PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
MAY 1, 2008

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building, City Council Chambers, 445 Marsac Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, May 1, 2008.

Closed Session
4:30 p.m. Property

Work Session
5:00 p.m. Council questions/comments
5:10 p.m. Presentation of budget P. 98 - 107
5:50 p.m. Break (and budget document under separate cover)

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)*

III WORK SESSION NOTES AND MINUTES OF MEETING OF APRIL 17, 2008
P. 5 - 13

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

1. Consideration of approving a Resolution proclaiming the week of May 4 to May 10, 2008 as National Drinking Water Week in Park City, Utah P. 14

2. Consideration of approving a Resolution proclaiming the week of May 10 to May 18, 2008 as National Tourism Week in Park City, Utah P. 15

3. Consideration of approving a Resolution supporting the American Cancer Society's Relay for Life in Park City, Utah P. 16 - 17

4. Consideration of approving a Resolution proclaiming May 10, 2008 as Arbor Day in Park City, Utah P. 18

5. Consideration of approving a Reimbursement resolution for Sales Tax Revenue Bond to be issued in FY 2009 for street reconstruction projects. This would allow the

City to reimburse itself for costs borne this spring associated with OTIS street reconstruction projects from Sales Tax Bond proceeds expected to be issued in FY 2009 P. 19 - 23

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

1. Consideration of approving a Master Festival License for the Utah State Firemen's Parade to be held on Main Street on June 12, 2008 P. 24 - 29
(a) Public hearing
(b) Action

2. Consideration of approving a Use Agreement with Real Salt Lake for field use at the Quinns Junction Recreation Complex P. 30 - 39

3. Consideration of authorization to proceed with Phase 2 of the Snow Creek Housing Project and execution of a Special Service Contract, in a form approved by the City Attorney, with Elliott Work Group in an amount not to exceed $289,575 P. 40 - 60

4. Consideration of approving an award of contract to D C Transport & Excavating Inc., in the amount of $3,998,436, in a form approved by the City Attorney, for the Woodside/Norfolk Reconstruction Project P. 61 - 80

5. Consideration of approving the Intermountain Healthcare Water Service Agreement, in a form approved by the Deputy City Attorney P. 81 - 97

6. Consideration of a Resolution adopting a tentative revised budget for fiscal year 2007 and the budget for fiscal year 2008 for Park City Municipal Corporation and its related agencies P. 98 - 107
(a) Public hearing
(b) Continuation of public hearing to May 15, 2008

VI ADDITIONAL DISCUSSION – AGENDA ITEMS

VII ADJOURNMENT

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

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
MAY 8, 2007

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will **not** hold its regularly scheduled meeting on Thursday, May 8, 2008.

Posted: 04/28/08
See www.parkcity.org

After May 1, City Council meetings will be held at the Library and Education Center, 1255 Park Avenue, Room 205.

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

May 2008

1 **Roger gone**
3 Move to Miners and Library and Education Center for meetings
7 Watts Property Ground Breaking – 4 p.m.
8 **No meeting - Roger gone**
15 **Dana gone**
Planning Commission stipend
Ordinance approving a plat amendment for 154 McHenry Avenue, Park City, Utah
Ordinance – 313 Daly Avenue plat amendment – FA
Resolution setting forth a strategic plan for field use at the Park City Ice Arena
Consideration of approving a Resolution adopting the SR248 Corridor Plan for Park City, Utah – KC
MFL – HMBA Silly Sunday sidewalk sales, amplified music and use of City property to be held June 15 – September 28 each Sunday from 10 a.m. to 6 p.m. except August 3 for the Park City Arts Festival
22 Budget (3 hours)
PC Heights Annexation – old business
29 **Liza and Tom gone**
Ordinance – 430 Main Street plat amendment – KW
MFL – Savor the Summit (aka Taste of Park City) June 20 and 21, 2008 – Main Street closure and use of City Park
MFL – Wasatch Back Relay – June 21, 2008 – Quinns Junction
Award of Pavement Management contracts
Award of contrct Jacobsen GMP Marsac seismic upgrade

June 2008

5 Tentative budget adoption
Park City Salt Lake City bus service (30 min) - KC
12 **No meeting**
19 Final budget adoption
26 Ordinance approving the Knoll Estates (aka Deer Valley Club Estates) Lots 17 and 18 Amended Subdivision Plat, located at 7888 Aster Lane, Park City, Utah

Pending Items:

Update on “The Yard” operation on Kearns Blvd – 2008 Film Festival
SR248 Corridor Plan – work 30 min and public hearing
Amendment to the Water Agreement between the City and Talisker Corp.
Affordable housing resolution
Update on water supply and demand
Consideration of an amendment to the Burbs LLC Annexation Agreement/Affordable Housing
Resolution - Trails Master Plan
Carrying capacity/market analysis survey
Wild land interface issues

PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
APRIL 17, 2008

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

Tom Bakaly, City Manager; Mark Harrington, City Attorney; Matt Twombly, Project Manager; Brooks Robinson, Planner; and Ron Ivie, Chief Building Inspector

1. Council questions/comments. Roger Harlan reported on the HPB and Library Board meetings. He spoke about road closures planned for I-80 during the summer which have the potential of falling on Deer Valley concert dates. Joe Kernan expressed his support of the City to continue to provide a spring clean-up program even though the County has decided not to participate. Jim Hier reported that COSAC met and reached a consensus not to use open space funds on the Round Valley railhead. Matt Twombly explained that there is funding in the Trails Master Plan CIP for the project. Mr. Hier reviewed Chamber business and relayed that $650,000 is budgeted annually for seed money for special events and he updated the group on the Peace House remodel project. Candace Erickson thanked PCMR and Deer Valley Resort for a phenomenal season. She spoke about participating on the Park City Coalition, a new Valley Mental Health program addressing substance abuse. Liza Simpson spoke about the timing of the WALC recommendations. Mayor Williams announced that Chairman Michael O'Hara resigned from the Planning Commission this week after serving 12 years. He discussed National Library Week and business presented at the second workshop on solar energy. He expressed his sympathy to the family of Connie Blunt who was killed when hit by a vehicle. She was attending her first year of college in Kentucky.

2. Quarry Mountain Water Tank Update. Tom Bakaly explained that the lock was broken at the tank site which services about 116 residences in Park Meadows. Because of the potential breach in water quality, residents were notified to boil drinking water. The water was tested and fortunately there were no contaminants found. Trespass is a federal offense and punishable by 20 years in prison and a $1 million fine. The City has offered a $1,000 reward for information leading to the arrest of the perpetrators. Staff is exploring solutions on this security issue.

2. Update on 9 Hillside Avenue. Brooks Robinson referred to input rendered by Prospector and Hillside Avenue residents about the renovation and addition at 9 Hillside Avenue. Through a PowerPoint presentation, he explained that this project began five years ago and in August 2005 the Historic Preservation Board heard an appeal on the application from the neighborhood and through several months of work, the owner and architect redesigned the plans. The appeal was upheld in part and denied in part basically because the revised plans were submitted at that time. The revisions addressed the historic stone wall on the west side of the property. There are two historic structures on the property, the Polish Barn and the historic house. The associated plans were accepted by the HPB on August 10, 2005 and are considered the approved design plans for the property. A pertinent conditional of approval was that the barn not be demolished and any changes from the approved design will be reviewed and approved by the Planning Director. The architect, professional house movers and City staff explored the condition of the barn and agreed that the building could not be safely lifted in place so the approach was to disassemble the structure. It was determined that the north and south end gables could be moved in place and stored off site. The side walls were in very poor condition and it was anticipated that new material would be used. The owner and architect will be searching for other weathered barn wood to reapply to the side walls and this preservation plan was presented to the HPB who agreed with staff's determination. Mr. Robinson illustrated a slide noting elevations and explained the barn will become part of the living space of the house and in May 2007, after the foundation was poured, an adjacent neighbor requested that the barn be moved four feet to the north in order to save an historic lilac bush. The owner and staff agreed and adjusted the foundation but were not willing to redesign the house and barn so the floor and roof elevations remained the same. In August 2007, the full permit was issued. The historic barn's roof pitch was very steep measuring 17'12" but the initial plans did not reflect this. Once the non-compliant roof pitch was discovered and corrected, it was evident that the north and south sides would not match. Ron Ivie emphasized the poor condition of the wall frames and although the panels are stored, he warned not to expect them to be completely rejuvenated because of the rot. As part of the preservation plan, Mr. Robinson stated that a bond has been placed and held by the City on the project. Statements that the barn was demolished is not correct as well as comments that the barn increased in height up to six feet. The barn has been measured several times by the Building Department and the foundation is somewhat lower than shown on the original plans. The construction meets approved plans.

Mr. Ivie added that the property was surveyed by a licensed surveyor. The building foundation is about .413 feet or six inches lower than the approved plans and the total overall height of the building is 23.8 feet above topography and about three feet below the allowed height of the zone. In response to a question from the Mayor about the timing of new ownership, Brooks Robinson explained that there were no changes made to the plans with the change in owners. Mr. Ivie interjected that the only changes he is aware of is the roof pitch at 12'12" from 17'12" which changes the perception of the height of the building and moving the house four feet to the north. He reiterated that there is a bond guarantee for the renovation and the owner has offered to take anyone to the storage site to inspect the materials. Mr. Ivie warned against unrealistic expectations because the condition of building materials and the amount of rot.

Mayor Williams commented on the rock wall and Mr. Ivie explained that the Planning Commission stipulated that the rock wall be preserved which changed the access to the property. He is unaware of any damage to the wall and again mentioned the bond guarantee. The Mayor noted that he received comments from the neighbors that the building should have been lower since the barn was moved four feet to the north, and the Chief Building Official restated that the foundation had already been poured when the request to save the lilac bush was made and it was important that the two buildings interact on the same grade. Moving the building four feet was not a simple change in plans. The relationship of the roof line is substantially the same, but the dimension is different because 2x4s were used in the original structure. Mayor Williams relayed that the project complies with the regulations of the LMC and Historic District Guidelines and as a result, it is unlikely that elements would be torn down and rebuilt.

Peter Marth, Hillside Avenue resident, stated that the neighborhood has come to Council for justice and answers to questions. He apologized for his outburst at the last meeting which he regrets. He alleged that the process was seriously flawed and restorable structures were demolished with a backhoe for personal gain. It demonstrates incredible ignorance on the part of the owner, the City and the real estate community. He relayed a sequence of events beginning with the listing of the property and contacting the new owner. The owner discussed his plan to subdivide the property and to move the historic structures otherwise he couldn't afford the $500,000 sales price. Mr. Marth advised him of the difficulty in completing his plan but the owner stated that he would do what he wanted to do. Mr. Marth spoke about the encroachment of his and Paula McGee's property on 9 Hillside and that the owner wanted them to sign a legal document giving their property to him. The project was stalled by the encroachment issue and the easements were noted on the plat which worried the neighbors. Skirting the steep slope requirements, the owner and his architect David White, member of the HPB, and City staff came up with one LMC guideline, minimum setback requirements for a new lot, to support their argument to wreck the neighborhood and the historic cluster of buildings. He read the preservation policy in the LMC Chapter 11, Section 9 encouraging the preservation of historic buildings and sites based on the level of significance and he then read the section on historic significance. Peter Marth quoted LMC 15-1-2 regarding preserving the character of the Historic District and protecting vistas. Knowing this, staff still recommended approval of the subdivision to the Planning Commission where there was no mention of LMC conflicts and specifically protecting the rock wall. This historic link to our past was tossed into a dumpster and he expects tonight that Council members will only offer excuses and will not administer justice. Justice is to red-tag the project tomorrow, (owner) relinquish any security bonds, (owner) pay fines, (property) lose historic significance and give-aways such as sewer and water, (not) waiving hook-up fees and tear down and rebuild the barn reproduction to the correct height.

