PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
MAY 5, 2011

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building 445 Marsac Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, May 5, 2011.

Work Session
5:00 p.m. Council questions/comments
5:10 p.m. Presentation of the Tentative Budget P. 5 - 18

- Budget overview and timeline
- Update of Financial Impact Report (FIAR)
- Revenue and expenditure summary

5:50 p.m. Break

Regular Meeting
6:00 p.m.

I ROLL CALL

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

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

IV WORK SESSION NOTES AND MINUTES OF MEETING OF APRIL 21, 2011
P. 19 - 31

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

1. Consideration of a Resolution celebrating National Tourism Week and declaring May 10, 2011 as “Travel Rally Day” in Park City, Utah P. 32 - 33

2. Consideration to authorize the City Manager to enter into a Letter of Intent with the Park City School District to cost share in replacing the failed pavement at the main High School bus-drop off area P. 34 - 38

3. Consideration of a Resolution adopting a tentative revised budget for fiscal year 2011 and the budget for fiscal year 2012 for Park City Municipal Corporation and its related agencies
   (a) Public hearing
   (b) Continuation to May 12, 2011

VI ADDITIONAL DISCUSSION – AGENDA ITEMS

VII ADJOURNMENT

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

Posted: 05/02/11
See: www.parkcity.org

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

PARK CITY COUNCIL TENTATIVE MEETING SCHEDULE

May 2011

5 **Tom gone**

12 CIP Budgets and revenue and taxation policy - work
Monthly financial update - work
573 Main Street plat – FA
259, 261, 263 Norfolk Avenue Plat – FA
Receiving zone language General Plan amendment - KC
Public hearing on tentative budget
Pavement management

19 **No meeting - Liza gone**

26 Operating expenditures, EPA , lump merit increase, Benefits, special service contracts - work, transit Fund analysis - work
PC-SLC Bus Service (45 min) – work
GPS/AVL contract (20 min) – work/action
811 Norfolk Avenue plat – KC
817 Norfolk Avenue plat – KC
MTB Race Series – Round Valley - TY
Classical Concert Series in City Park – TY
Public hearing on tentative budget

June 2011

2 Personnel policies, fee changes, council compensation, budget policies, outstanding budget issues - work
Inter-local agreement – SR
SLC-PC Inter-local Agreement - KC
Public hearing and adoption of tentative budget
Public hearing and adoption of fee schedule
Public hearing and adoption of council compensation
Adoption of CEMP
Adoption of P&P Manual

5 Fire District – one-day academy for elected officials

7 Treasure Open House (TBD)

9 Water Fund Budget, outstanding budget issues - work
Public hearing on final budget
Banking services contract
Construction contract for intersection of 248 and Richardson Flats Road

16 Monthly financial update
Presentation of final budget and outstanding issues – work
Public hearing and adoption of final budget
RDA and MBA adoption of final budgets

23 **Dick gone**
PAAB interviews
Delivery ordinance update

30 **No meeting**

July 2011

7

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

Pending Items:
U S Postal Service gang boxes in Old Town
Bonanza Tunnel ribbon-cutting

City Council
Staff Report

Subject:	**City Manager's Recommended Budget**
Author:	**Jed Briggs, Bret Howser, Nate Rockwood**
Department:	**Budget, Debt, & Grants**
Date:	**May 5, 2011**
Type of Item:	**Informational/Discussion**

Summary Recommendations:
Hold a public hearing on the City Manager's Recommended Budget. Provide direction concerning special service contracts.

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

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

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

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

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

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

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

In spite of the fact that this is the first year of a two-year budget process, new requests were somewhat limited due to the economic downturn the City has experienced over the last several years. All requests needed to have a corresponding expense reduction (BFO offset), revenue enhancement, or justification as to why the adjustment was necessary. This means that unless a request satisfies a preexisting issue already identified by or discussed with the Budget Department; is a direct response to direction received by City Council at Visioning Session; deals with same-level of service adjustments (e.g., inflationary adjustments); or other unforeseen but justifiable need; it should not be submitted by departments without expense (BFO) or revenue offsets.

Self-managed teams (managerial groups) are expected to discuss all their options together and rank them against each other before meeting with the City Manager. Each budget option requested by the self-managed teams is reviewed and discussed with the City Manager. The City Manager then develops a proposed budget balanced within the limits of the current available resources or with a proposed increase in fees and/or tax revenues.

New capital project requests were evaluated by the CIP Committee during March and prioritized following the same criteria as years past. Unlike the prior two budget years, the City did not have a declared budget shortfall this year. At the time of prioritization, projections showed a slight surplus (less than $500,000) anticipated. This being the case, the Committee did not have a targeted budget cut to achieve this year as it had the past two years. Nonetheless, due to the long-term projections which show lack of available operating surpluses, the amount of scrutiny involved in this process was heightened. The Committee forwarded their recommendation to the City Manager in late March. The City Manager made final decisions on operating and capital recommendations in April.

On May 2, staff delivered the City Manager's Recommended Budget (Tentative or Proposed Budget) to City Council. Public hearings are currently scheduled for May 5, 12, 26, June 2, 9, and 16. Discussion/action is slated for these dates as follows, barring changes as needed:

May 5 – Presentation of the Tentative Budget, Budget Overview & Timeline, Update of Financial Impact Report (FIAR), Environmental Regulatory, Lump Merit Increase, Benefits (URS – Retirement, Health Insurance), Self-Insurance Fund, Special Service Contracts

May 12 – CIP Budgets (CIP Alternative Matrix, OTIS Update, Downtown Projects), Revenue & Taxation Policy

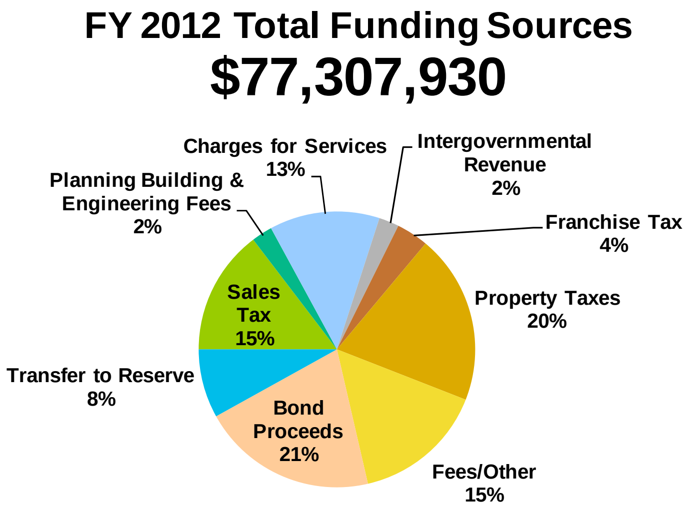
May 26 – Operating Expenditures (Departmental Presentations), Transit Fund Analysis

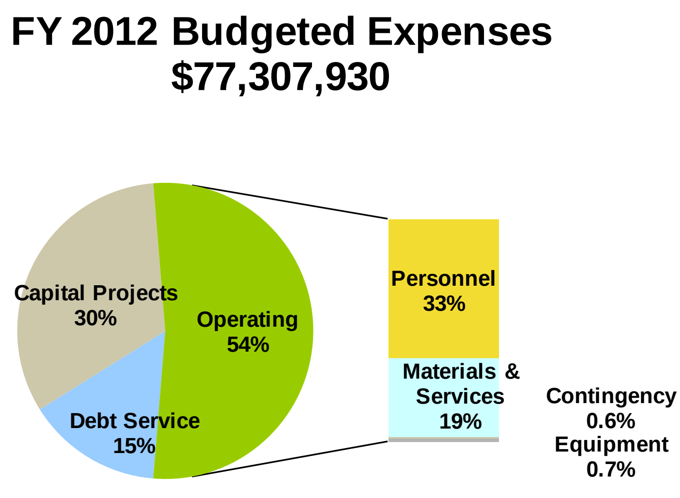
June 2 – Personnel Policies and Procedures (P&P) Manual, Fee Changes (Administrative Interfund Transfers, Special Event Fees, Other Fees), City Fee Resolution, Council Compensation, Budget Policies, Outstanding Budget Issues

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

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

Analysis:





Budget Overview
The above charts show the balanced budget proposal for FY 2012. Total revenues are expected to be $77 million ($60 million operating revenues, $17 million non-operating revenues). Staff proposes to spend those funds on the following: $57 million for operating expenses (which is comprised of $37 million for departmental operations, $10.4 million for debt service, and $6 million for capital expenses *paid for by operating revenues*) and $17.2 million for capital expenses paid for by non-operating revenues. The table in Attachment A gives a slightly more detailed breakdown of these figures. Also, the budget documents distributed with the Council packet (and available online) contain budget summaries which give the most commonly desired breakdowns of budget figures.

Financial Impact Assessment Report (FIAR)
In February 2011 the Budget Department presented an update of the Financial Impact Assessment Report (FIAR) to the City Council at its annual Visioning Session. This report was organized to forecast revenues and operating, capital, and debt service expenses for the General Fund. The information contained in the report was intended to inform decision makers in the upcoming budget process by illustrating the potential impacts of current financial decisions on the financial health of the City in both the near and distant future. The report is presented to Council at the Visioning Session each year and then updated in the Tentative Budget to show the impact of the budget requests for the next two-year cycle. This will enable Council to see the estimated impacts of current budget decisions on future General Fund surpluses.

The table below is from the FIAR presented to Council in January. It has been updated to incorporate the FY 2011 Adjusted Budget and the FY 2012 Proposed Budget, which changes trickle through having an effect on future projections. The figures below incorporate expenses and revenues from the General Fund as well as the Quinn's Recreation Fund, and are not designed to match the Budget Summaries which give a citywide accounting of all funds.

