	17,500	3	
			49,500
STUDIO STORE/ OTHER VILLAGE VENUES/OFFICES	20,000	4	
			20,000
STUDIO TOUR AREAS	6,000	5	
OFFICES/ OTHHER VILLAGE VENUES	9,000	5	
			15,000
FOOD SERVICES COMMISSARY/ OFFICES ANCHOR TENANT	50,000	6	
			50,000
SOUNDSTAGES	48,000	7	
PRODUCTION SUPPORT/OFFICES	25,000	7	
			73,000
LIGHTING & GRIP	10,500	8	
WORKSHOP/EQUIPMENT STORAGE	10,500	8	
			21,000
EFFECTS STAGE/ OFFICES	46,000	9	
			46,000
		TOTAL SF	374,000

Raleigh Studios – Conceptual Site Plan

- Added berms and landscaping to south edge of project per May 17, 2012 City Council meeting.

Building Legend

1A	Hotel Lodging
1B	Recording Studio
1C	Stage Venue
1D	Residence - omitted
1E	Grand Ball Room
1F	Atrium
2	Screening Rooms/Theater
3	Entertainment Venue
4	Mixed Use
5	Mixed Use
6	Sound Effects Stage
6A	Office, Effects Stage
7	Sound Stages
7A	Workshop
7B	Production Support/ Offices
8	Workshop Office
9	Guard House