Alan Schueler stated that when they first meet with the owner Steve Stanton at the HPB meeting, their appeal included sections of the Historic Guidelines which they felt were in conflict. He read the introduction of the Guidelines which discourages modernizing structures. The Mayor interjected that members have copies of the appeal points and didn't see the modernizing element. Mr. Schueler clarified that the neighborhood met three times with the HPB and maintaining the visual unity of building clusters on individual sites was not achieved. Peter Marth explained that they dismissed this argument although it was important to them. Mr. Schueler stated that the front façade was altered and the original roof was not preserved. The Planning Department has four sets of approved plans worked out between Planner Kirsten Whetstone, David White, and Ron Ivie which were never publicly discussed. The positions of the windows have changed. The roof line has changed. He again relayed the instance where he was cited for changing his front door which held up his siding permit. Their appeal asked that the soils be tested since the property sat on an old millsite but that was dismissed because the HPB did not feel it was within its purview but it was never addressed in any other format. He strongly disagreed with the comment in a staff report stating that two professional house movers determined that the barn could not be moved in its present condition. Mr. Marth described the sturdy construction of the structure and Mr. Schueler stated that the neighborhood knew the owner was going to throw the barn in a dumpster even though it was suppose to be restored. They were clear in their appeal points which were denied. They were lied to and he didn't feel that saving two walls is historic preservation. He displayed illustrations of properties throughout town where historic preservation is not being achieved. This has been incredibly frustrating and Mr. Schueler emphasized that he has no quarrel with Ron Ivie or the Building Department.

In response to a question from Candace Erickson, Mr. Ivie explained that the house parts were never removed from the site which is consistent with the preservation plan. The barn walls are stored and can be examined upon request. Ron Ivie continued that not all materials could be saved because of their condition and pointed out that the barn was not in tact when the project was approved. Discussion ensued regarding expectations of the neighborhood and Mr. Schueler indicated that it is not his experience that saving a few walls is historic preservation. Joe Kernan suggested a process were historic architectural elements are identified to be saved and Ron Ivie explained that the effort is to save everything possible in the historic building. The debate about "panelization" has been going on for a long time and the same conclusion has been reached on the Watts Property that disassembling the building will save more of the actual historic fabric. Mr. Marth detailed the design of a beautiful historic window on the Hillside structure which was thrown away by the owner.

Paula McGee, former resident, believed that the City placed the burden on them to identify violations of the LMC or the Historic District Guidelines. They were shot down every time while the neighborhood should be thanked for trying to protect our historic character. She claimed that the new roof line is four or five feet higher; it is not completed yet and still *growing*. The streetscape has changed and she talked about the City unfairly penalizing Alan Schueler during his renovation project.

Denise Kent, 9 Prospect, stated that she and her husband Alan Schueler bought their house in the Historic District so that it would be preserved.

Roger Harlan compared the discussion tonight as *dissecting a cadaver* while the focus should be improving the process. Tom Bakaly felt there is an opportunity for public participation now since the Guidelines are being amended and there will be a series of public hearings held. Paula McGee stated that she was offended by the City Manager's comments on the radio that the project was in compliance because it seemed premature since this meeting did not take place yet. Tom Bakaly explained that he was commenting on the staff report which was distributed on Monday. Joe Kernan again suggested that identifying specific elements in the future would be helpful. Peter Marth spoke about ethics of the staff and real estate community. Mayor Williams pointed out that in many instances historic structures are uninhabitable and must be brought up to code as they are restored. He explained that accepted methods have changed through the years but added that sometimes the results of a renovation project are disappointing to some but comply with codes. Mr. Hier believed that the connection of the structures made the project look very different but he recalled when the application was reviewed that some of the reasoning was to maintain one lot and not to subdivide. The restoration of the Watts Property is important and he would like to meet with staff on this project. Alan Schueler believed that the relationship between staff and the public could be improved. This is what went wrong. Brooks Robinson discussed the benefits of pursuing a plan of inventorying historic elements to include in the preservation plan. Tom Bakaly indicated that staff will return to Council with an update on the Watts Property.

Paula McGee again asked about the roof height, and Ron Ivie stated that he will meet with the neighborhood to measure the structure.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
APRIL 17, 2008

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 17, 2008. Members in attendance were Dana Williams, Candace Erickson, Roger Harlan, Jim Hier, Joe Kernan, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Mark Harrington, City Attorney; Max Paap, Special Events Manager; and Francisco Astorga, Planner.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

1. Council disclosure – Candace Erickson stated that she will excuse herself from discussing and voting on 1615 Park Avenue because of her employment with Cole Sport.

2. Resolution proclaiming the Mayor's and City Council's appreciation of 1st Lieutenant Cody James Wheaton's patriotic commitment to serve our Country – Mayor Williams read the resolution into the record and presented a framed proclamation to 1Lt Wheaton's parents Marion and Bob. Mr. Wheaton noted that when Cody learned about the recognition his response was that he was very proud to be born and raised here in Park City and wished that more communities were like Park City in recognizing service men and women.

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

None.

IV WORK SESSION NOTES AND MINUTES OF MEETING OF MARCH 27, 2008 AND APRIL 3, 2008

Jim Hier, "I move we approve the minutes of the meetings of March 27 and April 3, 2008 with the adjustment of Ms. Erickson being absent from the vote on April 3". 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")*

The Mayor requested a motion to approve the Consent Agenda. Roger Harlan, "I so move". Liza Simpson seconded. Motion unanimously carried.

1. Consideration of approving a Resolution proclaiming the Mayor's and City Council's appreciation of 1st Lieutenant Cody James Wheaton's patriotic commitment to serve our Country – See Communications from Council.

2. Consideration of approving a Resolution acknowledging the 40th anniversary of the Fair Housing Act and proclaiming April 2008 as Fair Housing Month in Park City, Utah – The Mayor recommends approval.

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

1. Consideration of approving a Master Festival License for A Day at the Races– to be held on May 10, 2008 and approval of a partial street closure of Main Street between Heber and 9th Street – Men of McPolin – Special Events Manager Max Paap explained that the Men of McPolin submitted an application to hold an event to raise money in support of school programs. This first year event proposes racing soap box type carts, built by students and parents, on lower Main Street which is hoped to create a Park City event that provides exposure for a positive celebration that invites, inspires and includes the entire community. This event was discussed at an HMBA meeting where the Board had no dissenting comments or concerns. He explained that the event requires a MFL due to amplified music and the use of City property. The Mayor opened the public hearing but there was no input and the hearing was closed. Jim Hier, "I move we approve the Master Festival License for A Day at the Races, as conditioned on May 10 on lower Main Street between Heber and 9th". Roger Harlan seconded. Motion unanimously carried.

2. Consideration of approval of an Ordinance approving the request to amend zone change conditions of approval located at 1615 Park Avenue, Park City, Utah - At this point in the meeting, Council member Erickson left the Chambers. Brooks Robinson introduced Planner Francisco Astorga and the City's newest puppy guide dog, Foxboro. Planner Astorga emphasized that this application is not for a zone change and the zoning map will not be amended in any way. The property was zoned General Commercial in 2000 and this request is to change the conditions of approval as a part of that action. Jim Hier pointed out that the property is identified incorrectly on the zoning map as RM-MPD and Mr. Astorga explained that he is aware of the problem and the map is being updated.

He continued to explain that the property was zoned from ROS to GC in 2000 with three conditions of approval as outlined in the staff report. The first condition was that the setbacks of the property be established at 47 feet on Park Avenue, 40 feet on Empire, rear and west 78 feet, side and north 84 feet with no further expansion allowed beyond the existing building edges. The second condition is that any expansion in height will meet the height requirements of the underlying zone and three, in the event of damage or destruction of the existing building, any new structure would be required to meet the setbacks of the existing building as depicted on the site plan dated October 11, 2000. Currently, Cole Sport is seeking to amend the conditions of approval to allow an underground warehouse to be constructed to support all Cole Sport stores. He detailed the plan for each level and noted that the Planning Commission forwarded a positive recommendation on March 26, 2008 where there was no public input. The staff finds that that the GC zone development standards and the frontage protection overlay are adequate regulation for this location, because the setbacks permitted in GC Zone are in harmony with the overall character of adjacent properties. The setback standards of the GC for Park Avenue is 20 feet, 30 feet for the frontage protection zone, 20 feet for Empire and 10 feet for the sides. He referred to an email in opposition which was received before the packet was prepared. Members acknowledged that the email was received online. In reference to a concern expressed in the email, Mayor Williams asked if blasting is contemplated for the excavation. The architect explained that blasting is not anticipated at this site because it hasn't been needed historically in the area. Mark Harrington explained that the Building Department provides a process for blasting including a mitigation plan. In response to a question from Jim Hier about encroaching in the 10 foot setback during excavation, the architect explained that the limits of disturbance fence will be placed inside the property line and the excavation material will be stored within the area. The Mayor opened the public hearing.

Alex Butwinski, WALC, referred to the existing 47 foot setback on Park Avenue and relayed that WALC will be making recommendations to the Council in a couple of weeks. The plan is based on a spine concept from the Olympic Park to Cole Sport and he suggested that this 47 foot setback be kept in place with a sunset provision of three years. This would provide the opportunity to review walkability projects. Mark Harrington asked how the setbacks would impact the recommendations, and Mr. Butwinski indicated that he didn't exactly know. The City Attorney clarified that setbacks and rights-of-way are very different and Mr. Butwinski admitted that he wasn't sure how the spine project would be affected. He reiterated his two suggestions and his concern that the WALC study is in place. Mark Harrington explained that applications should not be considered separately in context with proposed recommendations and acquiring rights-of-way for a City-wide trail system is very different than determining if the setbacks defined in a zone are appropriate. Francisco Astorga added that the Planning Commission will hold a hearing on the CUP because of the FPZ issue. With no further comments, the public hearing was closed.

Mr. Astorga pointed out a minor word change suggested to be made to the ordinance. Joe Kernan, "<u>I move approval of the amendment changing the conditions of approval for property located at 1615 Park Avenue and replacing the word "revising" with "removing"</u>. Jim Hier seconded. <u>Motion carried</u>.