Ten-year Financial Impact Forecast

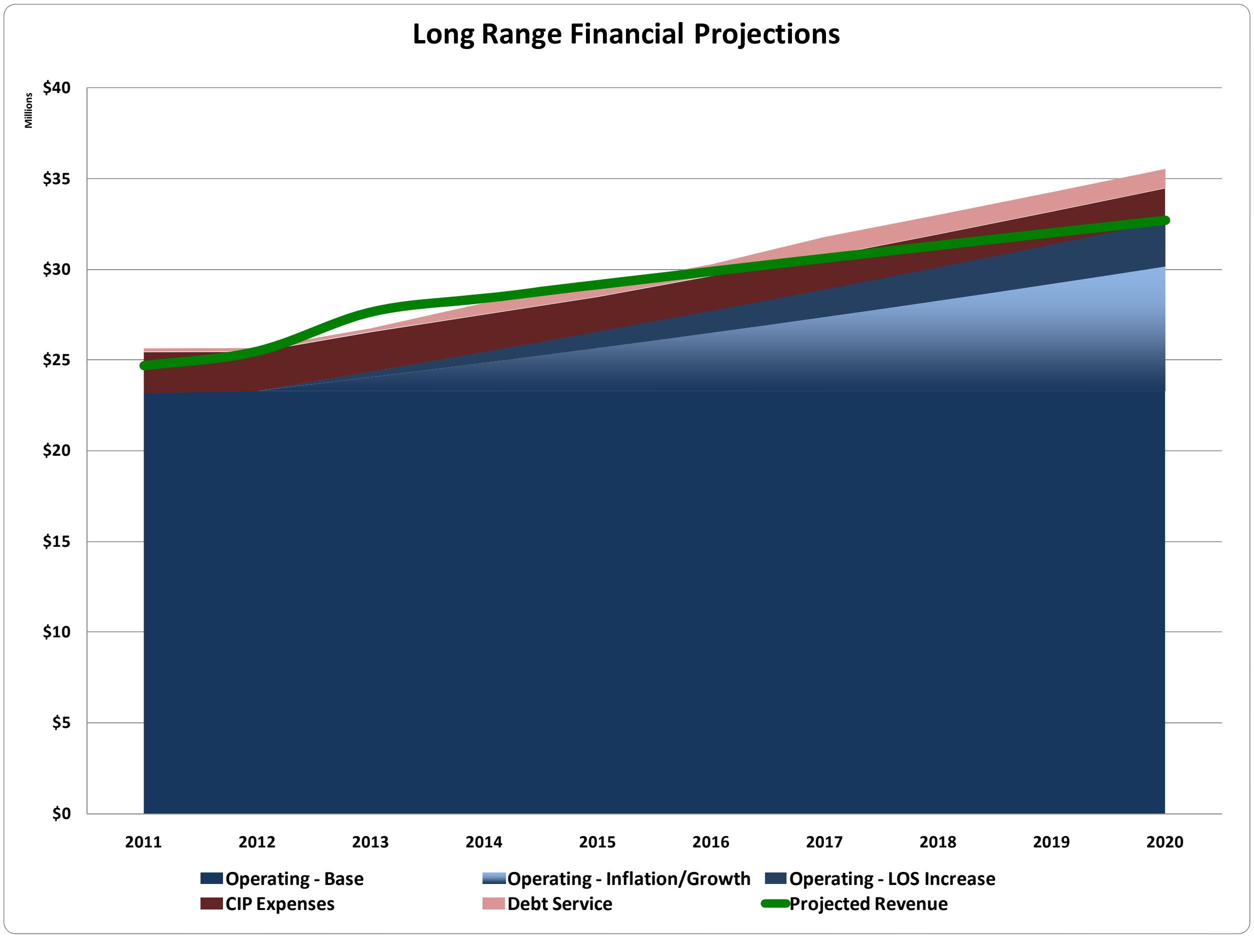
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	**$24,696**	**$25,523**	**$27,682**	**$28,442**	**$29,188**	**$29,921**	**$30,642**	**$31,351**	**$32,050**	**$32,739**
Operating - Base	$23,177	$23,303	$23,303	$23,303	$23,303	$23,303	$23,303	$23,303	$23,303	$23,303
Operating - Inflation/Growth	$0	$0	$761	$1,546	$2,358	$3,197	$4,064	$4,959	$5,884	$6,840
Operating - LOS Increase	$0	$0	$301	$606	$915	$1,228	$1,545	$1,866	$2,192	$2,522
CIP Expenses	$2,270	$2,161	$2,186	$2,066	$1,916	$1,916	$1,816	$1,816	$1,816	$1,816
Debt Service	$178	$180	$181	$617	$616	$620	$1,052	$1,051	$1,053	$1,054
Total Expenses	**$25,625**	**$25,644**	**$26,732**	**$28,139**	**$29,109**	**$30,264**	**$31,779**	**$32,995**	**$34,248**	**$35,535**
Rev/Exp	**-$928**	**-$121**	**$950**	**$303**	**$79**	**-$343**	**-$1,138**	**-$1,644**	**-$2,199**	**-$2,796**

**All figures in thousands*

Aggregate Surplus/(Shortfall)	**($7,836)**

Operating expense projections are now made using the service level associated with the 2012 Proposed Budget as the base level. Table B03 shows the FY 2012 service level projected over ten years using the growth rate identified in the 2010 Service Level

Assessment Committee (SLAC) update. The projected surpluses (or deficits) for each year are shown in the following graph.



Three recommendations were put forth in the FIAR in February: 1) All increases in operating level of service should be accompanied by an offset (revenue increase or expenditure cut), 2) update OTIS study in an effort to reduce cost of total project, thus reducing future debt service projections, and 3) re-evaluate revenue structure and taxation policy on heals of Budgeting for Outcomes process.

Council gave no direction regarding the first recommendation. The second has been carried out and results will be presented during the budget hearing. Early returns have the total remaining cost of OTIS reduced to $12M, which is reflected in the FIAR update here and is overwhelmingly responsible for the slightly improved long-term outlook seen in this FIAR chart compared to February's. Council and staff began discussion concerning the third recommendation in the context of a CIP preview in early April. It is expected that this discussion will continue as part of the budget process.

For more detailed explanations of projection methodology and long-range financial planning, please consult the February 2011 FIAR document, a copy of which can be obtained from the Budget Department.

Environmental Regulatory Budget

Historically, costs related to managing a variety of environmental regulatory issues would be paid out of several different departmental budgets, including Building, Water, Executive, Legal and Risk Management—depending on which department was doing the work. Where the City is in the process of applying for permits for the Prospector Drain and the Judge and Spiro tunnels as well as working with the Environmental Protection Agency (EPA) on the possibility of a new repository to handle mining waste; the City Manager is recommending the creation of a centralized budget for Environmental Regulatory issues. In this budget soil and water related costs will be tracked independently, but can also be rolled up to allow Council and the taxpayer a more holistic view of the total costs of addressing environmental regulatory issues. The soils budget will be an independent budget that will be managed by the Environmental Sustainability Manager.

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

Health Insurance Costs

In recent years, the cost of Park City's health insurance has risen dramatically between 8-15% per year. The City has picked up almost the entirety of the tab for these increases, until two years ago when the City asked employees to pay $50 more per month for family health insurance. These increases, while consistent with trends seen across the nation, are nonetheless alarming and indicate a different approach to providing this benefit may need to be explored more in the future.

The Human Resources Department has already negotiated a 7% increase to health insurance plans and prices—this could have been much more. This would maintain the current coverage provided to employees with no additional costs passed on to them. Last year medical benefits changed from a no deductible, $2,000 per family maximum out-of-pocket plan to a dual-track $500 deductible, $3,000 per family maximum out-of-pocket plan or a health savings account (HSA). The HSA is $3,000 deductible with a $10,000 per family maximum out-of-pocket. The HSA allows for the employer and the employee to contribute a certain amount monthly into the account which can then be used for various medical expenses. The advantage with the HSA is that any amount not spent out of the account can be kept by the employee in perpetuity.

This dual-track plan will be less expensive for the City in future years because it includes an HSA option. The hope continues to be that employees will become more aware of and accountable for medical expenses. This could keep usage down, and lower usage should translate to more modest renewal rates.

Health Insurance Changes by Fund
(Change from FY2011 Adopted Budget)

	FY 2012 Budget
Fund 11 General Fund	$143,891
Fund 12 Quinn's Recreation Complex	$5,754
Fund 51 Water Fund	$15,824
Fund 55 Golf Fund	$3,126
Fund 57 Transportation Fund	$48,430
Fund 62 Fleet Services Fund	$7,672
Fund 64 Self Insurance Fund	$480
Total	**$225,177**

Retirement Expense
As all public employees in Utah, full-time Park City employees are part of the Utah Retirement System (URS) defined benefit program. The City is required by statute to contribute a certain percentage of employee pay toward the URS pool annually.

URS was nearly fully funded and one of the healthiest pensions in the country until two years ago. The recent recession took a serious toll on the fund, and with payouts continuing as scheduled while investments lost value, the fund fell behind and is no longer fully funded. In order to remedy the situation, the state made several changes to the URS setup and increased the required contribution percentages.

During FY 2011, URS required a 13.37% contribution for general municipal employees (25.83% for sworn police officers). However, the state will begin requiring 13.77% (27.07% for sworn officers) on July 1, 2011. The budget impact for this change is detailed in the figure below.

URS Adjustments by Fund
(Change from FY2011 Adopted Budget)

FY 2012 Budget	URS
Fund 11 General Fund	$48,171
Fund 12 Quinn's Recreation Complex	$1,126
Fund 51 Water Fund	$3,420
Fund 55 Golf Fund	$668
Fund 57 Transportation Fund	$8,189
Fund 62 Fleet Services Fund	$1,500
Fund 64 Self Insurance Fund	$96
Total	**$63,170**

Lump Merit

An expressed desire of Council members this fiscal year was about adjusting the mix of guaranteed salary versus at risk pay (or performance based lump merit pay). In an effort to achieve a better balance, the 2% across the board increase to pay grades typically given in a pay plan off-year was not done for FY 2012 in favor of a 3% increase in unguaranteed lump merit eligibility. This gives management more flexibility to reward high performers while avoiding an inflationary effect on salaries. It should also be noted that 3% lump merit bonuses and 2% across the board salary increases should have approximately the same budget impact since not all employees will earn a full lump merit bonus each year. The budget impact is an increase of $250,000.