Raleigh Studios – Building Flexibility Zones

- Areas indicating building footprint flexibility

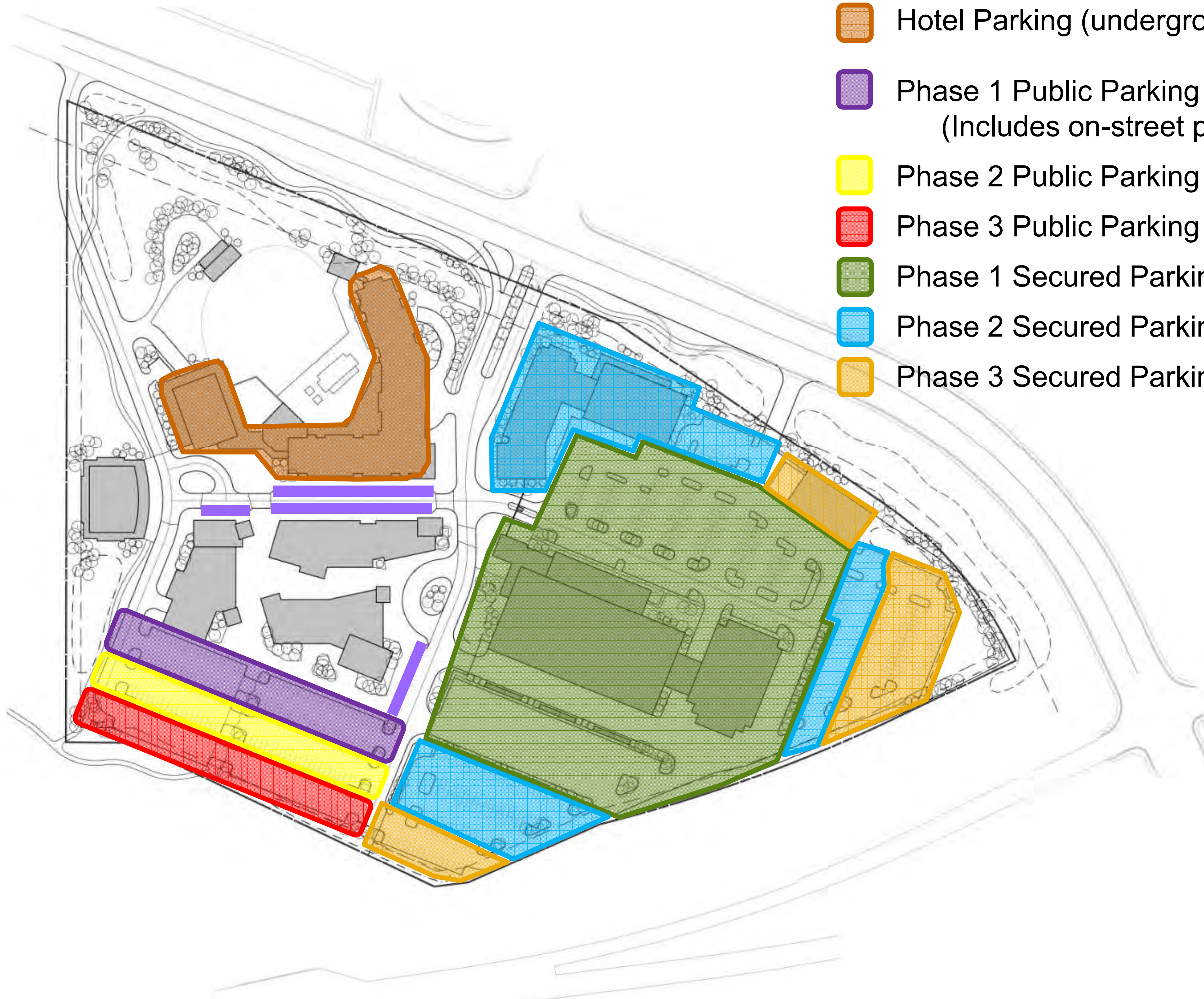
Building Legend

- 1A Hotel Lodging
- 1B Recording Studio
- 1C Stage Venue
- 1D Residence - omitted
- 1E Grand Ball Room
- 1F Atrium
- 2 Screening Rooms/Theater
- 3 Entertainment Venue
- 4 Mixed Use
- 5 Mixed Use
- 6 Sound Effects Stage
- 6A Office, Effects Stage
- 7 Sound Stages
- 7A Workshop
- 7B Production Support/ Offices
- 8 Workshop Office
- 9 Guard House