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

VII ADDITIONAL DISCUSSION – AGENDA ITEMS

VIII ADJOURNMENT

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

MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 4 p.m. Members in attendance were Mayor Dana Williams, Candace Erickson, Roger Harlan, Jim Hier, Joe Kernan, and Liza Simpson. Staff present was Tom Bakaly, City Manager; and Mark Harrington, City Attorney. Jim Hier, "I move to close the meeting to discuss property". Liza Simpson seconded. Motion carried unanimously. The meeting opened at approximately 4:45 p.m. Candace Erickson, "I move to open the meeting". Roger Harlan 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

RESOLUTION PROCLAIMING THE WEEK OF MAY 4 TO MAY 10, 2008 AS NATIONAL DRINKING WATER WEEK IN PARK CITY, UTAH

WHEREAS, water is our most valuable natural resource; and

WHEREAS, only tap water delivers public health protection, fire protection, support for Park City's economy and the quality of life we enjoy; and

WHEREAS, any measure of a successful society – low mortality rates, economic growth and diversity, productivity, and public safety – are in some way related to access to safe water; and

WHEREAS, we are all stewards of Park City's water infrastructure and it is our responsibility to ensure a safe and reliable water supply for future generations; and

WHEREAS, each resident, business and guest of Park City is called upon to help protect our source waters from pollution, to practice water conservation, and to get involved in local water issues;

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council hereby proclaims the week of May 4 – 10, 2008 as Drinking Water Week.

PASSED AND ADOPTED this first day of May, 2008.

PROCLAMATION DECLARING MAY 10 TO 18, 2008
AS "NATIONAL TOURISM WEEK" IN PARK CITY, UTAH

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 7,117 people and accounts for more than 43% 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 $460 million annually providing almost $9.5 million in general sales tax locally, $3.3 million in transient room tax revenues, and over $1,025,000 from the restaurant tax; 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" 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, BEIT RESOLVED that the Mayor and City Council hereby declares May 10 through May 18, 2008, as "National Tourism Week" 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.

PASSED AND ADOPTED this first day of May, 2008.

City Council
Staff Report

Subject: Relay for Life Proclamation
Author: Jan Scott
Department: Executive
Date: May 1, 2008
Type of Item: Administrative

Summary Recommendations:
Consider and adopt a proclamation recognizing the Cancser Society's fund-raising efforts this year.

Background:
The City Council adopted a similar proclamation last year. Below is an email from Publicity Chair Susan Morrell. The kick-of party will be held on May 14 and the Mayor and Council members are invited.

I am chairing the Publicity Committee again this year for the 2008 Relay For Life of Park City for the American Cancer Society. It is tentatively scheduled for August 15-16 at Quinn's Junction pending final approval. Last year, you graciously assisted with getting a proclamation presented before City Council declaring Park City a Relay For Life city, and I am hoping you will help us get this accomplished again this year. I've attached an update copy of last year's proclamation for your review.

Last year's Relay was a huge success. For instance, did you know we took in more than double our goal of $50,000 ($112,310 gross) and tripled the number of teams that participated the year before? Our goal this year is $100,000, so the support of city officials will be incredibly helpful in getting the community to participate and help us achieve our goal.

We would also like to invite Mayor Williams, the City Council members and you to our Kick Off Party for the Relay on Wednesday, May 14, from 6:30 to 8 p.m. at The Chateaux at Silver Lake in the Monet Ballroom. It's open to the general public, free of charge, and we'll have food, door prizes and information about the Relay. This event goes a long way in getting the general public to understand Relay and sign up as teams, volunteers, sponsors, survivors, etc. Your attendance would be a greatly appreciated.

If you have any questions, please feel free to contact me at my office Monday through Friday at 645-6592. Thanks for your continued support.

Susan
Relay For Life of Park City
Publicity Chair
435-640-7804 (Cell)

Resolution Supporting the
American Cancer Society's Relay For Life
In Park City, Utah

WHEREAS, The American Cancer Society is the nationwide community-based voluntary health organizaton dedicated to eliminating cancer as a major health problem by preventing cancer, saving lives and diminishing suffering from cancer through research, education, advocacy and service; and

WHEREAS, by these efforts the overall, age-adjusted cancer mortality rate is declining for the first time in human history and will continue to do so; and

WHEREAS, People are alive today because the knowledge we have gained has translated directly into prevention, early detection and improved treatment; and

WHEREAS, *Relay For Life* is the national signature event of the American Cancer Society and has just surpassed $1.5 billion dollars in funds raised since the first Relay For Life held in 1985, and

WHEREAS, The *Relay For Life* is unique in this community in that it blends fundraising, cancer awareness and prevention activities, fellowship and support for cancer survivors; and

WHEREAS, The Park City unit of the American Cancer Society will hold its sixth annual *Relay For Life* on August 15 to 16 with the goal of raising more than $100,000, honoring over 100 cancer survivors, and

WHEREAS, *Relay For Life* is about being a community that takes up the fight against cancer; and

WHEREAS, there is no finish line until we find a cure,

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council hereby proclaim Park City an official "Relay For Life City" as we join the American Cancer Society in the fight against cancer.

PASSED AND ADOPTED this first day of May, 2008.

Resolution No.

RESOLUTION PROCLAIMING MAY 10, 2008 AS ARBOR DAY IN PARK CITY, UTAH

WHEREAS, IN 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and

WHEREAS, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska; and

WHEREAS, Arbor Day is now observed throughout the nation and the world; and

WHEREAS, trees can reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce life-giving oxygen, and provide habitat for wildlife; and

WHEREAS, trees in our community increase property values, enhance the economic vitality of business areas, and beautify our city; and

WHEREAS, trees, wherever they are planted, are a source of joy and spiritual renewal;

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council proclaim May 10, 2008 Arbor Day in Park City, Utah and urge all citizens to respect our environment and contribute to and maintain the beauty of our mountain community by planting trees.

PASSED AND ADOPTED this first day of May, 2008.

City Council
Staff Report

Subject:	**Bond Reimbursement Resolution**
Author:	**Bret Howser**
Department:	**Budget, Debt, & Grants**
Date:	**May 1, 2008**
Type of Item:	**Legislative**

Summary Recommendations:
Staff recommends adopting the attached reimbursement resolution which would allow the City to reimburse itself for imminent expenses with bond proceeds from a Sales Tax Revenue Bond which has yet to be issued.

Topic/Description:
Reimbursement resolution for Sales Tax Revenue Bond to be issued in FY 2009 for street reconstruction projects.

Background:
The FY 2008 Budget adopted by Council in June 2007 anticipated that $1.5 million of bond proceeds from Sales Tax Bonds would fund a portion of the OTIS Phase I projects that remain (Lower Norfolk and Woodside). These street reconstruction projects are soon to be underway, but bonds are not anticipated to be issued until Fiscal Year 2009. This is a common problem due to the timing of streets projects, which usually begin in the spring, being misaligned with the beginning of the fiscal year.

Analysis:
The typical solution to this problem is a reimbursement resolution. The attached resolution, drafted by the City's Bond Council, Blake Wade with Ballard Spahr, would allow the City to incur expenditures against the project before issuing the bond and then reimburse those expenses with bond proceeds.

The resolution sets certain limits on reimbursement. The City could not reimburse itself for more than $7 million and must issue the bonds within 18 months of the payment or within 18 months of the project being put into service (whichever is later). These parameters are intentionally conservative as staff doesn't anticipate the total cost of the projects to approach $7 million. Staff also anticipates issuing the bonds within 6 months of incurring expense.

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

Alternatives:

A. Approve:
Passing the attached resolution would allow staff to move forward with the Lower Norfolk and Woodside projects this spring.

B. Deny:
Without the resolution, staff would have to rush to issue bonds in order to complete these projects this spring/summer or just wait until next spring.
C. Modify:

D. Continue the Item:
Same effect as B.
E. Do Nothing:
Same effect as B.

Significant Impacts:
Passing the attached resolution would allow staff to move forward with the Lower Norfolk and Woodside projects this spring.

Consequences of not taking the recommended action:
Without the resolution, staff would have to rush to issue bonds in order to complete these projects this spring/summer or just wait until next spring.

Recommendation:
Staff recommends adopting the attached reimbursement resolution which would allow the City to reimburse itself for imminent expenses with bond proceeds from a Sales Tax Revenue Bond which has yet to be issued.

Attachments:
A – Reimbursement Resolution

RESOLUTION NO. ______

DECLARATION OF OFFICIAL INTENT OF THE CITY COUNCIL OF PARK CITY, UTAH (THE "CITY") TO REIMBURSE THE CITY FROM THE PROCEEDS OF BONDS FOR CERTAIN CAPITAL EXPENDITURES ADVANCED BY THE CITY OF UP TO $7,000,000; AND AUTHORIZING INCIDENTAL ACTIONS

WHEREAS, Park City, Utah (the "City") has or may incur significant costs for certain capital improvements including street improvements, storm sewer, utility relocations, curb, gutter, sidewalks, signage, landscaping, engineering, design and other related costs (collectively, the "Project"); and

WHEREAS, the City has determined that it may finance all or a portion of the cost of the Project with the proceeds of obligations of the City or a related entity, the interest on which is excludable from gross income for federal income tax purposes (the "Tax-Exempt Bonds"); and

WHEREAS, no costs of the Project to be reimbursed were paid more than 60 days prior to the date of this Resolution, other than preliminary expenditures (not exceeding 20% of the aggregate issue price of the Tax-Exempt Bonds to be issued to finance the Project), provided that such preliminary expenditures shall not include costs of land acquisition or site preparation or other costs of construction or acquisition of the Project;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. Declaration of Official Intent to Finance Capital Expenditures; Maximum Authorized Debt. The City Council of Park City, Utah hereby declares its intention and reasonable expectation to use proceeds of Tax-Exempt Bonds to reimburse itself for expenditures for costs of the Project. The bonds are to be issued, and the reimbursements made, by the later of 18-months after (a) the payment of the original expediture or (b) the Project is placed in service, but in any event, no later than three years after the date the original expenditure was paid. The maximum principal amount of the bonds which will be issued to finance the Project is not expected to exceed $7,000,000.

Section 2. Nature of Project Costs. The costs of the Project consists entirely of capital expenditures or costs of issuance of the Tax-Exempt Bonds, and no cost of the Project to be reimbursed with the proceeds of the bonds is a cost of working capital.

Section 3. Incidental Action. The appropriate officers of the City are hereby authorized and directed to take or approve the taking of such actions as may be necessary or appropriate in order to preserve the ability of the City to facilitate the financing of the Project in accordance with the federal tax regulations and this Resolution.

Section 4. No Replacement Proceeds. The City will not, at any time within one year after any allocation of proceeds of the Tax-Exempt Bonds to reimburse any expenditure, use the reimbursed funds to create a sinking fund for any issue of any tax-exempt bonds, or to otherwise replace the proceeds of any issue of tax-exempt bonds.

Section 5. Effective Date; Repeal. This Resolution shall take effect immediately. All prior resolutions or portions thereof inconsistent herewith are hereby repealed.

PASSED AND APPROVED BY THE CITY COUNCIL OF PARK CITY, UTAH THIS 1ST DAY OF MAY, 2008.

____
Mayor

ATTEST:

____
City Recorder

(S E A L)

STATE OF UTAH)
) ss.
COUNTY OF SUMMIT)

I, Janet M. Scott, hereby certify that I am the duly qualified and acting City Recorder of Park City, Utah.