Self-Insurance Fund Interfund Transfer

The Self-Insurance Fund is an Internal Service Fund, much like the Fleet or Equipment Replacement Funds, which accounts for the establishment of self-insured programs including Workers' Compensation, Unemployment Compensation, and liability insurance. Several years ago the General and Enterprise Funds' interfund transfers (IFTs) were discontinued temporarily due to the fact that the fund balance had grown too large. However, since then the fund balance has been reduced to a level which will again needs annual contributions due to a variety of factors, including new environmental costs, defense costs responding to sometimes frivolous and/or multiple appeal cases (Stichting Mayflower /Christensen) and a large bus accident pay out. Thus the Budget Department is currently looking into re-establishing those IFTs from the General and Enterprise Funds in future fiscal years for the Final Budget. Also, in the current fiscal year (FY11) it is being recommended to transfer $850k into the Self-Insurance Fund from the General Fund for one year. This money would come from operating budget savings (i.e., the difference between the current budget and the projected departmental expenditures).

Special Service Contracts

As part of the budget process, the City Council appropriates funds to contract with organizations offering services consistent with the needs and goals of the City. According to City policy, up to one percent of the City's total budget is awarded. Payment may take the form of cash payment and/or rent contributions for the lease of City property in exchange for the value of in-kind services. The tentative budget for Special Service Contracts is $435,000 ($870,000 for two years). This is based on 1 percent of the total budget for FY2011, when the final budget is presented this figure will be based on FY2012 and will likely increase accordingly.

Special Service Contracts are awarded biennially through a competitive application process. A request for applications (RFA) was issued in February 2011 and announced through local media. Letters announcing the RFA were sent to previous awardees. Applications were accepted through March 31 and submitted to the Special Service Contract Subcommittee for review. This Subcommittee included Council Members Kernan and Matsumoto and city staff.

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

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

Organizations	Request	Pervious Award* 2010 - 2011	Recommended Funding 2012 - 2013
Park City/Summit County Arts Council	$148,340	$48,000	$50,000
Mountainland Community Housing Trust	$36,000	$30,000	$31,100
P.C. Adult ESL	$11,000	$9,000	$11,000
Park City Chamber/Bureau	$200,000	$160,000	$200,000
P.C. Historical Society and Museum	$140,000	$60,000	$80,000
Recycle Utah - Operating	$73,000	$46,000	$66,000
Recycle Utah - Rent Contribution	$19,154	$19,154	In-kind
People's Health Clinic	$88,241	$64,500	$70,000
Christian Center	$20,000	$20,000	$21,400
Mountain Mediation Center	$25,238	$23,500	$25,000
Peace House, Inc.	$55,000	$50,000	$52,000
Park City Community Outreach Center	$22,000	$20,000	$20,000
Habitat for Humanity	$20,000	New	$20,000
Mountain Trails	$40,000	New	$15,500
PC Performances - Egyptian Theatre Productions	$10,000	New	$5,000
Park City Business Resource Center	$40,000	New	$20,000
Total	**$947,973**	**$550,154**	**$687,000**
Youth Organizations	**Request**	**Pervious Award* 2010 - 2011**	**Recommended Funding 2012 - 2013**
Children's Justice Center	$10,000	$10,000	$10,000
ArtsKids	$30,000	$20,000	$25,000
PC Education Foundation	$40,000	$10,000	$36,000
Holy Cross Ministries	$15,000	$10,000	$15,000
PC Performing Arts Foundation's MGSS	$10,000	$5,000	$8,000
Youth Winter Sports Alliance	$20,000	$15,000	$18,000
Big Brothers/Big Sisters of Utah	$20,000	$15,000	$15,000
Norwegian Outdoor Exploration Center	$20,000	New*	$20,000
Friends of the Utah Avalanche Center	$3,000	New*	$3,000
PC Performances - Egyptian Theatre Youth Programming	$30,000	New	$15,000
Total	**$198,000**	**$85,000**	**$165,000**
Grand Total	**$1,145,973**	**$635,154**	**$852,000**

*Listed amount reflect original SSC awards as recommended by the 2010-2011 SSC subcommittee. The following organizations received SSC Extraordinary Request during the 2010 and 2011 fiscal years:

- Norwegian Outdoor Exploration Center $20,000
- ArtsKids $10,000
- PC Education Foundation $20,000
- Friends of the Utah Avalanche Center $1,200

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

Alternatives:

A. Approve:
Staff recommends that Council hold a public hearing regarding the Proposed Budget. Provide direction on Special Service Contracts.

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. Provide direction on Special Service Contracts.

Recommendation:
Hold a public hearing on the City Manager's Recommended Budget.

Attachments:
A – Budget Summary: Resources & Requirements – All Funds Combined
B – Special Service Contract Justification Table

Attachment A

Resources & Requirements - All Funds Combined

Description	2008 Actual	2009 Actual	2010 Actual	2011 Original Budget	2011 Adj Budget	2012 Budget	Change - 2011 to 2012 Increase (reduction)	Change - 2011 to 2012 %	2013 Plan	Change - 2012 to 2013 Increase (reduction)	Change - 2012 to 2013 %
RESOURCES											
Sales Tax	12,755,443	11,027,464	11,601,845	11,048,209	11,729,639	12,313,000	583,361	5%	13,245,000	932,000	8%
Planning Building & Engineering Fees	5,828,014	5,044,383	1,287,132	2,209,500	1,673,000	2,063,000	390,000	23%	2,290,000	227,000	11%
Charges for Services	7,463,662	9,129,312	9,497,866	10,601,000	10,735,990	10,836,010	100,020	1%	10,893,010	57,000	1%
Intergovernmental Revenue	1,450,079	3,058,819	7,324,484	7,812,837	19,839,512	1,971,300	(17,868,212)	-90%	1,966,000	(5,300)	0%
Franchise Tax	2,748,571	2,720,272	2,774,320	3,051,000	3,005,000	3,160,000	155,000	5%	3,307,000	147,000	5%
Property Taxes	13,974,590	13,213,009	15,790,260	16,745,315	16,950,315	16,703,315	(247,000)	-1%	16,897,315	194,000	1%
General Government	403,641	457,582	459,311	573,600	548,634	621,867	73,233	13%	664,630	42,764	7%
Other Revenues	16,333,881	10,850,156	16,200,738	6,921,113	9,910,264	12,380,090	2,469,826	25%	7,232,529	(5,147,562)	-42%
Total	**$60,957,881**	**$55,500,997**	**$64,935,955**	**$58,962,574**	**$74,392,354**	**$60,048,582**	**($14,343,772)**	**-19%**	**$56,495,484**	**($3,553,098)**	**-6%**
REQUIREMENTS (by function)											
Executive	8,373,458	8,380,023	8,659,116	9,009,223	9,028,723	9,598,914	570,191	6%	9,057,932	(540,982)	-6%
Police	3,648,493	3,726,449	3,859,148	4,293,389	4,333,412	4,314,177	(19,235)	0%	4,314,177	0	0%
Public Works	14,331,870	13,477,003	13,461,449	15,468,579	15,508,579	16,010,301	501,722	3%	15,899,192	(111,109)	-1%
Library & Recreation	3,011,937	3,030,262	3,015,199	3,354,072	3,379,181	3,511,970	132,789	4%	3,544,505	32,535	1%
Non-Departmental	2,253,926	2,631,084	2,697,864	3,296,655	3,256,655	3,362,119	105,464	3%	3,282,119	(80,000)	-2%
Special Service Contracts	362,101	360,896	348,000	408,973	408,973	408,973	0	0%	408,973	0	0%
Contingency	0	0	0	315,000	415,000	415,000	0	0%	415,000	0	0%
Capital Outlay	493,666	327,443	214,453	463,822	517,156	435,176	(81,980)	-16%	405,676	(29,500)	-7%
Total	**32,475,453**	**31,933,160**	**32,255,228**	**36,609,713**	**36,847,679**	**38,056,630**	**1,208,952**	**3%**	**37,327,575**	**(729,055)**	**-2%**
REQUIREMENTS (by type)											
Personnel	19,540,194	20,553,234	21,098,681	22,090,129	22,100,861	23,139,127	1,038,266	5%	22,993,476	(145,652)	-1%
Materials, Supplies & Services	12,441,592	11,052,483	10,942,094	12,649,434	12,723,069	13,098,750	375,681	3%	12,557,699	(541,051)	-4%
Contingency	0	0	0	315,000	415,000	415,000	0	0%	415,000	0	0%
Capital Outlay	493,666	327,443	214,453	463,822	517,156	435,176	(81,980)	-16%	405,676	(29,500)	-7%
Total	**32,475,453**	**31,933,160**	**32,255,228**	**35,518,385**	**35,756,086**	**37,088,053**	**1,331,967**	**4%**	**36,371,851**	**(716,203)**	**-2%**
EXCESS (deficiency) OF RESOURCES OVER REQUIREMENTS	$28,482,429	$23,567,837	$32,680,728	$23,444,189	$38,636,267	$22,960,529	(15,675,738)	-41%	$20,123,633	(2,836,895)	-12%
OTHER FINANCING SOURCES (uses)											
Bond Proceeds	779,793	24,477,505	6,092,682	0	0	17,274,875	17,274,875		11,850,000	(5,424,875)	-31%
Debt Service	(6,583,721)	(9,834,751)	(12,176,557)	(10,979,473)	(13,307,865)	(10,442,672)	2,865,193	-22%	(10,199,604)	243,068	-2%
Interfund Transfers In	15,628,653	32,800,255	14,840,021	7,118,246	9,647,412	6,933,440	(2,713,972)	-28%	6,247,985	(685,455)	-10%
Interfund Transfers Out	(15,628,653)	(32,800,255)	(14,840,021)	(7,118,246)	(11,153,341)	(6,933,966)	4,219,375	-38%	(5,909,619)	1,024,347	-15%
Capital Improvement Projects	(15,994,618)	(41,241,569)	(64,395,392)	(11,539,881)	(62,312,088)	(22,987,297)	39,324,791	-63%	(19,188,124)	3,799,173	-17%
Total	**(21,798,545)**	**(26,598,814)**	**(70,479,267)**	**(22,519,354)**	**(77,125,882)**	**(16,155,620)**	**60,970,262**	**-79%**	**(17,199,362)**	**(1,043,742)**	**6%**
EXCESS (deficiency) OF RESOURCES OVER REQUIREMENTS AND OTHER SOURCES (uses)	$6,683,883	($3,030,978)	($37,798,539)	$924,835	($38,489,615)	$6,804,909	45,294,524	-118%	$2,924,271	(3,880,637)	-57%
Beginning Balance	89,775,525	97,369,362	111,667,935	22,855,772	73,869,394	35,379,780	(38,489,614)	-52%	42,169,688	6,789,908	19%
Ending Balance	96,459,405	94,338,414	73,869,394	23,780,604	35,379,780	42,169,688	6,789,908	19%	45,068,958	2,899,270	7%