PROPOSED PROJECT

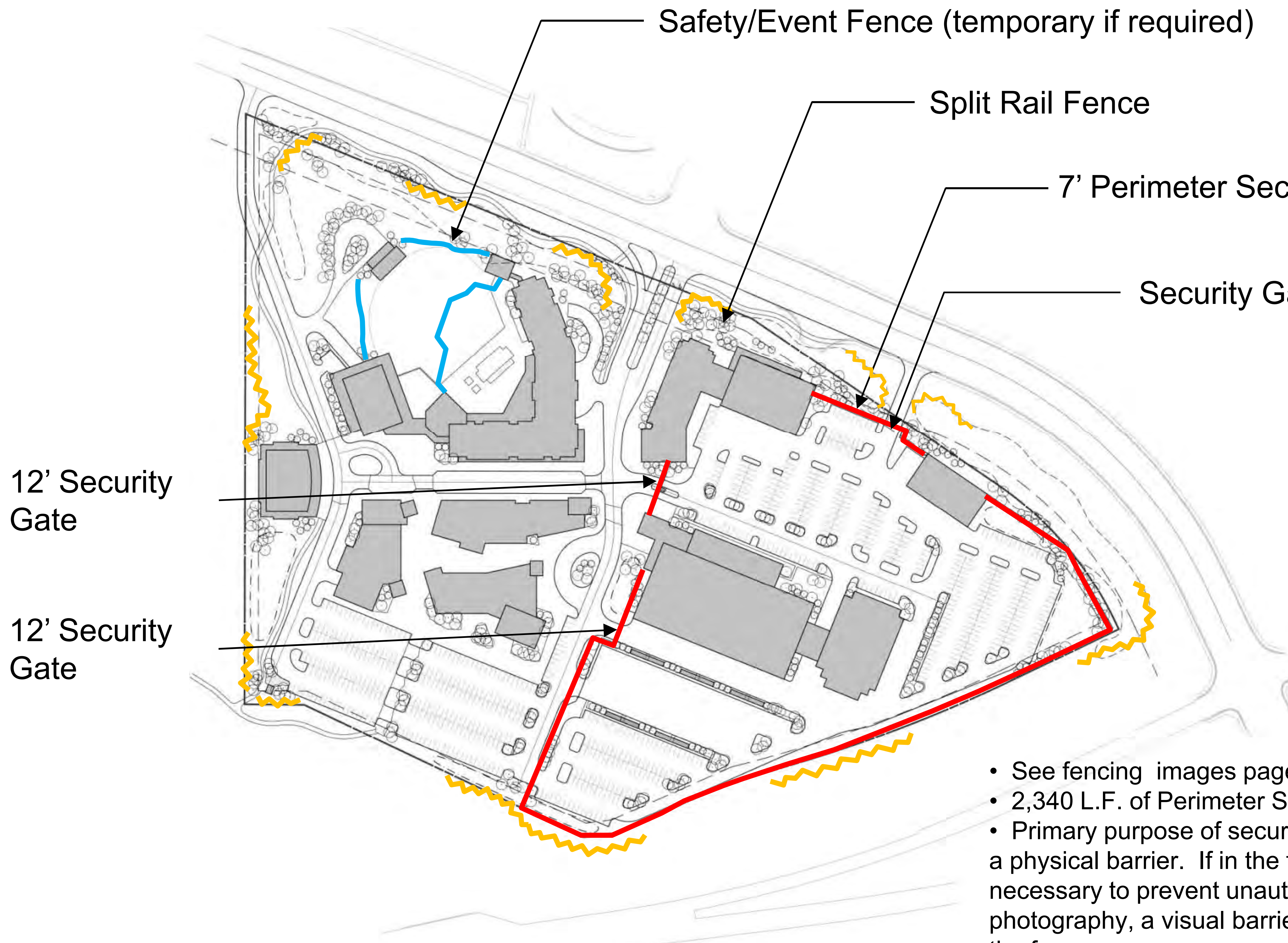
VIEW LOOKING NORTH ON SR 248

Raleigh Studios – Parking Phasing



- Hotel Parking (underground)
- Phase 1 Public Parking (Includes on-street parking)
- Phase 2 Public Parking
- Phase 3 Public Parking
- Phase 1 Secured Parking
- Phase 2 Secured Parking
- Phase 3 Secured Parking

Raleigh Studios – Fencing Plan



- See fencing images page for examples
- 2,340 L.F. of Perimeter Security Fence
- Primary purpose of security fence is to act as a physical barrier. If in the future it becomes necessary to prevent unauthorized filming or photography, a visual barrier may be added to the fence.

DEVELOPMENT AGREEMENT
FOR THE
QUINN'S JUNCTION PARTNERSHIP ANNEXATION
MASTER PLANNED DEVELOPMENT
PARK CITY, SUMMIT COUNTY, UTAH

This Development Agreement is entered into as of this _____ day of ___________, 2012, by and between QUINNS JUNCTION PARTNERSHIP ("Developer"), as the owner and developer of certain real property located in Park City, Summit County, Utah, on which Developer proposes the development of a project known as the Quinn's Junction Partnership Annexation Master Planned Development, and PARK CITY MUNICIPAL CORPORATION, a municipality and political subdivision of the State of Utah ("Park City"), by and through its City Council.

R E C I T A L S

A. Developer is the owner of approximately 29 acres of real property located in Park City, Summit County, Utah, which real property is more particularly described on Exhibit A attached hereto and incorporated herein by reference, and which real property is depicted on the site plan attached hereto as Exhibit B and incorporated herein by reference (the "Property").

B. As a compromise of claims and in settlement of litigation, Summit County recognized that the property in question has a vested development right to commercial uses.

C. Developer obtained these vested rights for a commercial project now known as "Quinn's Junction Partnership Annexation Planned Development wherein, the parties agreed to settle long standing differences in return for a recognition for a commercial use of the property in question. The Settlement Agreement is attached hereto as Exhibit B.

Developer and Park City also entered into an Annexation Agreement wherein Park City recognized the property has vested development rights to the commercial uses, densities, and configuration as part of a motion picture studio and media campus as stated in the Settlement Agreement described in recital B. A copy of the annexation Agreement is attached hereto as Exhibit C.