I further certify that the above and foregoing constitutes a true and correct copy of a resolution adopted at a regular meeting of the City Council of Park City, Utah held on May 1, 2008, as said minutes and resolution are officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and affixed the seal of the City of this 1st day of May, 2008.

____

City Recorder

(S E A L)

City Council Staff Report

Subject: Utah State Fireman Convention Parade
Author: ReNae Rezac
Department: Sustainability
Date: May 1, 2008
Type of Item: Administrative – Master Festival License

Summary Recommendations:
Review the Master Festival License application, conduct a public hearing, and approve the license for the Utah State Fireman Convention Parade, as conditioned, on June 12, 2008. The parade route is from the south end of Main Street north to 9^{th} Street.

Topic/Description:
Review the Master Festival License Application submitted by the Park City Fire Service District for a parade to be held June 12, 2008.

Background:
The first Utah State Fireman Convention was held in Park City in 1908. To commemorate the 100-year anniversary, the Convention is once again being held in Park City. The Park City Fire District submitted an application requesting a Master Festival License to have a Main Street parade in conjunction with their Convention. The parade will take place from 6:00-7:00 pm on Thursday, June 12, 2008.

The Utah State Fireman Parade is consistent with City Council's Goal to maintain Park City's standing as a world class, multi-seasonal resort community through support of community events.

Analysis:
Main Street Events
The applicant has requested to have the parade on June 12, 2008. Signs indicating that Main Street will be closed at 4:30 pm will be strategically placed along Main Street at 10:00 am to notify Main Street visitors and businesses. There will also be signs placed to divert traffic from Heber and Swede Avenues for the duration of the parade. The applicant will work with City Staff to develop a suitable traffic mitigation plan.

Staging is proposed to be at Deer Valley parking lot 6. Prior to the start of the parade, the participants will proceed down Deer Valley Drive, through the roundabout, south on Marsac, down Hillside Drive to the south end of Main Street where the parade will begin at 6:00 pm. The parade route is northward on Main Street to 9^{th} Street. The participants will exit onto Deer Valley Drive and either go back to the Deer Valley parking lot or make their way to another destination. Ten vintage fire trucks, along with approximately 30 modern firefighting trucks and roughly 10 marching bands are planned to participate.

Parking
Parade attendees will be directed to the free public parking on Park Avenue, Swede Alley, and China Bridge. Additional parking will also be available in the pay parking lots at the Town Lift and the Marriott. Staff will also manage parking along Park Avenue, between 9th Street and Heber Avenue to facilitate efficient transit operations. Parking and vehicular traffic along Heber Avenue between Main Street and Park Avenue will also be managed to ensure public safety.

Department Review:
The application for the Utah State Fireman Parade has been reviewed by all applicable departments and their comments have been incorporated into this report.

Alternatives:

A. Approve the request:
Approve the Master Festival License allowing the Utah State Fireman Parade as described. This is staff's recommendation.

B. Deny the request:
Deny the Master Festival License, preventing the addition of the Utah State Fireman Parade to Park City's schedule of events.

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

Significant Impacts:
Park City has hosted many parades utilizing the same route as the Utah State Fireman Parade. The most significant impact of this event will be closing Main Street to vehicular traffic. Staff feels that staging the parade entries at the Deer Valley parking lot 6 will reduce the impact to Main Street businesses considerably. Main Street will be reopened to traffic at the end of the parade (approximately 7:00 p.m.).

Consequences of not taking the recommended action:
The Utah State Fireman Parade would not take place.

Recommendation:
Staff recommends City Council conduct a public hearing and approve a Master Festival License for the Utah State Fireman Parade on June 12, 2008, according to the Findings of Fact, Conclusions of Law, and Conditions of Approval contained herein.

Findings of Fact:

1. The Utah State Fireman Parade will be held Thursday, June 12, 2008, from 6:00-7:00 pm. from the south end of Main Street north to 9th Street
2. Staff will manage parking at the existing public and private parking lots around Main Street so the parade will not substantially interrupt or prevent the safe and orderly movement of public transportation or other vehicular and pedestrian traffic in the area.
3. The event is oriented towards honoring Utah State Firefighters and will not require the diversion of so great a number of police, fire, or other essential public

employees from their normal duties as to prevent reasonable police, fire, or other public services protection to the remainder of the City.

a) The parade route is north on Main Street from Hillside Avenue to 9th Street. The concentration of persons, vehicles, or animals will not unduly interfere with the movement of police, fire, ambulance, and other emergency vehicles on the streets or with the provision of other public health or safety services.

4. The size of the crowd and nature of the event will not create an imminent possibility of violent disorderly conduct likely to endanger public safety or cause significant property damage.
5. The applicant has been working with Staff and applicable departments to address all event concerns. The applicant demonstrates an ability and willingness to conduct the event pursuant to the terms and conditions of Chapter 4-8-4 of the Park City Municipal Code, Master Festival License Application Procedure.
6. The Park City Fire District submitted their initial application in June, **2007**. Park City Municipal Code (4-8-4) requires 90-day review for consideration of a Master Festival License. The Utah State Fireman Parade has met that criterion.
7. One other Master Festival and Special Event License has been issued for June 12, 2008, for the Park City Ski Town Shoot Out. The Shoot Out is a Lacrosse Tournament that has been held in Park City for the past four years. The Tournament will take place at the Quinn's Junction Sports Fields and Ecker Hill International School Fields. The Utah State Fireman Parade will not substantially interfere with the logistics and venues for the Park City Ski Town Shootout based on the following:
   a) The Utah State Fireman Parade will take place on Main Street. The Park City Ski Town Shootout will be at the Quinn's Junction Sports Fields and Ecker Hill International School Fields.
   b) The Utah State Fireman Parade runs from 6:00-7:00 pm. The Park City Ski Town Shootout Tournament runs from 9:00 am-8:00 pm.
   c) Attendance projections are as follows: Utah State Fireman Parade – 500; Park City Ski Town Shootout – 2,000.
   d) Both events have their own venues and all people and activities associated with each event will be contained to their own area. All public personnel, equipment, and/or transportation services at the event have been coordinated with adequate time to insure there is no negative impact to those services in town; and,
   e) Attendee parking for the Utah State Fireman Parade will be accommodated within the China Bridge parking structure, on Park Avenue and on Swede Alley. Additional parking will also be available in the pay parking lots at the Town Lift and the Marriott. The Park City Ski Town Shootout parking will be at the Quinn's Junction Sports Fields parking lots and the Ecker Hill International School parking lot.

<u>Conclusions of Law</u>:

1. The application meets the requirements set forth in the Park City Municipal Code, Title 4, Chapter 8.

Conditions of Approval:

1. The applicant at its cost, shall incorporate such measures as directed by Staff in order to ensure that any safety, health, or sanitation equipment, and services or facilities reasonably necessary to ensure that the event will be conducted with due regard for safety are provided and paid for by the applicant.
2. Applicant shall provide proof of liability insurance in the amount of two million dollars ($2,000,000) or more as may be required by the Special Events Manager or the City Attorney's Office, and shall further name Park City Municipal Corporation as additional insured. All applicants shall further indemnify the City from liability occurring at the event, except for any claims arising out of the sole negligence or intentional torts of the City or its employees.
3. Any plans for tents, stages and other temporary structures shall be submitted to the Building Department for review and permitting by May 6, 2008.
4. The Applicant is responsible for a Street Closure and Pedestrian Management Plan in a form approved by the Park City Municipal Event Manager and Chief of Police.

Attachments

Exhibit A – Summary of Activities

PARK CITY MUNICIPAL CORPORATION
SPECIAL EVENT AND MASTER FESTIVAL LICENSE
EVENT APPLICATION-PART I

A completed electronic copy submitted to the Special Events Department is required.

Special Events and Facilities Department
435.615.5150
specialevents@parkcity.org

APPLICATION FORM

Part I of the application form (pages 1 and 2) must be completed and submitted to the Special Events Department no less than 90 days prior to a Master Festival or no less than 60 days prior to a Special Event. Part II of the application form (pages 3-6) which are more comprehensive, must be submitted 45 days before all events. Parts I and II of the application must be sent electronically to the Special Events Department at specialevents@parkcity.org. The application will be reviewed by the Special Events Department and compared to master calendar for date availability. Applicant must schedule a meeting with City Staff 30 days prior to the event to review logistics. Granting of the permit is not guaranteed.

EVENT NAME: Utah State Firemens' Convention

EVENT DATE(S): June 12th, 2008

EVENT TIME(S): 6 pm until 7 pm

EVENT LOCATION(S): *Please describe in detail the exact location(s)*
Fire apparatus parade from the top of Main, down to the bottom of Main and down Park Avenue-ending at City Park. (regular 4th and Miner's Day parade route)

ANTICIPATED ATTENDANCE: 500-1000 spectators+

EVENT DESCRIPTION: *Please describe in detail the activities associated with the event*
50-75 Fire Apparatus and marching groups

APPLICANT: *(name of organization)* Park City Fire Service District

CONTACTS

Event Manager: Captain Randy Scott
Mailing Address: PO Box 980010 Park City, Utah 84098-0010
Phone: 435-940-2500 Fax:435-645-0774
Cell Phone: 801-864-5513
E-Mail: rscott227@hotmail.com

Assistant Event Manager: Assistant Chief Scott Adams
Mailing Address: 730 West Bitner Rd. Park City, Utah 84098
Phone: 435-940-2503 Fax:435-658-5247
Cell Phone: 901-2891
E-Mail: www.sadams@pcfd.org

TYPE OF EVENT: *to be confirmed by the Special Events Department*

☒ **Master Festival;** *(If even one box is checked, the event is automatically a Master Festival)*

A public event which any one of the following:

☒ attraction of large crowds, (Over 500)
☒ street closure,
☐ use of City park, building or property,
☐ use of off-site parking facility,
☐ use of amplified music.

☐ **Special Event;**

A private or public event, which creates significant public impacts through:

☐ causes significant public impacts via disturbance, crowd, traffic/parking,
☐ disruption of the normal routine of the community or affected neighborhood,
☐ necessitates temporary business or liquor licensing
☒ event signs, visible from public property
☐ temporary structures

CITY SERVICES

- request for street closure(s)? ☒ yes ☐ no
  if yes, then list street(s) and closure time and date: Main St. & Park Ave.- 6pm until 7pm on the 12th of June, 2008
- request for closure of or access to any public parking spaces? ☐ yes ☒ no
  if yes, then list lot and closure times and dates:
  if yes, complete and attach *Request for Special Use of Public Parking* form.
- request for use of any City owned bleachers? ☐ yes ☒ no

SALES AND FOOD VENDING

- will there be beer, wine and/or liquor sales during the event? ☐ yes ☒ no
  if yes, have you filed a *Beer and Liquor License Application* with Park City Finance Department? ☐ yes ☒ no
  if yes, have you filed a *Single Event* or *Temporary Beer Permit* application w/ UDABC? ☐ yes ☒ no

APPLICATION FEES

All new applications require a $100 processing fee, all applications for returning events require a $50 application fee, due at the time of application. Additional fees for other services, including Health Department and Fire Department, will be estimated and provided to the applicant. A final bill for services will be delivered to the applicant approximately two weeks after the event concludes. Please remit application check to:

Park City Municipal Corporation
Attn: Special Events and Facilities
P.O. Box 1480
Park City, UT 84060

INSURANCE

Park City Municipal requires proof of liability insurance in the amount of two million dollars ($2,000,000) or more, and applicant shall further name Park City Municipal Corporation as an additional insured. This must be submitted 10 days prior to the event.