Special Service Contracts FY 2012 & 2013 (Subcommittee Recommended)

Grantee	1st Distribution	2nd Distribution	One-Year Total	Two-Year Total
Park City/Summit County Arts Council	$20,000	$5,000	$25,000	$50,000
Mountainland Community Housing Trust	$12,440	$3,110	$15,550	$31,100
P.C. Adult ESL	$4,400	$1,100	$5,500	$11,000
Park City Chamber/Bureau	$80,000	$20,000	$100,000	$200,000
P.C. Historical Society and Museum	$32,000	$8,000	$40,000	$80,000
Recycle Utah - Operating	$26,400	$6,600	$33,000	$66,000
Recycle Utah - Rent Contribution	*$0*	*$0*	*In-kind*	*In-kind*
People's Health Clinic	$28,000	$7,000	$35,000	$70,000
Christian Center	$8,560	$2,140	$10,700	$21,400
Mountain Mediation Center	$10,000	$2,500	$12,500	$25,000
Peace House, Inc.	$20,800	$5,200	$26,000	$52,000
Park City Community Outreach Center	$8,000	$2,000	$10,000	$20,000
Habitat for Humanity	$8,000	$2,000	$10,000	$20,000
Mountain Trails	$6,200	$1,550	$7,750	$15,500
PC Performances - Egyptian Theatre Productions	$2,000	$500	$2,500	$5,000
Park City Business Resource Center	$8,000	$2,000	$10,000	$20,000
Subtotal	**$274,800**	**$68,700**	**$343,500**	**$687,000**
Youth Organizations				
Children's Justice Center	$4,000	$1,000	$5,000	$10,000
ArtsKids	$10,000	$2,500	$12,500	$25,000
PC Education Foundation	$14,400	$3,600	$18,000	$36,000
Holy Cross Ministries	$6,000	$1,500	$7,500	$15,000
PC Performing Arts Foundation's MGSS	$3,200	$800	$4,000	$8,000
Youth Winter Sports Alliance	$7,200	$1,800	$9,000	$18,000
Big Brothers/Big Sisters of Utah	$6,000	$1,500	$7,500	$15,000
Norwegian Outdoor Exploration Center	$8,000	$2,000	$10,000	$20,000
Friends of the Utah Avalanche Center	$1,200	$300	$1,500	$3,000
PC Performances - Egyptian Theatre Youth Programmin	$6,000	$1,500	$7,500	$15,000
Subtotal	**$66,000**	**$16,500**	**$82,500**	**$165,000**
Grand Total	**$340,800**	**$85,200**	**$426,000**	**$852,000**

Special Service Contract Subcommittee Recommendation

Organization	Funding Request	Previous Award	Recommended Funding	% Change from Previous Award	Justification
People's Health Clinic	$88,241	$64,500	$70,000	9%	The People's Health Clinic estimates that it costs $71 per patient for treatment. The Subcommittee based PHC's allocation on the amount required to provide care to Park City's non-benefitted employees: 190 Part-time Non-benefited City Employees budgeted in FY 2011 x $71 per visit (PHC's cost/visit) x 2.5 annual visits per Employee x 2 years = approximately $70,000. The People's Heath Clinic has show great improvement in efficiency in recent years.
Park City Chamber/Bureau	$200,000	$160,000	$200,000	25%	Funding allocation for the Chamber includes the 4th of July activities, Film Commission expenses, and approximately 1/2 visitor information cost as reported in the budget (value in-kind not included).
Recycle Utah	$73,000	$46,000	$66,000	43%	The committee recommended funding requests for a portion of the cost for Transportation, Youth Education (25% of Outreach Director salary), Park City Leadership Projects, Sustainability Week, Snow Sports Equipment Handling, and E-waste.
Recycle Utah - Rent	$19,154	$19,154	In-kind	0%	In-kind rent for old bus barns
P.C. Adult ESL	$11,000	$9,000	$11,000	22%	Funding allocation for the Adult ESL program and after school tutoring for children of adults in ESL program.
Christian Center	$20,000	$20,000	$21,400	7%	Pantry staffing costs covered by funding allocation.
P.C. Historical Society and Museum	$140,000	$60,000	$80,000	33%	This will help keep the research library open 5 days a week and provide a professionally trained Archivist and costs associated with historic preservation. The committee decided to fund the position for 1,200 hours at $25 which equals $30,000 a year. The committee would like the museum to use the additional $20,000 ($10,000 per year) for exhibits and activates related to youth programming.
Peace House, Inc.	$55,000	$50,000	$52,000	4%	Recommendation includes funding for the Peace House Women's Shelter and Education Services.
Mountainlands Community Housing Trust	$36,000	$30,000	$31,100	4%	Funding allocation to help support the Housing Resource Center and property listing data base.
Park City/Summit County Arts Council	$148,340	$48,000	$50,000	4%	The recommended allocation funds the costs associated with the August Artsravaganza, and the roughly half of the Director's salary associated with Cultural Tourism ($8,250 per year). The amount also includes $13,000 per year to administer the Public Art Advisory Board (as set forth in the Public Art Policy).
Mountain Mediation Center	$25,238	$23,500	$25,000	6%	The recommendation is to fund the Executive Director position which is responsible for training and coordination of volunteer mediators
Park City Community Outreach Center	$22,000	$20,000	$20,000	0%	Funding allocation to assist in covering operating costs for community outreach programs. This organization is located in the Public Safety Facility
Habitat for Humanity	$20,000	New	$20,000	New	Funding for two single family affordable housing properties on Marsac Ave. Funding would provide approximately 8% of actual construction costs for each home. Properties are deed restricted and will remain in affordable housing pool.
Mountain Trails	$40,000	New	$15,500	New	Funding will provide winter trail grooming in Round Valley.
PC Performances Egyptian Theatre Productions	$10,000	New	$5,000	New	Funding for partial cost associated with non-youth productions. Funding for Youtheatre is located in Youth Organization section below.
Park City Business Resource Center	$40,000	New	$20,000	New	Resource Center will provide One-on-one consulting and mentoring, business plan development, and funding location assistance for business in Park City. Funding will offset a portion of the Director wage.
Sub Total:	**$947,973**	**$550,154**	**$687,000**		

Special Service Contract Subcommittee Recommendation - Youth Organizations

Youth Organizations	Funding Request	Previous Award	Recommended Funding	% Change from Previous Award	Justification
Children's Justice Center	$10,000	$10,000	$10,000	0%	The recommendation is to fund a portion of the director and office manager salary as well as utilities and communication expenses.
Holy Cross Ministries	$15,000	$10,000	$15,000	50%	The subcommittee recommended that $15,000 be allocated for costs associated with providing a summer and after school recreational program with emphasis on integration and healthy life habits.
PC Education Foundation*	$40,000	$10,000*	$36,000	260%	The subcommittee recommends allocating a $36,000 stipend to teaching staff in providing a 5 day a week after school education program. This program has seen a large increase in student enrolment. Funding will allow program to admit additional students and expand service from 3 to 5 days a week. (Change from previous award does not include the $20,000 emergency request granted in FY2010. Including the emergency request in the calculation would result in a 20% change over 2009-2010.)
ArtsKids	$30,000	$20,000*	$25,000	25%	The recommendation is to fund program costs consisting of stipends for artists, facilitators, and supplies.
Youth WinterSports Alliance	$20,000	$15,000	$18,000	20%	The recommendation consists of funding $18,000 of expenses related to the McPolin Get Out and Play Program.
PC Performing Arts Foundation Mega Genius Supply Store (MGSS)	$10,000	$5,000	$8,000	60%	The subcommittee recommends partial funding in the amount of $4,000 per year. Staff will continue to evaluate growth and use of the MGSS center.
Big Brothers/Big Sisters of Utah	$20,000	$15,000	$15,000	0%	The funds would supply administration cost including recruitment, screening, interviewing, training, and support for 20 mentor relationships in the Park City area (10 per year). The subcommittee recommends continuing at the current level of 10 mentor relationships per year.
Norwegian Outdoor Exploration Center*	$20,000	New*	$20,000	New*	Funding will cover travel and activity expenses related to the outdoor experimental learning programs provided to Park City students.
Friends of the Utah Avalanche Center*	$3,000	New*	$3,000	New*	Will provide funding for the Know Before You Go youth avalanche awareness program. The center will provide 55 presentations in the Park City area over the next two years.
PC Performances - Egyptian Theatre Youth Programming	$30,000	New	$15,000	New	Funding for Youtheatre - Park City Youth Productions
Sub Total:	**$198,000**	**$85,000**	**$165,000**		

Grand Total:	**$1,145,973**	**$635,154**	**$852,000**

*Listed amount reflect original SSC awards as recommended by the 2010-2011 SSC subcommittee. The following organizations received SSC Extraordinary Request during the 2010 and 2011 fiscal years:

Norwegian Outdoor Exploration Center	$	20,000
ArtsKids	$	10,000
PC Education Foundation	$	20,000
Friends of the Utah Avalanche Center	$	1,200

PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
APRIL 21, 2011

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

Tom Bakaly, City Manager; Mark Harington, City Attorney; Thomas Eddington, Planning Manager; Katie Cattan, Planner; Diane Foster, Sustainability Manager; Jed Briggs, Budget Analyst; Bret Howser, Budget Manager; Franciso Astorga, Planner; Jon Weidenhamer, Economic Development Manager; Max Paap, Special Events Manager; and Heinrich Deters, Trails Coordinator

Chris Crowley, Kimball Art Center Arts Festival Director; Steve McComb, owner of Ciseros and Bistro 412; Alison Butz, Director of HPCA; Bob Murphy, owner of 501 Main; Rob Sunderledge, Horracks Engineering; Craig Elliott, Elliot Workgroup; Michael Barelle, Powdr Corporation; Mike Sweeney, MPE Inc.