D. Based on a further agreement between developer and Park City with the consent of the county, Developer applied to build a mixed use development on the Property consisting of a Motion Picture Studio and Media Campus, ancillary and support commercial and lodging (the "Film Studio").

E. Developer obtained Park City approval for the development on the Property of a mixed use hotel and commercial project known as the Quinn's Junction Partnership Annexation Master Planned Development (the "Master Planned Development Approval"), as more fully described in the incorporated Approval Documents (hereinafter defined) and as set forth below (the "Project").

F. Park City requires development agreements under its Park City Land Management Code ("LMC") for all Master Planned Developments.

G. Park City determined that, subject to the terms and conditions of this Development Agreement, Developer complied with the applicable provisions the Land Management Code ("LMC") as provided in the settlement agreement and annexation agreement, and has found that the Project is consistent with the purpose and intent of the relevant provisions of the LMC, as limited by the Annexation Agreement Ex. C..

H. Following a lawfully advertized public hearing, Park City, acting pursuant to its authority under Utah Code Ann., Section 10-9-101, *et seq*., and in furtherance of its land use policies, goals, objectives, ordinances, resolutions, and regulations made certain determinations with respect to the proposed Project, and, in the exercise of its legislative discretion, elected to approve this Development Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and considerations as more fully set forth below, Developer and Park City hereby agree as follows:

1. <u>Project Conditions</u>:

1.1. The (i) Findings of Fact, Conclusions of Law and Conditions of Approval dated May 24, 2012, attached hereto as Exhibit E, and (ii) Film Studio Master Planned Development, prepared by IBI, dated ______________, attached hereto as Exhibit F, together with related documents attached thereto, are hereby incorporated herein by reference (the "Approval Documents") and shall govern the development of Project, subject to the provisions of the January 17th, 2012 Annexation agreement including the vested rights of 374,000 gross sq. ft of development of Motion Picture and Media Campus and any modifications specifically set forth in this Development Agreement. The Project is located in the Community Transition (CT) Zoning District, with a Regional Commercial Overlay (RCO). Development Application for an Administrative Conditional Use Permit and a Park City Building Department building permit are required prior to the commencement of any construction in connection with the Project and shall be processed and granted as set forth in this Development Agreement.

1.2. Developer agrees to pay the then-current impact fees lawfully imposed and as uniformly established by the Park City Municipal Code at the time of permit application, whether or not state statutes regarding such fees are amended in the future, unless otherwise made unlawful.

1.3. Developer and its successors agree that the following are required to be entered into and approved by Park City prior to the issuance of a Building Permit: (a) a construction mitigation plan; (b) a utility plan; (c) a storm water plan; (d) a grading plan; and (e) a landscape plan in compliance with condition of approval number __ of the MPD approval and the Annexation agreement. Approvals by Park City shall not be unreasonably withheld.

1.4 **Development Applications.**

1.4.1 Development applications shall be approved by the City within a reasonable time if they comply with the January 17, 2012 Annexation Agreement, City's vested rights laws and conform to this Development Agreement.

1.4.2 **City's Denial of a Development Application. Assuming Annexation is approved, i**f the City denies any Development Application, the City shall provide a written determination advising the Applicant of the reasons for denial including specifying the reasons the City believes that the Development application is not consistent with this MPD and/or the City's vested rights laws.

1.4.3 **Meet and Confer regarding Development Application Denials.** The City and Applicant shall meet within fifteen (15) business days of a denial to resolve the issues specified in the denial of a Development Application.

1.4.4 **City Denials of Development Applications Based on Denials from Non-City Agencies.** If the City's denial of a Development Application is based on the denial of the Development Application by a non-city agency, Developer shall appeal any such denial through the appropriate procedures for such a decision and not through the processes specified below.

1.4.5 **Mediation of Development Application Denials.**

1.4.5.1 Issues Subject to Mediation. Issues resulting from the City's denial of a Development Application that are not subject to arbitration provided in Section ____ shall be mediated.