City Council Staff Report

Author: Jonathan Weidenhamer
Subject: Recreation and Field Use Agreement with Real Salt Lake Soccer Team for the use of the Quinn's Junction Sports Complex for recreational uses
Date: May 1, 2008
Type of Item: Use Agreement

Summary Recommendations

Staff recommends Council review Terms of a Use Agreement with Real Salt Lake for the use of the Quinn's Junction Sports Complex for recreational field use. Based on the benefit package identified, Staff recommends Council consider favorably waiving up to $29,350 in fees, and additionally contributing $20,000, in exchange for sponsor/marketing services and benefits. Staff will return on May 15 to ratify a final Use Agreement.

Background

Park City has established a working relationship with Real Salt Lake (RSL) that allows us to highlight the community's commitment to recreation and showcase our world-class destination facilities and amenities. RSL has held practices, Reserve Team games, and hosted an elite British team (Everton) at the City's Sports Complex at Quinn's Junction. This is consistent with the top Priority goal of the continued cultivation of Park City as a world-class High Altitude Destination and Training hub as identified by the 2008 update to the City's Economic Development Strategic Plan.

Real Salt Lake (RSL) is interested in pursuing a broader relationship with Park City and has begun discussions regarding development both a short and longer term commitment. The longer-term partnership contemplates creation of a year round soccer academy and would include a series of permanent facilities and associated infrastructure. Due to a series of uncertainties, the possibility of creating a long term relationship remains very unclear at this time.

Staff has however, worked with RSL to identify a possible short-term recreation use agreement of the City Sports Complex at Quinn's Junction. The proposal being considered at this time would allow use of the Facility as a summer training grounds in return for a variety of benefits and marketing opportunities.

Analysis

Terms

Staff believes the general terms identified in Exhibit B find the appropriate balance of impacts and benefits, and include a series of both direct and indirect benefits in return for any impacts generated.

Estimated Costs & Benefit Analysis

To make the proposal financially plausible for RSL, they have requested the City directly contribute $20,000 the overall costs of the project. Should Council agree to the proposal, staff recommends our funding go towards direct operations and maintenance costs generated from the additional field use costs (watering, personnel, and materials). Please find a summary of the estimated costs, potential fee waivers and subsidies identified in detail in Exhibit C:

Total costs	$139,236
Eligible waivers	-$29,350*
Potential PCMC subsidy	-$20,000
Final cost to RSL	$89,886

**This number includes $21,250 in field use fees. Because there is not presently competition for use of the fields by fee paying users during these times, staff supports the fee waiver because actual forgone revenue is minimal. In the case that a paying event or tournament was proposed at the same time, staff would prioritize that revenue-generating event.*

Fee Waivers

Staff recommends Council consider the following fee waivers based on the associated direct and indirect benefits of the project:

Field Use	$21,250
Racquet Club use	$7,350
Permit Fees	$750
Total	$29,350

Per the inter-local field use agreement, field use fees may be waived administratively. Additionally, RSL is currently pursuing an agreement to use USSA's training facility on the other side of US 40, which would additionally reduce the fee waivers by $7,350, leaving only a request to waive the Building Permit Fees ($750).

Direct and Indirect benefits, and marketing package

The direct benefits of this proposal include: minor sales tax revenues, overnight lodging from visiting teams, and up to $3,500 in tickets for the Recreation Department's youth program, which would otherwise be a direct cost to the City.

The indirect benefits come in the form of marketing/advertising and exposure. Through discussions with RSL, a "menu" of potential marketing opportunities was put on the table for consideration. The analysis includes a sale/value price identified by RSL, and a value that staff in turn assigned to each. Staff recommends an assorted menu of items (Exhibit D) valued at $39,500, which exceeds to the amount of total PCMC hard costs ($20,000) + forgone revenues ($750) = $20,750.

A second indirect benefit would be the continued diversification of our economy through cultivation of a High Altitude Training Destination. The importance of making this statement in our entry corridor was recognized during the planning of the recreation complex and IHC/USSA development. RSL has stated that if this is their Official Training Center, there will also be more highly visible games like we saw last summer and a likely tie-in to next summer's Major League Soccer All – Star game, which is to be held in Salt Lake City. The Economic Development and Vision Teams see this as a primary way to differentiate Park City from other destination resort communities. The value of this benefit has not been quantified, and is not included in Staff's analysis.

Alternatives

1. Consider the request favorably and approved the attached Use Agreement. **This is staff's recommendation.**
2. Consider the request favorably, but amend the terms and details.
3. Deny the request.

Significant Impacts

There will potentially be impacts on field quality. There are also fiscal impacts of waiving up to $29,350 in fees, and additionally subsidizing the project $20,000 in direct costs.

Consequences of not taking the recommended action:

If the use agreement is not signed, our existing relationship with RSL would be significantly be impacted and likely preclude additional international and professional soccer team use of the Facility.

Department Review: This report was reviewed by representatives of the Economic Development and Capital Projects, and Legal Departments, and the City Manager.

Alternatives:

A. **Approve the Requests: (Staff recommendation)**
B. **Modify the Requested Actions:**
C. **Deny the Request:**
D. **Continue the Item:**

<u>Recommended Actions</u>

Staff recommends Council review Terms of a Use Agreement with Real Salt Lake for the use of the Quinn's Junction Sports Complex for recreational field use. Based on the benefit package identified, Staff recommends Council consider favorably waiving up to $29,350 in fees, and additionally contributing $20,000, in exchange for sponsor/marketing services and benefits. Staff will return on May 15 to ratify a final Use Agreement.

<u>Exhibits</u>

Exhibit B – General Terms
Exhibit C – Field Use Schedule
Exhibit D – Cost Analysis
Exhibit E - Marketing/ Benefit package
Exhibit F - Site Plan

Exhibit B
General Terms

- **Term –** Agreement begins on May 15 through approximately November 1, 2008. That agreement could extend for a second year if both parties agree. Any temporary buildings would have to be removed at the end of the season, and may not exceed 180 days even if both parties agree to extend in 2009; without express permission from the Park City Building Official.

- **Field Use** – RSL would train on the fields in the early morning and afternoon (9am-2:30 pm)(Exhibit B1). Generally, due to times being requested there are limited conflicts with existing tournament and local play. Recreation & Ice Rink staff identified only 1 major conflict with the RSL proposal which is the first 3 weeks of July due to Triple Crown and the Lemieux hockey camp. It is likely that RSL practices can move training during that time to the North 40 Fields.

  The analysis on costs identifies an estimate of revenues lost by waiving field rental fees (approx. $21,500). Although fairly high, because there is not presently competition for use of the fields by fee paying users, staff generally supports the fee waiver. In the case that an event or tournament was proposed at the same time, staff would prioritize that revenue-generating event.

- **Temporary buildings** – Because the locker rooms in the ice rink are unavailable, the RSL proposal includes need for additional temporary recreation facilities. The current planning includes approximately 3,100 sf of temporary buildings, including: shower 36' x 12' (432); locker rooms 40x12 (480 sf); training room 60x12 (720); equipment room 60x12 (720); and coaches office (750). The temporary recreation facilities will include public restrooms, which will provide for ADA access.

  Issuance of an Administrative CUP is required prior to approval. At this time, the Planning Department has made a preliminary determination of compliance with the CUP criteria. A realistic temporary location will be adjacent to the city's maintenance building which has sewer, water, and power in the immediate vicinity. Staff has worked with RSL in an attempt to reduce square footage, but they were uninterested in the space at the ice rink for equipment storage, and office space elsewhere was cost prohibitive. For comparison's sake, the maintenance building is approximately 5,100 square feet.

- **Staffing Impacts and Operations and Maintenance** – Public Works has estimated additional staffing and materials costs ($27,500) based on the additional impacts on the fields.

- **Snow Removal** – Should RSL make the playoff's they begin in early November. This may necessitate extension of the agreement and trigger the need to conduct snow removal on the artificial turf field. Additionally, if both parties agree to extend the agreement into 2009, RSL would like to begin training in mid-March, which would also likely trigger the need to conduct snow removal all winter. Staff is currently exploring different options to do so and their associated costs.

- **Weight Training Center** – The Recreation Department can give RSL free access to the weight room, lap pool and gymnasium at the Racquet Club. Exclusive use would be negotiated on a case by case basis but would generally be difficult to accommodate. Any use of the facility needs to be scheduled through staff so patrons can be notified in advance that they may want to adjust their schedule to avoid potential crowding. A similar arrangement had been used by USSA.

- **Parking** – The existing parking supply is adequate for the team. During Triple Crown, the team will train elsewhere. If they need to use their trailers, they will be required to use 2 vans to carpool. During Triple Crown R

- **Marketing & Media package/ local youth program** – These are the more "direct" benefits with the proposal. Staff will finalize these at a later date. RSL will consider waiving a $3500 hard cost to the City's youth soccer program, which allows for the purchase of up to 350, $10 tickets to a RSL game. These tickets will be given to kids that participate in the spring soccer program.

- **Benefit Package** – RSL and staff have discussed the following array of items to balance the amount of City subsidies being considered:
  - Up to 350 youth tickets at $10 each
  - Agree to lodge international teams in Park City; promote lodging in Park City during summer 2009 All Star weekend
  - Marketing package identified in Exhibit D

- **Snow Removal** – Staff explored various options to do snow removal on the artificial turf field. Each option includes varying degrees of cost, effectiveness, and potential impact on the playing surface. Should RSL desire snow removal, subsequent discussion would be necessary to balance the community benefit and the appropriate cost-sharing balance.

- **Video Room -** Staff will consider the use of the meeting/party rooms in the ice rink on a case by case basis, but will prioritize revenue generating uses above RSL use.

- **Zoning and Use –** All RSL use must comply with applicable PCMC Recreation Complex Master Plan approvals and deed restrictions for the property.