1. Council questions/comments. Alex Butwinski reported on Public Art Advisory business. Liza Simpson reminded members of the Fire Ops Course on June 4 and discussed participating in the Donnelly Foundation/PC Foundation teacher awards. Diane Foster introduced Mark Clews from New Zealand who is participating in an ICMA Fellowship Program focused on sustainability and climate change. Mr. Clews will be in Park City for two weeks.

2. 1st Quarter update of 2011 goals and targets for action. In response to a question from Alex Butwinski, Katie Cattan explained that it is anticipated that the General Plan will be completed and reviewed by the Planning Commission within a year. The new format for general plans considers different features of sustainability and how the general plan elements fit within those parameters. Staff will analyze individual elements which will be integrated under economics, environment, etc. Thomas Eddington interjected that the challenge is categorizing elements under the Visioning levers. The City Manager advised that next week's manager's report will detail the General Plan project. Staff was on hand to answer questions on Historic District and transportation projects. The Park and Ride lot is being used by large employers until improvements are made on SR248 to accommodate public parking. Kent Cashel pointed out that it might be used for special events like the Arts Festival but there is a lot of parking in town and moving people is expensive. Alex Butwinski asked about the Utah State University electric trolley project and Diane Foster explained that no funds have been expended at this point. There are some technical issues regarding charging times and an alternative proposal, not involving the trolley, will be returning to Council. In response to a question from Mr. Butwinski, Tom Bakaly reported that the City is working on acquiring Red Maple. Matt Cassel discussed the Bonanza Tunnel which is now open. Liza Simpson stated that she liked the new format and made a correction to the liaison table included with goals this quarter.

3. Monthly financial update. Jed Briggs referred to General Fund revenues and commented that sales and property taxes are healthy but fees and interest revenues are down. He displayed a graph of sales tax revenues on a calendar year basis for Park City which far exceeded Colorado resort towns. Mr. Briggs explained the $2 million projected surplus which is typically allocated to the Capital Improvement Fund. Bret Howser emphasized that the surplus has already been budgeted toward capital projects at the beginning of the year. It was pointed out that financial updates are on-line. He explained that the enterprise funds are slightly lower than what was budgeted.

Joe Kernan referred to the property tax discussion on April 7, 2011 and requested a more complete analysis of the City's property and sales tax burden using information from communities participating in the pay plan comparison. The Mayor felt that level of services provided needs to be considered in the comparison.

4. Main Street dining. Franciso Astorga stated that the City approved four decks last year and three decks were installed; overall comments have been positive. Accommodating street dining decks was a recommendation in the 1998 Downtown Action Plan and driven by restaurant owners. This year, five more restaurants would like to participate in the program. He referred to criteria for decks regarding hours of operation and the policy for the parking fee. Alex Butwinski pointed out that 25% of the parking fee, which is recommended, calculates to $4 a day per space which he felt is too low. Mr. Astorga stated that the fee was actually lower and set at 10% and staff is seeking direction from members. Liza Simpson asked what constitutes a parking space as it appears that spaces vary in size and suggested charging by the foot based on a standard parking space. Mr. Astorga explained that the map is conceptual and fees will be based on a per linear foot basis. The fee is based on the maximum revenue the City could receive based on $16 per day per parking space for 180 days for a total of $2,880 and 25% of that is $720. A parking space is 20 linear feet and the parking fee is prorated if a space is partially occupied.

In response to a question from the Mayor, Max Paap explained that there shouldn't be any conflicts with the decks for the 4th of July and Miners Day Parades. However, there are potential conflicts with Savor the Summit and the Art Festival. Thomas Eddington understood that the Kimball Art Center has worked with restaurants to accommodate the decks during the Festival as long as they agree to pay the festival fee to participate like all vendors. Jon Weidenhamer emphasized that the City has a contract with KAC until next year and is committed to those terms. KAC has agreed to accommodate the decks so they won't have to be removed, but they displace approximately 50 to 55 of the art booths. Thomas Eddington added that applicants are informed about the possibility of removing their decks during Arts Festival.

Chris Crowley, Arts Festival Director, described the difficulty in selecting and rejecting local restaurants and made concessions to create opportunities for everyone to participate in the Festival. It is important to understand that they are included in the Festival program and will replace outside concessionaires arranged in the past. This will result in reducing competition on the street and increasing exposure to local restaurants. Mr. Crowley stated that it was a significant challenge for KAC and emphasized again that about 50 booths were displaced. The scope of the Festival area will be expanded but it is likely that not all artists will be happy with their booth location. The Mayor opened the public hearing.

Steve McComb, owner of Ciseros and Bistro 412, alleged that in 1995 he made a deal with City Planner Janice Lew during his remodel to give the (parking?) fund for Ciseros to the City and (in exchange) he doesn't pay the $7,000 (fee) for 200 square feet of office space. This came out to $28,000. When he tried to get his certificate of occupancy, Ms. Lew couldn't make that deal and he had to pay $28,000 for in-lieu of parking funds. He felt he already paid his parking funds for the dining deck. He also understood that he had a three year no fee lease with the City which now is getting changed. Mr. McComb stated that he is not against paying the fees but he has other issues. Last year, he went through eight offset umbrellas and wants to use a double sided awning. The Planning Director stated that he would work with him but now he has been told that he can't use them. Although Mr. Eddington did not approve the custom awnings, he ordered them but can not use them. He spoke with Roger Durst and Michael Kovacs who think they are okay. Alison Butz from HPCA has no problem with them. He can not send back the awnings and Mr. McComb detailed problems with wind and having a post in the middle of the table. He asked the Council to allow him to use the awnings and disagrees with staff that they are not historic and obstruct views. He would pay some portion of the parking fee but feels he has already paid for parking and is the only person who has contributed to the in-lieu of parking fund for a project. No one else paid $28,000 for 800 square feet.

Tom Bakaly stated that he and Thomas Eddington are scheduled to meet with Mr. McComb regarding the awnings and will report back to Council. He noted that he is very familiar with the parking in-lieu fund where $95,000 was collected and allocated for the construction of the Sandridge Parking Lot. The parking fee for decks is a policy question for Council. The Mayor asked about the three year lease and increasing fees and Mark Harrington believed that the lease provided the ability to modify fees which will be further clarified next week. Cindy Matsumoto recalled that the HPCA was not in favor of the awnings.

Alison Butz, HPCA, clarified that the Board was concerned that allowing awnings was a step toward enclosing decks. Steve McComb argued that the awning is a square umbrella and detailed the designs for both restaurants.

In response to a question from Liza Simpson about calculating parking fees, Mr. Harrington explained that there was a floor area exemption for up to 2.0 and a formula used for anything above that. Ms. Simpson pointed out the square footage gained with the decks and Mr. Harrington explained that outdoor dining originally allowed swapping capacity. The Mayor requested feedback on the 25% parking fee and charging $.08 per square foot for the expanded deck area related to the business license.

Bob Murphy, 501 Main formerly Zona Rosa, explained that the outdoor decks are great and act as a *giant open sign*, but do not produce a lot of income to justify the $720 fee. The City has the potential of collecting $23,000 in fees for a single parking space for eight decks. The fees seem excessive to him. $5,700 is 2% (of the revenue) for100 spaces on Main Street and $288,000 is collected for parking fees plus parking tickets. Poor weather is an issue and he netted $100 a day on his deck last year and to tack on another $720 and a square footage fee totals about $4,500 over three years. The deck only adds 12 seats and does not produce much income. He pays in excess of $3,000 a year just to install and maintain the deck. There isn't much income to arbitrarily charge $2,800 for the space and he will burn his deck before paying another $1,400 to put it on the street.

John Kenworthy, Flannigan's, admitted that he missed the deadline for his application for a deck and asked for special consideration. He would be willing to remove it for Arts Festival. Alex Butwinski asked him about fees and Mr. Kenworthy agreed with Mr. Murphy that there is no profit for five years but decks provide a service for patrons. From a business standpoint, it makes no sense but they create ambience.

Steve McComb stated that the decks are filling up the parking spots that have been vacant. Restaurants are generating revenue by bringing people to Main Street.

The Mayor asked if the number of decks this year is manageable and Francisco Astorga felt that eight decks are okay and he will work with Mr. Kenworthy on Flannigan's deck. Discussion ensued on awnings. Thomas Eddington commented that nine decks would not create an issue as the maximum was set at 12. Tom Bakaly stated that based on Council input, Flannigan's' application will move forward. Liza Simpson felt that working with KAC is the most important issue for the additional deck. Part of the reason for the March 14 deadline was providing enough time for KAC for operational planning.

Alison Butz indicated that the HPCA is in favor of a nominal fee for parking. The decks act as signage for restaurants giving them an advantage over retail businesses and to balance that with all HPCA members, there should be a fee. She thanked KAC for working with the owners of the decks.

Joe Kernan felt there should be some consideration for businesses that participated in the 2010 pilot program as they took more risk. He is not inclined to increase the parking fee above 25%. Cindy Matsumoto supported 10% or $280. The Mayor felt the lease clearly states that the City has the ability to reassess fees. He suggested a $300 flat fee (but later referred to it as $300 per space fee). Ms. Matsumoto believed that the parking fee should be based on the number of parking spaces lost and not be a flat fee. Liza Simpson believed 25% is fair given the number of spaces lost on Main Street. Alex Butwinski agreed. Joe Kernan and Cindy Matsumoto stated they are okay with $300. The Mayor broke the tie and clarified that the fee would be $300 per space and prorated for portions of a space. Thomas Eddington confirmed that the Council agrees with the business license fee and deck criteria with regard to hours of operation and other standards.

5. Comstock pathway update. Heinrich Deters stated that on March 3, 2011, Council reviewed concept designs. The project will be bid in a week and an award of contract is scheduled on June 3, 2011 and an open house on June 7, 2011 with the neighborhood and the contractor. The project is contemplated to mobilize on June 13 and is on track. The landscape team is recommending drought tolerant ground cover, shrubs, etc. which may take a little more time to mature. There will be a drip irrigation system. The team also suggested concrete pads to store trash cans, etc. Installation of the Questar gas line is scheduled on May 16 and a contractor has been selected. A mailer will be sent to residents in the greater area two to three weeks prior to the work and a door to door campaign within one to two weeks. Mr. Deters discussed uploading information on a project website.