1.4.5.2 Mediation Process. If the City and Applicant are unable to resolve a disagreement subject to mediation, the parties shall attempt within ten (10) business days to appoint a mutually acceptable mediator with knowledge of the issue in dispute. If the parties are unable to agree on a single acceptable mediator, they shall each, within ten (10) business days, appoint their own representative. These two representatives shall, between them, choose the single mediator. Applicant shall pay the fees of the chosen mediator. The chosen mediator shall within fifteen (15) business days, review the positions of the parties regarding the mediation issue and promptly attempt to mediate the issue between the parties. If the parties are unable to reach agreement, the mediator shall notify the parties in writing of the resolution that the mediator deems appropriate. The mediator's opinion shall not be binding of the parties.

1.4.6 **Parcel Sales.** The City acknowledges that the precise location and details of the public improvements, lot layout and design and any other similar item regarding the development of a particular parcel may not be known at the time of the sale of a parcel. Developer may obtain approval of a subdivision that does not create any individually developable lots in the parcel without being subject to any requirement in the City's vested laws to complete or provide security for any public infrastructure at the time of such subdivision. The responsibility for completing and proving security for completion of any public infrastructure in the parcel shall be that of the developer or subdeveloper upon a subsequent re-subdivision of the parcel that creates individually development lots, or any building permit application, whichever occurs first.

1.5 Developer is responsible for compliance with all local, state and federal regulations regarding the soils and environmental conditions on the Property. Furthermore, Developer is responsible for receiving any required Army Corp of Engineer Permits related to the riparian zone of Silver Creek if it is required.

2. Master Plan Approval and Reserved Legislative Powers

2.1 MPD. Subject to the provisions of this Development Agreement, Developer is hereby granted the right **by Park City**, to develop and construct the Project in accordance with the general uses, densities, massing, intensities, and general configuration of development approved in the January 17, Annexation Agreement, this Development Agreement, in accordance with, and subject to the terms and conditions of the Approval Documents, and subject to compliance with the other applicable ordinances and regulations of Park City. Both parties acknowledge the Site Plan attached as Exhibit D ~~B~~ and the Approval Documents supersede and replace the Site Plan attached as Attachment A to the Annexation Agreement.

2.2 If the Developer acquires any additional property contiguous to the Property and located within the bounds of Park City or the City Annexation Declaration area, then Developer may petition to annex or apply to add such future property within this Development Agreement . Park City will reasonably process and consider such petition or application in accordance with applicable state law and the Land Management Code in effect at that time.

2.3 Reserved Legislative Powers. Developer acknowledges that the City is restricted in its authority to limit its police power by contract and that the limitations, reservations and exceptions set forth herein are intended to reserve to the City all of its police power that cannot be so limited. Notwithstanding the power of the City to enact legislation under the police powers vested in a city such exercise of power through legislation shall only be applied to modify land use and zoning regulations which are applicable to the Project in conflict with the terms of this Development Agreement based upon policies, facts and circumstances meeting the compelling, countervailing public interest exception to the vested rights doctrine in the State of Utah. Any such proposed legislative changes affecting the Project and terms and conditions of this Development Agreement under the above specific limitations and applicable to the Project shall be of general application to all development activity in the City of Park City; and, unless Park City declares an emergency, Developer shall be entitled to the required notice and an opportunity to be heard with respect to the proposed change and its applicability to the Project under the compelling, countervailing public interest exception to the vested rights doctrine. Nothing in this section shall limit the future legislative amendment of more specific ordinances or codes for which the Developer does not yet have a vested right, and except as otherwise provided in this agreement, will not vest until such time as a complete application is filed in conformance with the applicable code(s), including but not limited to: building and energy, lighting, sign and subdivision codes.