Exhibit C

2008

MARCH

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23 / 30 - L	24 / 31 - F	25	26	27	28 - R	29 - H

APRIL

S	M	T	W	T	F	S
		1 - F	2 - F	3 - F	4 - T	5 - A
6 - T	7 - F	8 - F	9 - F	10 - F	11 - R	12 - H
13 - L	14 - F	15 - F	16 - F	17 - T	18 - T	19 - A
20 - T	21 - F	22 - F	23 - F	24 - T	25 - T	26 - A
27 - T	28 - F	29 - R	30 - E			

MAY

S	M	T	W	T	F	S
				1 - L	2 - R	3 - H
4 - L	5 - F	6 - F	7 - F	8 - F	9 - R	10 - H
11 - L	12 - F	13 - F	14 - T	15 - A	16 - T	17
18	19 - F	20 - F	21 - F	22 - F	23 - T	24 - A
25 - T	26 - T	27 - E	28 - T	29 - F	30 - R	31 - H

JUNE

S	M	T	W	T	F	S
1	2 - F	3 - F	4 - F	5 - F	6 - R	7 - H
8 - L	9 - F	10 - F	11 - F	12 - F	13 - T	14 - A
15 - T	16 - F	17 - R	18 - H	19 - L	20 - R	21 - H
22 - L	23 - F	24 - F	25 - F	26 - F	27 - T	28 - A
29 - T	30 - F					

JULY

S	M	T	W	T	F	S
		1 - F	2 - R	3 - H	4 - L	5
6	7 - F	8 - R	9 - E	10 - L	11 - R	12 - H
13 - L	14 - F	15 - F	16 - F	17 - F	18 - T	19 - A
20 - T	21 - F	22 - F	23	24	25	26 - F
27 - R	28 - H	29 - L	30 - F	31 - F		

AUGUST

S	M	T	W	T	F	S
					1 - R	2 - E
3 - L	4 - F	5 - F	6 - F	7 - F	8 - R	9 - E
10 - L	11 - F	12 - F	13 - F	14 - F	15 - T	16 - A
17 - T	18 - F	19 - F	20 - F	21 - F	22 - T	23 - A
24 - T / 31	25 - F	26 - F	27 - F	28 - R	29 - H	30 - L

SEPTEMBER

S	M	T	W	T	F	S
	1 - F	2 - F	3 - F	4 - F	5 - T	6 - A
7 - T	8 - F	9 - R	10 - E	11 - T	12 - T	13 - A
14 - T	15 - F	16 - F	17 - F	18 - F	19 - R	20 - H
21 - L	22 - F	23 - F	24 - F	25 - F	26 - T	27 - A
28 - T	29 - F	30 - F				

OCTOBER

S	M	T	W	T	F	S
			1 - F	2 - T	3 - T	4 - A
5 - T	6 - F	7 - F	8 - R	9 - H	10 - L	11
12	13 - F	14 - F	15 - F	16 - F	17 - R	18 - H
19 - L	20 - F	21 - F	22 - F	23 - F	24 - T	25 - A
26 - T	27	28	29	30	31	

L = LighT Training (1-2 hrs)

F = Full Training (3-4 hrs)

H = Home Game

A = Away Game

T = Travel Day

R = Rice-Eccles Stadium

E = Exhibition/US Open Cup Match

Games shown are MLS Regular season games. MLS Reserve Division schedule TBA, dates will include 6 home contests following home regular season matches.

Exhibit D
Cost Estimate Analysis

Type	Item	cost estimate	value/ fees eligible for waivers
Field Rental*	field rental	21,250	21,250
Ops & Maint.	personnel (field prep)	18,500	
	materials & supplies	9,000	
Racquet Club rental	$7/player; 15 players, 70 days	7,350	7,350
Snow Removal	TBD		
Trailers	shower 36' x 12' (432)	10,498	
	locker rooms 40x12 (480 sf)	9,015	
	training room 60x12 (720)	10,942	
	equipment room 60x12 (720)	13,025	
	coaches office (750)	10,776	
Building Permit Fees		750	750
utility connection costs	water connection	7,150	
	sewer connection	5,850	
	sewer admin fee	150	
	power	5,000	
site prep	cut, grading & gravel pad	6,230	
	transport	250	
	ADA connection (asphalt pad)	1,200	
total utility bills(estimated)	water	1,200	
	power	600	
van rental july		500	
total		**$139,236**	**$29,350**
fees eligible to be waived		**$29,350**	
total costs minus eligible fee waivers		**$109,886**	
Potential City contribution		**$20,000**	
Final estimated hard costs to RSL		**$89,886**	

*Because there is not presently competition for use of the fields by fee paying users during these times, staff supports the fee waiver as acutal forgone revenue is minimal. In the case that a paying event or tournament was proposed at the same time, staff would prioritize that revenue-generating event.

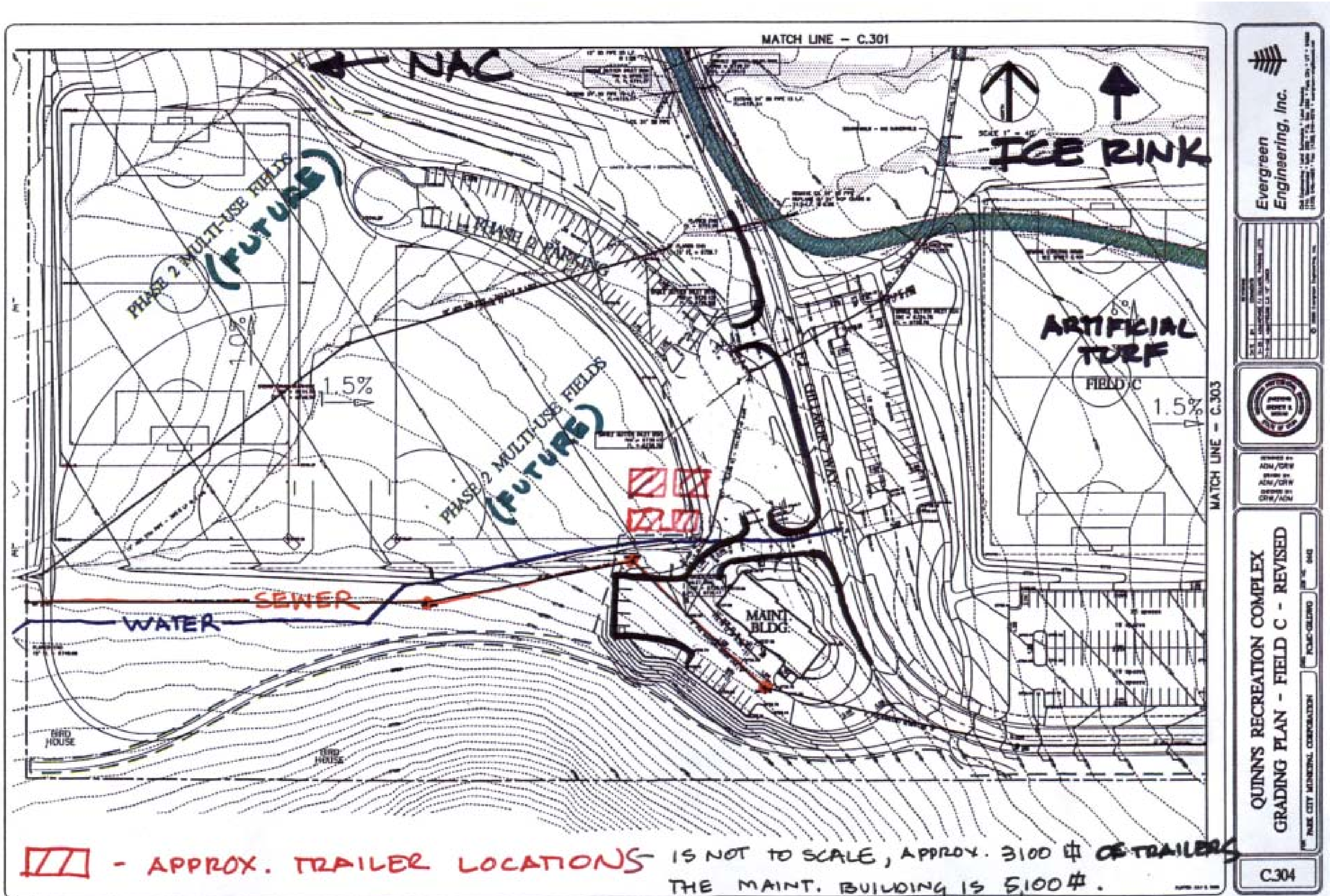
Exhibit E

Potential Marketing & direct benefit package - Each of the following costs would be waived.

ITEM	DESCRIPTION	RSL Assigned cost/value	Staff assigned Value & recc. Items
IN STADIUM			
Banner Behind Goal	20' Banner behind goal	20,000	10,000
PR Back Drop	Logo Repeat behing press conference table	20,000	3,000
WEBSITE			
Home page advertsing	Ad space on teams home page with link	?	5,000
Sponsor of Blog page	Ad space on teams blog page with link	?	
TELEVISION			
KSL TV 5	(2) 30 sec Spots, (2) Park City Moment, (1) 5:00 Clock Wrap, (1) Fly-In	17,500	5,000
FOX Rocky Mountain	(2) 30 sec Spots, (2) Park City Moment, (1) 5:00 Clock Wrap, (1) Fly-In	17,500	5,000
COMMUNITY EVENTS			
Player Appearance	This includes 8 appearances per season. Each session is 90 minute	3,000	3,000
Clinics	Instructional Clinics for youth Soccer Programs	1,000	1,000
TICKETS			
350 Tickets	General Addmission Tickets for Park City Recreation Soccer Program	3,500	3,500
SPECIAL EVENTS			
All-Star Game	Salt Lake will be hosting 2009 MLS All-Star Game	?	3,000
International Training	Each year REAL Salt Lake will host one international team - Park City would be training facility	?	1,000
total value		$82,500	**$39,500**

Exhibit F – Site Plan

= potential location of temporary buildings



— SEWER LINE

— WATER LINE

THE CURRENT PROPOSAL CONTEMPLATES 5 TRAILERS

City Council
Staff Report

Subject: Snow Creek Workforce Housing
Author: Phyllis McDonough Robinson
Department: Sustainability Team
Date: May 1, 2008
Type of Item: Administrative

Summary Recommendation:
Staff recommends that City Council authorize the City Manager to proceed with Phase II of the Snow Creek Housing Project and execute a Special Service Contract in a form approved by the City Attorney's Office to Elliott Work Group in the amount not to exceed $289,575. Staff further recommends that the City Council authorize staff to submit the Master Planned Development application reflecting the revised site design.

Description:
Topic: Contract Award

Background:
In October 2007, Staff issued a Request for Proposals for Architectural and Engineering Services for the Snow Creek Housing Development. The development is an affordable, owner-occupied, environmentally responsible neighborhood targeted to the local workforce. The units will be primary residences with resale restrictions and owner-occupancy requirements. The City is promoting financially feasible, technologically sound strategies to conserve energy and surpass current norms for water conservation, waste management and recycling throughout this project.

On November 29, 2007 Council awarded the contract for Architectural and Engineering Services to Elliott Work Group. The City Manager executed a Special Service Contract for Phase I of the project (site alternatives, preferred site design and density recommendations) in December 2007.

The Scope of Work for the Snow Creek Development is divided into three phases.

1. Phase I - Planning & Schematic Design
    a. Program development and development of three design alternatives for the site.
    b. Definition of the Scope of Work for the project within budget parameters.
    c. Development of Schematic Design documents and a computer generated rendering of a selected concept plan alternative

2. Phase II – Design Development, Entitlements & Construction Document Development
    a. Provide Design Development drawings
    b. Secure necessary approvals from regulatory agencies for permits
    c. Prepare Construction Document drawings

3. Phase III – Construction Contract Administration
   a. Construction Contract Bidding Services and Bid Documents
   b. Performance of Construction Contract Administration during construction
   c. Record drawings and project manual, including technical specifications
   d. Performance of Construction Contract Administration for project close out.