He noted that the stop sign intended for Gold Dust Lane and Sidewinder was determined unwarranted. As an option, colored concrete crosswalks at the intersection are recommended, as well as lane stripping, raised intersection, etc. The driver feed-back sign will be moved from Comstock to Sidewinder on the eastbound traffic lane. If there is a significant increase of pedestrians within the year another warrant study for a stop sign will be conducted in 2012.

Rob Sunderledge pointed out the significant amount of asphalt on Comstock and in order to get the crown to an acceptable slope, four to five inches of asphalt will have to be removed, leaving a one to two inch section of asphalt which doesn't provide adequate structural support to overlay asphalt. It really makes sense to consider completely removing the asphalt and installing a new four inch base. This is a wash when it comes to cost. Mr. Sunderledge reiterated that the best option is to remove the asphalt, install a clean four inch layer of asphalt and adjust the crown. The current crown is extremely steep. There is no need to remove all of the curb line on the west side; about 2/3rds is required in order to build the bulb-outs and fix some of the waterways and poor slopes in the curb line. In response to a question from Alex Butwinski, Mr. Deters responded that there will always be someone representing the City on site. There are a number of ways to inform the public about the website. Mayor Williams recommended looking at salt tolerant vegetation and invited public input.

Pete Martin, 2189 Comstock, complained about the steepness of his driveway and bottoming out his vehicle. He suggested installing culverts instead of the rolled curb. Rob Sunderledge explained that the biggest problem is not the steepness of the driveway but the slope of the crown of the road because it has been overlaid a number of times. By removing nine inches of street and replacing it with four inches will significantly reduce the problem. Horrocks will take a look at the driveways on the west side.

Faye Melnar, 2148 Sidewinder, asked if asphalt will be removed from Sidewinder. Heinrich Deters explained that Sidewinder will receive a traditional mill and overlay which is part of the pavement management program in the Streets Department. She stated that she has the same problem with cars bottoming out. Mr. Deters again clarified that Sidewinder is not one of the WALC projects. She asked if access will be interrupted and Heinrich Deters explained that there will be impacts and the project website will provide information. Most of the impacts will be on Comstock but one lane of traffic will be open at all times. The Questar portion of the project on Sidewinder was discussed.

5. Treasure Project update. Jonathan Weidenhamer stated that he serves on the City's negotiation team with Thomas Eddington, Tom Bakaly, Dana Williams and Liza Simpson. He explained that from time to time, Powdr Corporation is at the table because of its contracts with the Sweeneys (MPE Inc). He spoke about balancing community, social equity, environment and economy needs which is the framework for making decisions on the project. The Letter of Intent was entered into last September and is scheduled to expire at the end of April. He believed that the team has made a lot of progress and staff is recommending extending the LOI for two months as a way to put some pressure on members to narrow discussions. If that is not enough time, another extension probably through the end of November will be requested which will tie in with a bond election. Mr. Weidenhamer explained that the two options in the LOI are to remove 100% of the density or 50% of the density. He discussed the concept of using transfer development rights. The project area and adjacent properties were displayed using Google Earth and he pointed out the ownership of property including Park City Mountain Resort and the Bambergers. Rather than having density on the front of Treasure Mountain adjacent to Old Town, he asked if it makes sense to move it *around the corner* where it faces PCMR Resort Center. There is existing density and heights, infrastructure, parking and roads and this location may be less impactful to Old Town. All parties feel this is worth exploring. Mr. Weidenhamer indicated that PCMR may be interested in transferring some of its existing parking lot density further up the mountain for ski-in/ski-out development and the Bambergers and Bernolfos are open to discussions.

Mayor Williams felt that moving the development over the hill is a very positive approach. Mr. Weidenhamer acknowledged that assigning property values has not yet occurred but the Sweeney Family will submit an appraisal. The preferred option has not been decided and values need to be discussed which he believes can be accomplished within the next two months. An open house on the Treasure Project is tentatively scheduled on June 7, 2011 where it will be helpful to gain an idea of what the public is willing to pay.

Architect Craig Elliott addressed the 50% development option. An analysis was conducted to identify the issues with the existing concept and options which may change that perspective. Through a computer presentation, he illustrated the original proposal with modifications reducing about 50% of the net residential so all of the hillsides to the south and directly across from the ski run were striped of the design concepts. The initial documents in the MPD placed the bulk of the density between Lowell Avenue and Empire Avenue. He displayed a variety of views illustrating a solution and described a site plan option working within the constraints of the existing MPD resulting in two residential towers pushed up against the mountainside. There are eight stories in some sections on the taller pieces to put the density within the height restraints. Basically, this solution or Concept 1 is within the constraints of the volume of the MPD, but he felt it wasn't very successful. Mr. Elliott noted that Concepts 2 and 3 take the same approach with some variations. The further up the gulch, the less impact on Old Town and he discussed treating the design more like the LMC where there is a constant height above grade, reducing the excavations at the perimeters of the buildings so that the buildings facing Old Town maintain a small elevation. He looked at the possibility of creating mining type architecture and smaller breaks in the building forms and masses. This is the first study showing grades and how they would work. Density on the other side of the ski run is contemplated and connecting those developments without huge underground parking structures, etc. prompted the idea of pedestrian bridges that might cross the ski run. From the corner of Lowell and Empire, he pointed out a road that follows the contours which can be screened with heavy planting and results in a more efficient fire access plan. The development is being moved up the gulch and there is significant vegetation between the ski lift and the primary entry into the hotel spaces. A people mover connects to the cabriolet and the ski lift system from the primary entry at the hotel. He displayed different viewpoints. Moving density from the south actually results in following the contours and using a mining theme ties into the scale of the buildings below.

Michael Barelle, representing Park City Mountain Resort and Powdr Corporation, stated that they want to become a facilitator in helping both the City and the Sweeneys look at some creative outside-the-box options that might help to minimize some of the traffic, disturbance, mass, and other impacts of the project. They are doing so by offering up some land that might help beyond the boundary and will coordinate that effort. In general with regard to the Creole Gulch and Treasure Hill area, PCMR and Powdr have been participants in the area through ski infrastructure. PCMR made about an $8 to $9 million investment in improvements in lifts and runs in the area with a plaza on lower Main Street to benefit the Main Street Business District in general. It was anticipated that there would be a Treasure Project and growth in the area that would benefit PCMR in terms of additional ticket sales and operational revenues. Some of that has happened with the Marriott and the Town Lift Plaza and the investment was predicated on that notion. It was anticipated that there would be additional investment with regard to Treasure with ski infrastructure and run development including a high speed lift, better access to the bed base and a better skiing pod. Mr. Barelle explained that those improvements were anticipated through pre-existing agreements to be funded primarily by the development of the project.

Any time density is moved from the project and outside the PCMR boundary, it has a very real effect on the pre-existing agreements and other funding solutions need to be found for financing ski improvements in the area. Mr. Barelle pointed out that the bed base at the edge of Old Town and within the PCMR boundary has a different economic effect on PCMR than that which is located elsewhere in town. More revenue is generated by ticket sales and food and beverage than the bed base attached to the mountain. Mr. Barelle noted that because of these things, for several decades PCMR and Powdr have considered the Creole Gulch area to be potentially a secondary and complimentary base to the main base area which would spur the economy for Main Street and PCMR. He felt it important to share this perspective and having bed base tied to the Main Street area is important to the long-term economics of Main Street and PCMR. Whether it is Treasure or any other project, where density and massing gets approved matters in terms of cost to move traffic, provide parking, and to connect visiting guests with the amenities they want to utilize one way or the other. In light of these difficult issues and the things the City has been wrestling with on this project, PCMR is here at the table willing to provide some solutions, including moving density over to a more appropriate location where both the public and private infrastructure for parking, transit and roads can be better handled. From a technical standpoint, they do not know the answer to whether it will work or not, but an answer will be rendered in time to consider within the two month extension. The Mayor thanked PCMR for its willingness to look at options.

Mike Sweeney explained that in 1981, Nick Badami and his father, Jack Sweeney negotiated a deal to bring skiing into Old Town and from 1981 to 1986 when the MPD was approved, the tram agreement was amended to allow for extensions until such time the ski company felt comfortable that there was going to be adequate density at the base where the Town Lift was constructed and understood that it was going to take time. Everyone made investments including Summit Watch, The Caledonian, the Town Lift Plaza, two hotel condominiums and did so under the assumption that we would continue to have skiing into Old Town and that we would always try to improve the skiing experience there. There are people invested and continue to invest money in that location. As articulated by Mr. Barelle, if you take the density away from the location, then you're not going to get the same activity, number of people, and the revenue to the Main Street core. Mr. Sweeney urged the Council to consider this when discussing moving density from this location. The Sweeney Family made a commitment with the negotiating team that they would look at 50% and 100% and are willing to continue to do so. Bed base on Main Street is the most important ingredient to prosper and it brings money to the entire community. Upholding the 1981 agreements with PCMR is important to them. Moving 50% of the density still provides the ability to put the hotel complex in a location that would compliment Main Street and he believed his partners would concur.

The Mayor invited public input.

Steve Swanson, THINC member, stated that on principle members are opposed to the project but moving density from Creole Gulch is desirable. He encouraged the City to maintain a leadership stance and to allow all voices to be heard and to negotiate to benefit the City economically but not lose the invaluable aspect of the hillside. He acknowledged that the City gets pressure from the outside and it behooves us to consider what we do here carefully to set a standard.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
APRIL 21, 2011

I ROLL CALL

Mayor Dana Williams called the regular meeting of the City Council to order at approximately 6 p.m. at the Marsac Municipal Building on Thursday, April 21, 2011. Members in attendance were Dana Williams, Alex Butwinski, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Mark Harrington, City Attorney; Joan Card, Legal Counsel; Thomas Eddington, Planning Manager; and Francisco Astorga, Planner.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Certificates of Appreciation to Cameron Curtis, Tony Oros, Fab Rodig and Phil Wormdahl of Rattle & Hum for their March 2011 Iraq and Kuwait Tour – The Mayor recognized members of the Rattle & Hum rock 'n roll band who recently entertained service men and women overseas. He presented certificates of appreciation to Cameron Curtis, Tony Oros, Fab Radig and Phil Wormdahl. Tony Oros lent the City a flag that was presented to them in Iraq for display at City Hall.

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

None.