2.4 Application Under City's Future Laws. Without waiving any rights granted by the January 18, Annexation Agreement, this Development Agreement Developer may at any time choose to submit a Development Application for some or all of the Projectunder the City's Future Laws in effect at the time of the Development Application. Any Development Application filed for consideration under the City's Future Laws shall be governed by all portions of the City's Future Laws related to the Development Application so applied for. The election by the Developer at any time to submit a Development Application under the City's Future Laws shall not be construed to prevent Developer from relying on prior ~~for other~~ Development Applications or ~~on~~ the City's Vested right Law as they pertain thereto.

3. General Terms and Conditions.

3.1 Term of Agreement. The Master Planned Development is subject to Section 15-6-4 (H) of the Land Management Code. Unless a delay is a result of delay of process by the City for a complete, pending application, a ~~A~~ building permit for the first phase of the Project must be approved within two years of the execution of this Development Agreement as required by Condition of Approval number ___ of the May 24, 2012 Master Planned Development

3.2 Binding Effect; Agreement to Run With the Land. This Development Agreement shall be recorded against the Property as described on Exhibit A hereto, and shall be deemed to run with the land provided it remains effective and shall be binding on all successors and assigns of Developer in the ownership or development of any portion of the Property.

3.3_Provision of Municipal Services. Except as otherwise provided in the Annexation Agreement, Park City shall provide all City services to the Project that it provides from time-to-time to other residents and properties within the City including but not limited to police and other emergency services. The services shall be provided to the Project at the same level of services, on the same terms, and at the same rates as provided to other residents and properties in the City.

3.4 Assignment. Neither this Development Agreement nor any of the provisions, terms or conditions hereof can be assigned to any other party, individual or entity without assigning the rights as well as the responsibilities under this Development Agreement and without the prior written consent of the City directed to the City Recorder, which consent shall not unreasonably withheld. Any such request for assignment may be made by letter addressed to the City and the prior written consent of the City may also be evidenced by letter from the City to Developer or its successors or assigns. If no response is given by the City within 14 calendar days following Developer's delivery of a request for consent, the City consent will deemed to have been granted. This restriction on assignment shall not prohibit or impede the sale of parcels of fully or partially improved or unimproved land by Developer prior to construction of buildings or improvements on the parcels, with Developer retaining all rights and responsibilities under this Development Agreement.

3.5 No Joint Venture, Partnership or Third Party Rights. This Development Agreement does not create any joint venture, partnership, undertaking or business arrangement between the parties hereto, nor any rights or benefits to third parties.

3.6 Integration. Except vested rights granted by Summit County to developer in consideration of the dismissal of litigation against the County and recognized by the City in the Annexation Agreement, this Development Agreement and the Approval Documents collectively contain the entire agreement with respect to the subject matter hereof and integrates all prior conversations, discussions or understandings of whatever kind or nature and may only be modified by a subsequent writing duly executed by the parties hereto.

3.7 Severability. If any part or provision of this Development Agreement shall be determined to be unconstitutional, invalid or unenforceable by a court of competent jurisdiction, then such a decision shall not affect any other part or provision of this Development Agreement except that specific provision determined to be unconstitutional, invalid or unenforceable. If any condition, covenant or other provision of this Development Agreement shall be deemed invalid due its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

3.8 Attorney's Fees. If either party commences litigation regarding this Development Agreement, any of the Exhibits hereto or the Approval Documents, the prevailing party, as determined by a court of competent jurisdiction, shall be entitled to reasonable attorney's fees and all costs paid by the other party.

3.9 Minor Administrative Modification. Minor, immaterial administrative modification may occur to the approvals contemplated and referenced herein without revision of this Development Agreement. These include but are not limited to changes in building configuration to accommodate tenants so long as the square footage, general location and uses are consistent with what is vested herein.

3.10 No Waiver. Failure to enforce any rights under this Development Agreement or applicable laws shall not be deemed to constitute a waiver of such right.

3.11 Default.

3.11.1 **Notice**. If Developer or the City fails to perform their respective obligations hereunder or to comply with the terms hereof, the party believing that a Default has occurred shall provide Notice to the other party. If the City believes that the Default has been committed by a subdeveloper, then the City shall also provide a courtesy copy of the Notice to Developer.