Analysis
The execution of Phase 2 (Design Development, Entitlements and Construction Document Development) & Phase 3 (Contract Administration) services are dependent upon positive performance of Phase I. Staff is requesting Council authorization to proceed to Phase 2 of the Contract Award. If approved by Council, Phase II will begin immediately with the submission of the Master Planned Development Application the week of May 6. Based upon the current calendar for Planning Commission, the initial MPD review is likely to be mid-June before it will be on the docket. Construction could be being in August 2007 depending upon the Planning Commission and other public agency reviews.

In January 2008, Council approved staff moving forward with a Master Planned Development (MPD) application based upon a site design of 13 detached condominium units. The Park City Planning Commission approved the Preliminary Master Planned Development Application in March 2008. (Attachment B)

The design team has worked to refine the site plan in order address issues raised in the Development Review process and at the Planning Commission. One key issue that has affected the layout, unit design and project timing is that of site access. Three potential access points were identified in the Preapplication Master Planned Development MPD (Pre-MPD) application. Staff received a request from the Emergency Manager during the Pre-MPD review to reconsider the preferred access location (directly behind the new police facility) because of the potential use of the building as the Emergency Operations Center. Accommodating this request required a re-evaluation of the site engineering, infrastructure access and site layout. The site constraints including the wetlands and required setbacks significantly limit the development options for the site. In order to accommodate the site access relocation it was necessary to reconfigure the site design. The project retains 13 detached cottages with an average size of 1,850 square feet including the two-car garage. It is anticipated that two of the units will be four bedroom and 11 will be three bedroom units. We also plan to create two fully accessible units. Staff plans to submit the MPD application pending City Council review as property owner on the revised site plan. (Attachment C-E).

Land Use/Regulatory Approval Process
Nothing in this report or the Council's action pre-supposes any public approvals. Any application will need to be evaluated and either approved or denied with the applicable Land Management Code (LMC) criteria. In providing the requested contract approval, the Council is acting solely in its capacity as property owner.

Department Review: This report was reviewed by City Manager, Legal, Planning and Sustainability Departments.

Alternatives:

> **A. Approve the Request:** Staff recommends that City Council authorize the City Manager to proceed with Phase II of the Snow Creek Housing Project and execute a Special Service Contract in a form approved by the City Attorney's Office to Elliott Work Group in the amount not to exceed $289,575. Staff further recommends that the City Council authorize staff to submit the Master Planned Development application reflecting the revised site design.
>
> **B. Deny the Request:** Council may direct staff to delay or discontinue work on the Snow Creek project. This would result in the project being removed from the staff's work program.
>
> **C. Modify the Request:** Council can modify the request to award to include the planning applications as part of the Scope of Work for Phase I. Staff would return with a revised fee schedule for a modified scope of work.
>
> **D. Continue the Item:** Council could direct staff to return with additional information on the recommended phasing plan or other submission. This would delay the start of the design for the project and have an adverse impact upon the overall project schedule.
>
> **E. Do Nothing:** This would have the same effect as denying the request.

Significant Impacts
Funds for this contract are available in the Housing CIP. The most significant impact of not moving forward with this project is the potential loss of affordable home ownership options in the City.

Recommendation:
Staff recommends that City Council authorize the City Manager to proceed with Phase II of the Snow Creek Housing Project and execute a Special Service Contract in a form approved by the City Attorney's Office to Elliott Work Group in the amount not to exceed $289,575. Staff further recommends that the City Council authorize staff to submit the Master Planned Development application reflecting the revised site design.

Attachments:
A. Service Provider Contract
B. Initial Site Plan
C. Revised Site Plan
D. Elevations
E. Floor Plans

ATTACHMENT A
PARK CITY MUNICIPAL CORPORATION SERVICE PROVIDER/ PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made and entered into in duplicate this ____ day of _____________, 2008, by and between PARK CITY MUNICIPAL CORPORATION, a Utah municipal corporation, ("City"), and Elliott Work Group, a Utah corporation ("Service Provider").

WITNESSETH:

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

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

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

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

1. SCOPE OF SERVICES.

The Service Provider shall perform such services and accomplish such tasks, including the furnishing of all materials and equipment necessary for full performance thereof, as are identified and designated as Service Provider responsibilities throughout this Agreement and as set forth in the "Scope of Services" attached hereto as "Addendum A" and incorporated herein (the "Project"). The total fee for the Project shall not exceed Two Hundred Eighty Nine Thousand Five Hundred Seventy Five Dollars ($289,575.00)

2. TERM.

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

3. COMPENSATION AND METHOD OF PAYMENT.

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

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

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

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

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

4. REPORTS AND INSPECTIONS.

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

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

5. INDEPENDENT CONTRACTOR RELATIONSHIP.

A. The parties intend that an independent Service Provider/City relationship will be created by this Agreement. No agent, employee, or representative of the Service Provider shall be deemed to be an employee, agent, or representative of the City for any purpose, and the employees of the

Service Provider are not entitled to any of the benefits the City provides for its employees. The Service Provider will be solely and entirely responsible for its acts and for the acts of its agents, employees, subcontractors or representatives during the performance of this Agreement.

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

6. <u>SERVICE PROVIDER EMPLOYEE/AGENTS</u>.

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

7. <u>HOLD HARMLESS INDEMNIFICATION</u>.

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

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

8. <u>INSURANCE</u>.

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

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

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

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

C. Professional Liability (Errors and Omissions) insurance written on claims made basis with limits no less than one million dollars ($1,000,000) combined single limit per occurrence.

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

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

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

9. <u>TREATMENT OF ASSETS</u>.

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

10. <u>COMPLIANCE WITH LAWS</u>.

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

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

11. <u>NONDISCRIMINATION</u>.

A. The City is an equal opportunity employer.

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

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

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

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

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

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

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

13. <u>CHANGES</u>.

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

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

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

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

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

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

16. <u>PROHIBITED INTEREST</u>.

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

17. <u>MODIFICATIONS TO TASKS AND MISCELLANEOUS PROVISIONS</u>.

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

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

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

18. <u>TERMINATION</u>.

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

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

19. **NOTICE**.

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

20. **ATTORNEYS FEES AND COSTS**.

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

21. **JURISDICTION AND VENUE**.

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

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

22. **SEVERABILITY**.

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

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

23. **ENTIRE AGREEMENT**.

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

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

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

____
Thomas B. Bakaly, City Manager

Attest:

____
City Recorder's Office

Approved as to form:

____
City Attorney's Office

SERVICE PROVIDER
Address:

Tax ID#: _______________________

____

Signature

____
Printed name

____
Title

STATE OF UTAH)
) ss.
COUNTY OF SUMMIT)

On this ____ day of ________________, 2008, personally appeared before me ______________________________, whose identity is personally known to me/or proved to me on the basis of satisfactory evidence and who by me duly sworn/affirmed, did say that he/she is the __________________________ (*title or office*) of ____________________ Corporation by Authority of its Bylaws/Resolution of the Board of Directors, and acknowledged that he/she signed it voluntarily for its stated purpose as ________________________ *(title)* for ________________________________, a _______ corporation.

____
Notary Public

ADDENDUM "A"

SCOPE OF SERVICES

I. Services & Deliverables - The Service Provider will perform Phase 2: Design Development, Entitlements & Construction Document Development

Service and deliverables will include:

a. Provide design development drawings
b. Provide third party review of the sustainability programming
c. Secure necessary approvals from regulatory agencies for permits
d. Prepare construction document drawings

All work for Phase 2 shall be completed by June 15, 2008.

II. Subcontractors.

a. The following are sub-consultants to the Service Provider:
   i. Civil Engineering: Evergreen Engineering
   ii. Structural Engineering: BHB Consulting Engineers
   iii. Mechanical: Colvin Engineers
   iv. Electrical: BNA Consulting
   v. Sustainability: Living Architecture/Dale Bates

It is understood that the above listed Sub-consultants have been selected by the Service Provider and have been approved by the City. Any substitutions of these identified Sub-consultants must be approved in writing by the City

III. Communications

a. Communications by and with the Service Providers Sub-consultants shall be through the Service Provider.
b. The City representative will be Phyllis Robinson, who will act on the City's behalf. This representative will be empowered to issue instructions to the Service Provider; to approve the work performed, to authorize additional services, and to suspend or terminate the Service Provider's services. This representative or his/her designee shall attend the regularly scheduled meetings.
c. The Service Provider's representative will be Craig Elliott, who will act on the Service Provider's behalf.

The outlined tasks, hours, personnel, and fee structure gives the City and Service Provider a necessary outline of tasks and activities involved in Phase 2: Design Development, Entitlements & Construction Document Development. Should adjustments be necessary to the outlined activities, the two Parties will address through written correspondence. Phase 3 (Contract Administration) services will be addressed with a separate contract given positive performance outcomes of this contract.

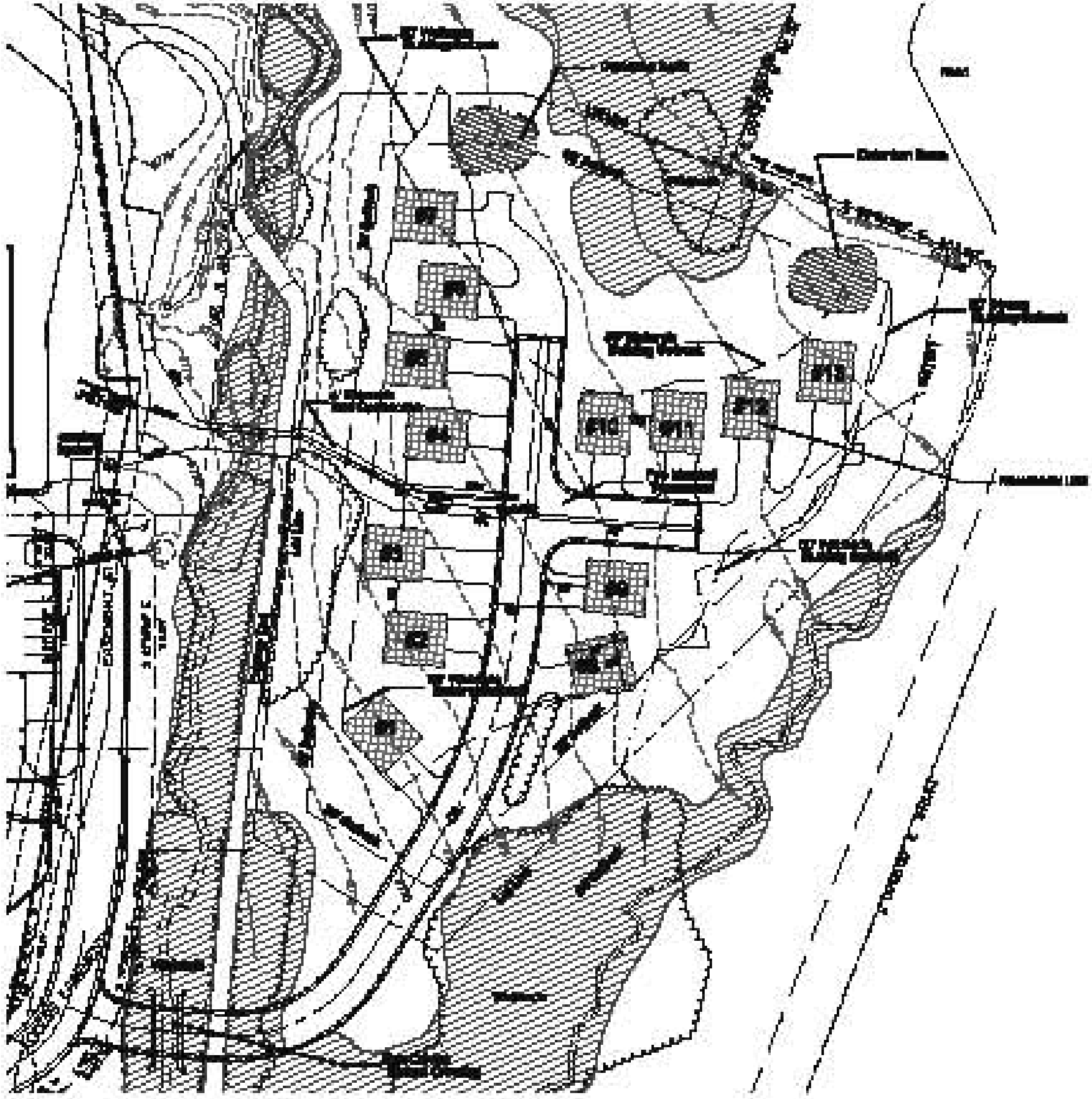
HOURLY RATES
Snow Creek Affordable Housing
Park City, Utah