IV WORK SESSION NOTES AND MINUTES OF MEETINGS OF MARCH 31, 2011 AND APRIL 7, 2011

Liza Simpson, "I move to approve the work session notes and minutes of the meetings of March 31st and April 7th". Joe Kernan seconded. Motion unanimously carried.

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

Consideration of addendums to facility leases extending terms to tenants leasing space at the Library and Education Center and Miners Hospital to June 30, 2013:

(a) Mountain Trails Foundation, Miners Hospital
(b) Park City Summit County Arts Council, Miners Hospital
(c) Soaring Wings Montessori School, Library and Education Center
(d) Co-op Preschool, Library and Education Center
(e) Park City Film Series, Library and Education Center

Cindy Matsumoto, "I move approval of the Consent Agenda item". Alex Butwinski seconded. Motion unanimously carried.

VI RESIGNATIONS AND APPOINTMENTS

Appointment to the City Council to fill an unexpired term to January 2012 – The Mayor expressed on behalf of the Council, how deeply members were moved with 14 people applying. No one will fill Candy's shoes and the situation was emotional, but they actually had a good time with the applicants and are deeply appreciative. Joe Kernan commented on the interviews being a great opportunity to meet everyone. All of the candidates were great and hoped that they would consider getting involved on other City boards. Alex Butwinski thanked everyone as well and relayed that it was a rewarding experience. He campaigned on the idea of city involvement and it was an incredibly difficult decision for him based on people's qualifications. Liza Simpson stated she has never been more proud of the community. It touches her deeply that everyone cares so much and is so committed and any one of the candidates could have been selected. Cindy Matsumoto stated that it was a rewarding experience and she enjoyed meeting several new people and getting to know others better. She felt all of the applicants were well prepared for their interviews and she came away from the process with new ideas to explore. She stated that it has been so hard to sit next to Candy's empty chair. She hoped the participants remain enthusiastic about City government, especially during the budget process. The transition will be much easier once someone is seated.

The Mayor recited a list of major projects the Council is considering and the Council realized how important it is to have somebody to fill the seat who could hit the ground running, except perhaps the nuances of the budget. This was the basis of the decision. Alex Butwinski, "I move we appoint Dick Peek to fill the unexpired City Council term to 2012". Cindy Matsumoto seconded. Motion unanimously carried.

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

Consideration of an Ordinance amending Titles 6 and 11 of the Municipal Code of Park City by creating Chapter 4, Title 6 – Mine Shafts and Tunnels, and Chapter 20, Title 11 – Physical Mine Hazard Mitigation – Attorney Joan Card stated that at a previous work session, this proposed ordinance as presented to Council to address physical mine hazards in the City. The general direction was to provide some time for public comments. A number of comments were received and she personally met with several stakeholders. The amendment falls under Title 6, Health, Nuisance Abatement and Noise which prohibits the presence of mine hazards in Park City, renders them a nuisance and makes the owners of property responsible for the nuisance. It is important to note that owners of properties are also lessees of properties. This section of the Code includes five specific instances where a physical mine hazard is not a nuisance. These relate to actual mining, public water systems, and a determination by the Chief Building Official that an area is not a hazard, or it has been identified as a hazard and scheduled for mitigation through the state for mining activities. She commented that the focus of the City is on abandoned mine lands and there is no mining currently in Park City. In response to a question from Liza Simpson, Jason Christensen explained that provision four interfaces with the amendment to Title 11 which requires land owners to evaluate their properties for nuisances, not to go after them under this Ordnance until they have had a full opportunity under the second amendment. Ms. Card stated that Title 11 is recommended to be amended to add Chapter 20 designating a mine hazard mitigation area. The map highlights parcels that are currently identified as being 10 acres or more with mine hazards present. The ski areas and mining claims are all captured and the map provides a way for people to see if they are in or out of the mitigation area. The map also includes golf courses and School District lands. She explained that staff would notify individuals in the boundary area and deal with issues to get properties in compliance. United Park City Mines and the mountain resorts are working on identifying mine hazards. She acknowledged that some properties that do not contain mine hazards are included.

Property owners or lessees in mine hazard areas are required to identify physical mine hazards through a robust inspection and evaluation process by November 1, 2012. By December 1, 2012 they are required to provide a report on the identification of those hazards and a plan to address them to the City. Hazards must be mitigated within three years or December 1, 2015. Ms. Card stated that a five year compliance schedule is designated for large land holders who potentially have numerous nuisances on their properties. In response to a question from Liza Simpson, Mark Harrington advised that the City would go after both or either the owner and the occupant. Ms. Card pointed out the obligation to continually update the City of newly discovered hazards. The City has the authority to inspect and enforce provisions that include a fine of up to $1,000 per violation.

Joan Card stated that In response to public comments submitted, some minor changes have been made to the draft. There is clarification of the definition of a physical mine hazard and previously mitigated hazards identified for future mitigation are not an enforcement problem for mine owners. Staff worked with stakeholders to identify requirements that they should follow to most readily identify the hazards on their properties. There is also a requirement that they maintain records to ensure that hazards are addressed and the Code requirements are met. She referred to a letter sent to Council today from Tom Ellison of Stoel Rives who represents United Park City Mines. Staff has met with him briefly before the meeting and recommends a clarification that the City does not intend to enforce when a hazard has been identified, scheduled for mitigation but construction has not been performed. The same change for the same reason would be made in another section in 11-20-2(E) which has been reviewed by the City Attorney. The second request from Mr. Ellison relates to schedules. The Mayor opened the public hearing.

Attorney Tom Ellison, representing UPCM, relayed that staff has been responsive to comments made and progress has been made in one-on-one meetings. It is a highly technical ordinance and the change just discussed was intended to capture a third location in the ordinance where a hazard can be identified and mitigated subsequent to its identification and didn't want to get caught in an enforcement or nuisance trap. The other request deals with the overall five year time period for compliance; two years to evaluate and inspect and three years to mitigate for those identified sites. UPCM is concerned that they may run out of time in the short inspection season to actually get all of the sites inspected but Ms. Card and Mr. Christensen made it very clear that the idea of extending the overall five year period was unacceptable. He is proposing that the Council consider some policy room to fully identify the potential locations during the first two year period. Inspect the ones where we have no hazards identified by the map. He believed there may be situations where UPCM may not complete a project before the snow flies. He would like to have the ability to continue to inspect sites that are identified in the evaluation plan and continue that inspection in 2013 but not be in violation. Mr. Ellison indicated that the trade-off they are proposing is one that does not extend the five year window if that could ease inspections that don't get done, we would treat them as newly discovered sites that have to be mitigated within one year after discovery. That approach gives them the incentive to get all of the inspections done by the end of 2012, but if they can't, they are not in violation but will have to mitigate what was discovered within one year. Mr. Ellison stated that this creates an incentive and also addresses long winter seasons which are unknown. He proposed some language which might not be quite right but the idea is to make sure that the important sites are inspected and on the mitigation plan.

Mike Sweeney, property owner, stated that in general he feels this is a great document. He referred to the 10 acre parcel designation and stated that a mining activity that occurred below the surface can manifest in an area a lot less than that. If we are doing this for the safety of the community, properties less than 10 acres should be considered because there is a possibility of a mining event. It is important that we focus not only on the bigger properties but wherever there are possibilities for hazards. He suggested not including mine tailings because the soil ordinance is in place. Mr. Sweeney stated that the time guidelines seem reasonable.

With no further input, the public hearing was closed. Joan Card emphasized that this is a two part proposal and the first addresses property of any size. Whether a mine tunnel is 15 feet or 1,000 feet, the opening must be gated and properties must be inspected for potential hazards. The Mayor asked if there is an objection from staff regarding UPCM's request. Ms. Card stated that she appreciates that the five year period will still be met; this is a policy decision for Council. Mark Harrington suggested a modification to the first sentence that requires the owner to clearly demonstrate substantial progress and due diligence so that an extension is not requested at the 11th hour. Liza Simpson appreciated the City Attorney's language which addressed her concerns.

Mark Harrington pointed out that mine hazards on smaller properties are usually known which is not the case on large parcels. A motion to approve can be made which incorporates the two changes or a motion to continue. Alex Butwinski, "<u>I move we approve an Ordinance amending Title 6 and 11 of the Municipal Code of Park City by creating Chapter 4, Title 6 – Mine Shafts and Tunnels, and Chapter 20, Title 11 –</u>

Physical Mine Hazard Mitigation incorporating the changes requested by United Park City Mines and as amended by the City Attorney". Liza Simpson seconded. Motion unanimously carried. Mark Harrington clarified that Joan Card outlined the two changes with the addition of the suggestion by Mr. Ellison with the additional language in the first sentence, *following in the event that an owner who has demonstrated substantial progress and proceeded with due diligence but is unable to. . .".*

VIII OLD BUSINESS

Consideration of an Ordinance approving the 109 Woodside Plat Amendment located at 109 Woodside Avenue, Park City, Utah – Thomas Eddington displayed the footprint formula in the Land Management Code and explained that when subdivisions and lot combinations are reviewed, the resulting density is always considered as well as size of structure. The current LMC codified a City policy that supports combination of lots because of the reduction in structure size. On a double lot consolidation, 41% of the lot is covered by building as opposed to a single lot with 45% because of larger setbacks and more open space. The current LMC reflects the philosophy that a larger house is better with increased setbacks than two smaller houses crammed in the same area. About a year and a half ago, the steep slope CUP revisions were made and at that time, part of the initial recommendation was a 25% reduction in footprint formula and/or 10% which wasn't very popular at both the Planning Commission or City Council meetings. If the policy needs to be changed staff should be given direction to make recommendations. He acknowledged that at the past couple of Council meetings, there have been questions on lot combinations. The new Historic District Design Guidelines are more stringent that the old ones and the revised LMC provides that the more restrictive of the two prevails.

Joe Kernan strongly felt that construction on individual lots should be encouraged and combinations discouraged. Mayor Williams pointed out that the goals of lot combinations is to lessen density and traffic and to get more off-street parking. He prefers looking at reducing the overall size as lots are combined. Mark Harrington cautioned on getting into a full debate on this tonight but direction can be given to staff to return with a broader discussion on lot combinations and maximum house sizes. Liza Simpson thanked staff for the graphic as it was beneficial for her to see that there was not a big jump in size. Members were interested in discussing this in the future.