3.11.2 **Contents of the Notice of Default**. The Notice of Default shall:

3.11.2.1 Specific Claim. Specify the claimed event of Default;

3.11.2.2 Applicable Provisions. Identify with particularity the provisions of any applicable law, rule, regulation, or provision of this Development Agreement (including exhibits) that is claimed to be in Default;

3.11.2.3 Materiality. Identify why the Default is claimed to be materials; and

3.11.2.4 Optional Cure. If the City chooses, in its discretion, propose a method an time for curing the Default which shall be of no less than sixty (60) days duration.

3.11.3 **Meet and Confer, Mediation, Arbitration**. Upon the issuance of a Notice of Default the parties shall engage in the "Meet and Confer" and "Mediation" processes specified in Sections ___ and ___.

3.11.4 **Remedies.** If the parties are not able to resolve the Default by "Meet and Confer" or by Mediation, then the parties may have the following remedies:

3.11.4.1 Law and Equity. All rights and remedies available at law and in equity, including, but not limited to, injunctive relief, specific performance and/or damages.

3.11.4.2 Security. The right to draw on any security posted or provided in connection with the Project and relating to remedying of the particular Default.

3.11.4.3 Future Approvals. The right to withhold all further reviews, approvals, licenses, building permits and/or other permits for development of the Project in the case of a default by the Developer, or in the case of a default by a subdeveloper, development of those Parcels owned by the subdeveloper until the Default has been cured.

3.11.5 **Public Meeting**,. Before any remedy in Section 3.11.4 may be imposed by the City, the party allegedly in Default shall be afforded the right to attend a public meeting before the City Council and address the City Council regarding the Claimed Default.

3.11.6 **Emergency Defaults**. Anything in this Development Agreement notwithstanding, if the City Council finds on the record that a default materially impairs a compelling, countervailing interest of the City and that any delays in imposing such a default would also impair a compelling, countervailing interest of the City, then the City may impose the remedies of Section 3.11.4 without the requirements of Section 3.11.5. The City shall give Notice to the Developer and/or any applicable subdeveloper of any public meeting at which an emergency default is to be considered and the Developer and/or any applicable subdeveloper shall be allowed to address the City Counsel at that meeting regarding the claimed emergency Default.

3.11.7 **Extended Cure Period**. If any Default cannot be reasonably cured within sixty (60) days, then such cure period shall be extended so long as the defaulting party is pursuing a cure with reasonable diligence.

3.11.8 **Cumulative Rights**. The rights and remedies set forth herein shall be cumulative.

3.11.9 **Default of Assignee**. A default of any obligations assumed by an assignee shall not be deemed a default of Developer.

4. Phasing; Access.

4.1 Project Phasing. The Project shall be constructed in phases in accordance with the phasing plan approved together with this Development Agreement (the "Phasing Plan") (attached hereto as Exhibit G), and in accordance with the LMC. Developer may proceed by constructing the Project all at one time or by phase within this approved project Phasing Plan. In the event of such phasing, the issuance of a building permit on the first such phase shall be deemed to satisfy the requirement of issuance of a building permit in Section 3.1 above. Any major modifications or elaborations to the approved Phasing Plan must be approved by the City Council prior to the commencement of construction of the applicable phase. If such proposed major modifications or elaborations are substantial as determined by the Chief Building Official and the Planning Director, such modifications or elaborations will come before the City Council for approval.

4.2 Construction of Access. Developer may commence grading access to the Project as approved by the City Engineer according to generally accepted engineering practices and standards, and pursuant to permit requirements of the LMC, the International Building Code (or if such Code is no longer then in effect, according to the code that is, in fact, then in effect), the Uniform Fire Code, and the Army Corps of Engineers. Developer shall be responsible for maintenance of any such accesses until they are completed according to City standards and accepted by the City.

4.3 Form of Ownership Anticipated for Project. The Project will consist of a commercial building and related improvements, and a hotel building including 100 units and related improvements. Developer anticipates that the commercial portions and, if applicable, the hotel of the Project will be owned by Developer, or its assigns. Any condominimization of the Project for private ownership, fractional ownership and common ownership of land and common facilities requires additional approvals and shall be in compliance with applicable ordinances and state code.