Francisco Astorga stated that this application was continued on April 7, 2011 so staff could provide an analysis regarding compatibility of house sizes and footprints within the neighborhood. He explained the methodology and the type of data obtained and compared. Mr. Astorga emphasized that these are remnant lots. In response to a question from Liza Simpson, Mr. Astorga indicated that the analysis took some time to perform. Ms. Simpson stated that the study answered all of her questions and may be requested for other applications. Other questions were answered. The Mayor opened the public hearing; with no comments, the public hearing was closed.

Liza Simpson, "I move we approve an Ordinance for the 109 Woodside plat amendment located at 109 Woodside Avenue". Joe Kernan seconded. Motion unanimously carried.

IX ADDITIONAL DISCUSSION – AGENDA ITEMS

None.

X ADJOURNMENT

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

MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 3 p.m. Members in attendance were Mayor Dana Williams, Alex Butwinski, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Diane Foster, Sustainability Manager; Tom Daley, Deputy City Attorney; and Mark Harrington, City Attorney. Alex Butwinski "I move to close the meeting to discuss property, litigation and personnel ". Cindy Matsumoto seconded. Motion carried unanimously. The meeting opened at approximately 4:30 p.m. Alex Butwinski, "I move to open the meeting". Joe Kernan seconded. Motion unanimously carried.

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

Prepared by Janet M. Scott, City Recorder

**RESOLUTION CELEBRATING NATIONAL TOURISM WEEK
AND DECLARING MAY 10th, 2011
AS “TRAVEL RALLY DAY” IN PARK CITY, UTATH**

Whereas, the travel and tourism industry is a powerful engine of economic growth in Park City, Summit County, the state of Utah and the nation; and

Whereas, the travel and tourism industry in Summit County provides jobs for over 6,061 people and accounts for nearly one-third of Summit County’s total employment in a clean industry that provides residents and guests with diversity in all experiences of a mountain resort community made possible by tourism; and

Whereas, the travel and tourism industry supports several other industries such as construction, insurance, building supplies, etc.; and

Whereas, total spending by travelers and tourists in Summit County is over $569 million annually providing over $54 million in general sales tax locally, $5.5 million in transient room tax revenue, over $1.7 million from the restaurant tax, and $1.3 million from retail sales; and

Whereas, Park City offers three mountain resorts areas, the Utah Olympic Park, Historic Main Street, a free transit system and a mountain range of other attractions, adventures, events, and dining/entertainment experiences; and

Whereas, “National Tourism Week” and “Travel Rally Day” is honored throughout the state of Utah and our nation as part of the Tourism Industry of America’s effort to increase awareness of the tour and travel industries’ economic, cultural and social contributions to the United States:

Now, therefore, I, Dana Williams, Mayor of Park City, do hereby declare May 10, 2011 as

“Travel Rally Day”

in Park City, and ask all citizens to join me in recognizing and supporting the travel and tourism industry; our travelers and tourists, those who work in and service the hospitality industry, and our beautiful town and county.

Who Says There's No Such Thing as a FREE Lunch?

Please joins us for a kickoff to summer BBQ

WHO: We're inviting all Chamber Bureau members, visitors to Park City and employees in the local hospitality industry to join us for a...

WHAT: ...FREE barbecue lunch in celebration of *National Tourism Week* at the...

WHERE: ...Visitor Information Center, 1826 Olympic Parkway Boulevard (Kimball Junction area at the base of the Utah Olympic Park road) on...

WHEN: ...Tuesday – **May 10th** from 11.30 to 1.00 p.m.

Co-Sponsored with the Utah Olympic Park

City Council
Staff Report

Author: Jonathan Weidenhamer
Subject: School Asphalt repaving
Date: May 5, 2011
Type of Item: Administrative

Summary Recommendation:
Authorize the City Manager to enter into a Letter of Intent (LOI) with the Park City School District (PCSD) to cost share in replacing the failed pavement at the main High School bus-drop off area.

Background
The pavement apron at the Park City High School bus drop off has failed in part due to the heavy use during the Sundance Film Festival. Using this area for Film Festival transit load and unload is critical to the broader transportation and circulation goals as a mitigation effort to reduce delays and traffic on SR 248 resulting from the festival. Using an internal campus drop off has significantly reduced traffic issues and increased safety.

Over the last two Festivals, the asphalt significantly deteriorated with spalling and cracking. Each year the school spent $12,000 - $15,000 to patch the asphalt in the spring. In the middle of the 2011 Festival, it became necessary to do an emergency fill of a few dangerous spots to provide basic safety standard, which the School also addressed.

Analysis
It may be possible to continue the patch scenario indefinitely, but formal analysis of the soils and current asphalt specification leads staff to recommend an entire replacement of the sub-base and pavement surface. Application of concrete will result in a 30 year plus life cycle, which is cost efficient compared to estimating increasing annual patching costs over 30 years. The school procured formal construction quotes on 2 different finish applications, asphalt and concrete. Concrete is the preferred alternative of the school district in that it will last longer and is more attractive. While concrete may cost as much as $30,000 more than the asphalt option, staff supports the school district's desire for concrete and recognizes its increased durability.

Use of Eccles Performing Arts Theatre is critical to the success of the Film Festival, due to the venue size and supporting infrastructure (parking, State highways, etc.). The City and School District have jointly made an ongoing commitment to reduce traffic and congestion back ups along SR 248 related to school and or Eccles activity. The internal drop-off area provides a higher level of service for the transit riders, including a much higher safety standard. Not repaving the asphalt would likely preclude internal drop-offs which would have severe impacts not only on safety, but on the efficiency and cost of operations resulting from needing a place to turn the busses around.

Alternatives

1. Direct Staff to enter into a LOI with the School to share the cost of replacing the failed pavement; **This is staff's recommendation**;
2. Direct Staff not to enter into the LOI, but instead return with a strategy to address an annual operating contribution for cost sharing to patch the asphalt;
3. Direct staff to enter into an amended LOI.
4. Direct staff not to pursue participating in fixing the asphalt.

Significant Impacts

The City's proportional share is not to exceed $90,000. The City Manager's recommended FY 2012 budget includes $50,000 in a specific CIP project for this project. We will additionally use $40,000 from the Transit Fund to cover the full contribution from PCMC.

This is a PCSD project. PCSD has agreed to all permitting, procurement and construction/project management. PCMC is agreeing only to financial reimbursement pursuant to the LOI.

Summary Recommendation

Authorize the City Manager to enter into a Letter of Intent (LOI) with the Park City School District to cost share in replacing the failed pavement at the main High School bus-drop off area.

Attachments

A – Draft LOI

Attachment A

Park City School District and Park City Municipal Corporation Paving Letter of Intent

This Letter of Intent is made and entered into this ____ day of _____ 2011, by and between the Park City School District (PCSD) and Park City Municipal Corporation (PCMC) (jointly referred to herein as the Parties).

Purpose. The purpose of this letter of intent is to clarify the understanding of PCSD and PCMC regarding repaving of the bus drop off apron on the campus of the high school (Figure A). PCSD and PCMC agree to use best efforts to adhere to the following:

Whereas, During the Sundance Film Festival loading and unloading of transit buses on the interior of the school campus as opposed to SR 248 greatly enhances the guest safety and experience while significantly reducing traffic impacts and delays along SR 248;

Whereas, both parties recognize that the current asphalt is failing and that short-term patching solutions are not providing safe conditions, and both parties recognize that a longer-term solution is appropriate;

Whereas, regional collaboration and partnerships are high priorities for both Parties; and

Therefore, the Parties agree to the following:

1. Scope
   a. The parties agree to work cooperatively and share costs (not to exceed as defined in Section 2 below) to repave the failed asphalt drive, including removal of existing asphalt, sub-base replacement with aggregate base material, concrete paving and minor surface drainage (Exhibit A).
   b. The improvements will extend into the SR 248 right-of-way. The contractor will be responsible for attaining any permits or permission from UDOT.
   c. Surface drainage issues will be addressed as best as possible during removal of existing pavement and installation of the proposed road. Major drainage issues are not part of this scope and shall be addressed on a case by case basis.
   d. The concrete paving shall be built to PCMC specifications as outlined in the Park City Design Standards Construction Specifications and Standard Drawings. The drive section shall be a minimum 7 inch thick concrete over 6 inch gravel or as recommended by a qualified geotechnical engineer.
   e. The parking lot is within the Park City Soils District. Some or all of the current sub-base material may be contaminated. It will have to be tested and addressed per the standards of the approved remediation plan.

2. Costs
   a. The Parties agree to split the total cost of the project estimated at $180,000.
   b. Should costs exceed $90,000 for each party; formal updates will be given to each

Board/Council.

3. Project Management
    a. PCSD will procure a contractor and manage the project including the arrangement and providing for a third party independent inspection. Type and frequency of inspection services shall meet the requirements of Park City Design Standards Construction Specifications and Standard Drawings.
    b. The parties will use a contractor that is pre-qualified per the State Code requirements for procurement.

4. Maintenance
    a. PCSD will be responsible for ongoing maintenance and upkeep and shall budget for long-term replacement at the City's and/or same specification.

5. Miscellaneous
    a. Reimbursement – PCMC and Sundance have a contract through 2028. Unless otherwise decided by PCMC or Sundance to not use the Eccles Performing Arts Theatre (EPAT) during the Festival, PCSD shall reimburse the proportional share of the initial capital cost on an remaining annual basis if they cause Sundance not to be at EPAT (ie 2028-2011 = 17 years. Total cost ($190,000) / total years (17) = $11,176 per year /2 = $5,588 per year.

6. Construction Timeline

The intended construction timeline is from June 27, 2011 – August 5, 2011 to preclude impacts on students.

IN WITNESS WHEREOF, the parties have duly executed this Letter of Intent the day and year written above.

Park City School District

____

PARK CITY MUNICIPAL CORPORATION

____

Dana Williams, Mayor

Attest:

____

Janet M. Scott, City Recorder

Approved as to form:

____

Mark Harrington, City Attorney

Exhibit A


Imagery Date: Jun 18, 2010
40°39'57.61" N 111°29'49.08" W elev 6765 ft
© 2011 Google
©2010 Google
Eye alt 7763 ft