5. Affordable Housing. Pursuant to the Annexation Agreement, no affordable housing is required for this MPD. QJP shall post City affordable housing information in a work place accessible to all its employees.

6. Open Space. Pursuant to the Annexation Agreement, no definable open space is required for this MPD within the granted and approved development of 374,000 gross sq ft as defined in the agreement between the parties incorporated as exhibits hereto.

7. Physical Mine Hazards. A list and map of all known Physical Mine Hazards on the property as determined through the exercise of reasonable due diligence by the Owner as well as a description and GPS coordinates of those Physical Mine Hazards are hereby attached and incorporated as Exhibit __.

8. Notices. All notices, requests, demands, and other communications hereunder shall be in writing and shall be given (i) by Federal Express, UPS, or other established express delivery service which maintains delivery records, (ii) by hand delivery, or (iii) by certified or registered mail, postage prepaid, return receipt requested, to the parties at the following addresses, or at such other address as the parties may designate by written notice in the above manner:

To Developer:

c/o Greg Ericksen Esq.
1065 South 500 West
Bountiful, Utah 84010

With a copy to:

Scott M. Lilja
Van Cott, Bagley, Cornwall & McCarthy
36 south State Street, Suite 1900
Salt Lake City, UT 84111-1478

To Park City:

445 Marsac Avenue
P.O. Box 1480
Park City, UT 84060
Attn: City Attorney

Such communications may also be given by facsimile and/or email transmission, provided any such communication is concurrently given by one of the above methods. Notices shall be deemed effective upon receipt, or upon attempted delivery thereof if delivery is refused by the intended recipient or if delivery is impossible because the intended recipient has failed to provide a reasonable means for accomplishing delivery.

8. **List of Exhibits**.

Exhibit A – Legal Description
Exhibit B – Settlement Agreement for film and media campus
Exhibit D – Site Plan
Exhibit C – Annexation Agreement

Exhibit E – Master Planned Development Findings of Fact, Conclusions of Law and Conditions of Approval dated May 24, 2012
Exhibit F - Master Planned Development Plans dated _______________
Exhibit G - Phasing Plan
Exhibit H - List of all known Physical Mine Hazards on the property (None)

IN WITNESS WHEREOF, this Development Agreement has been executed by Developer by a person duly authorized to execute the same, and by Park City acting by and through its City Council, as of the ___ day of ___________, 2012.

QUINNS JUNCTION PARTNERSHIP "Developer"

By: ____________________________________
____

Corporate Acknowledgment

STATE OF UTAH)
) ss.
COUNTY OF SUMMIT)

On this ___day of ________________, 2012, before me, the undersigned notary, personally appeared, personally known to me/proved to me through identification document allowed by law, to be the person whose name is signed on the preceding or attached document, and acknowledged that he/she signed it voluntarily for its stated purpose as _______________________ *(title)* for __________________________________, a Utah partnership.

____
Notary Public

PARK CITY MUNICIPAL CORPORATION “Park City”

By: ___________________________________
Dana Williams, Mayor

ATTEST:

By: ___________________________________
Janet M. Scott, City Recorder

APPROVED AS TO FORM:

____
Mark D. Harrington, City Attorney

EXHIBIT A

Legal Description:

EXHIBIT B ~~B~~

SETTLEMENT AGREEMENT FOR FILM AND MEDIA CAMPUS

EXHIBIT D ~~B~~

SITE PLAN OF PROPERTY

EXHIBIT E ~~C~~

Master Planned Development Findings of Fact, Conclusions of Law and Conditions of Approval dated May 24, 2012

EXHIBIT F ~~D~~

MPD PLANS

EXHIBIT C ~~E~~

ANNEXATION AGREEMENT

EXHIBIT G ~~F~~

PHASING PLAN

EXHIBIT H ~~G~~

LIST OF KNOWN PHYSICAL MINE HAZARDS:

NONE KNOWN