Architectural Staff

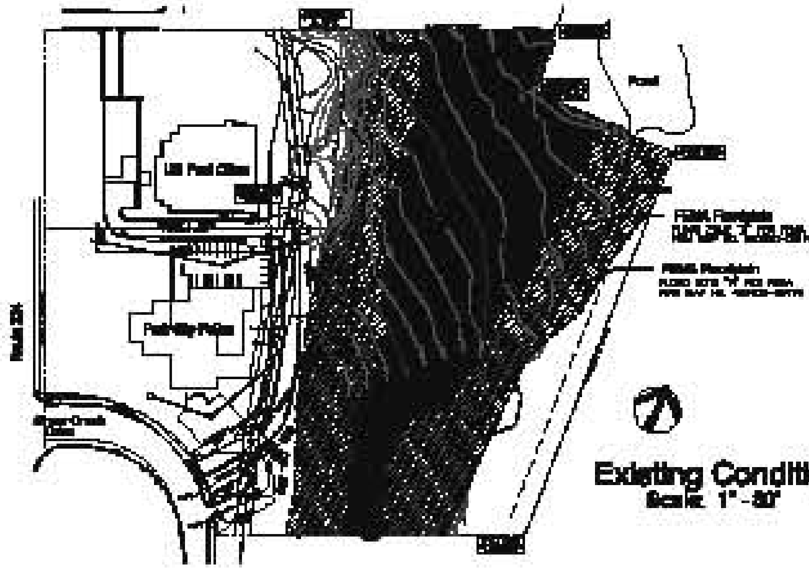
Principal	$175
Planning Director	$175
Managing Architect	$140
Managing Architect	$125
Project Architect	$140
Project Architect	$125
Design Architect	$140
Design Architect	$125
Architectural Support	$ 90
Clerical	$ 65

Snow Creek Cottages

Concept 12.18.07



Preliminary Site Plan
Scale: 1" - 30'



Existing Conditions
Scale: 1" - 50'

Concept Plan
Scale: 1" - 60'

MPD Application
May 5, 2008

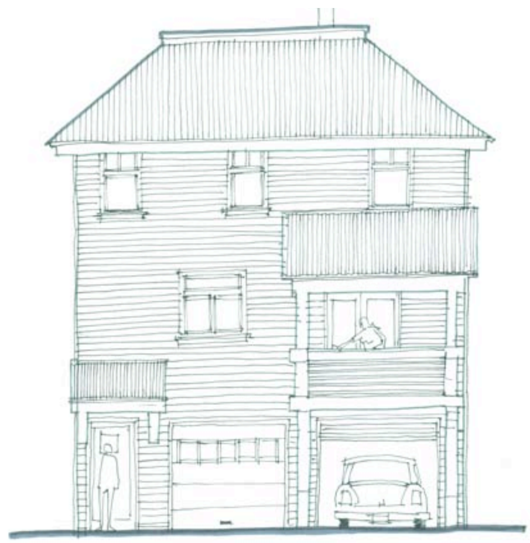
Snow Creek Cottages Concept Plan

Park City, Utah

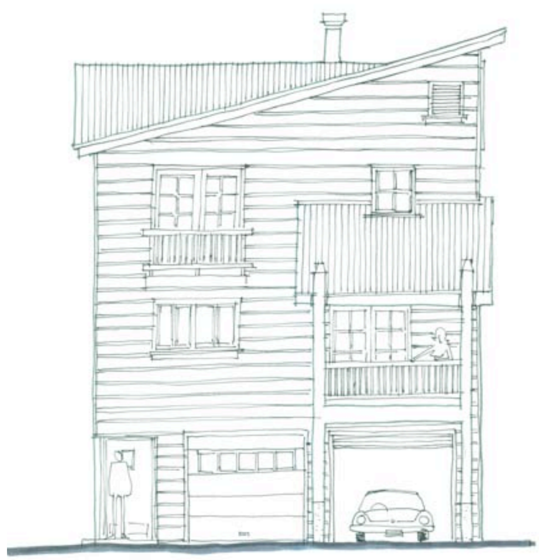
ELLIOTT • WORKGROUP architecture

LandSOLUTIONS

STUDY 3



STUDY 2



STUDY 1

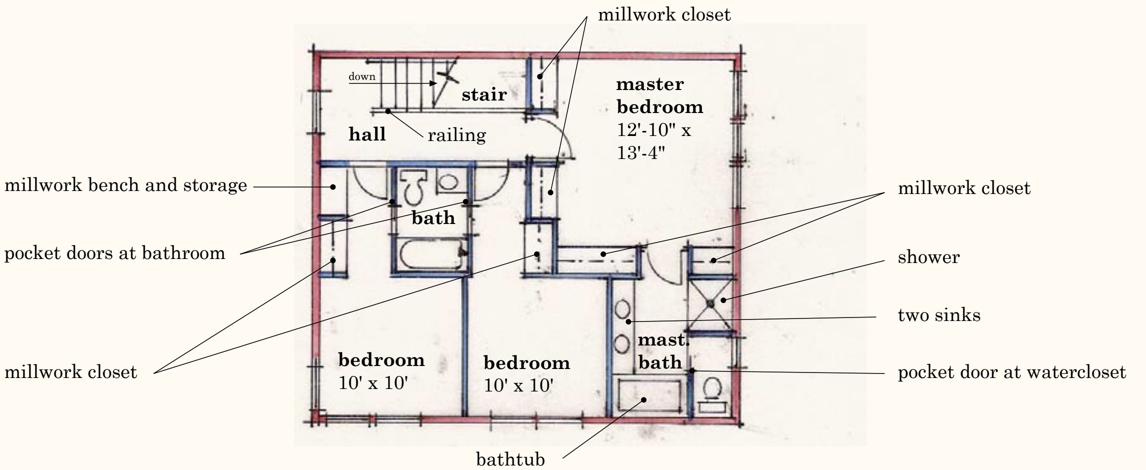
SNOW CREEK COTTAGES
elevation studies
april 28, 2008

ELLIOTT WORKGROUP
architecture

STUDY 6

STUDY 5

STUDY 4



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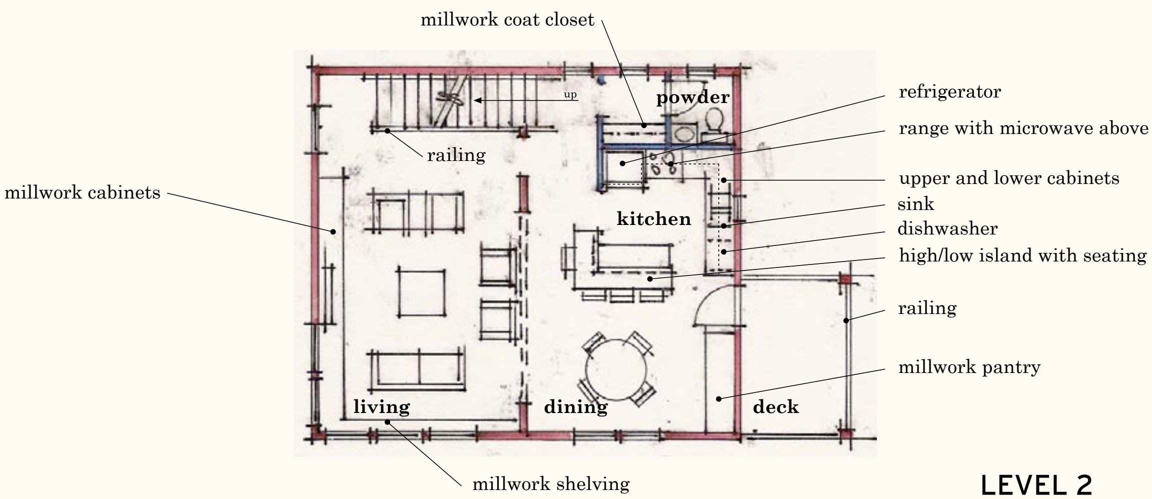

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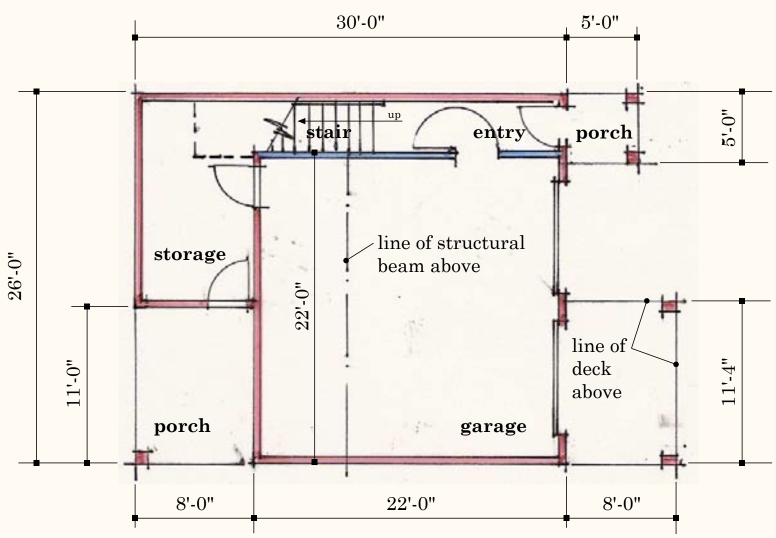

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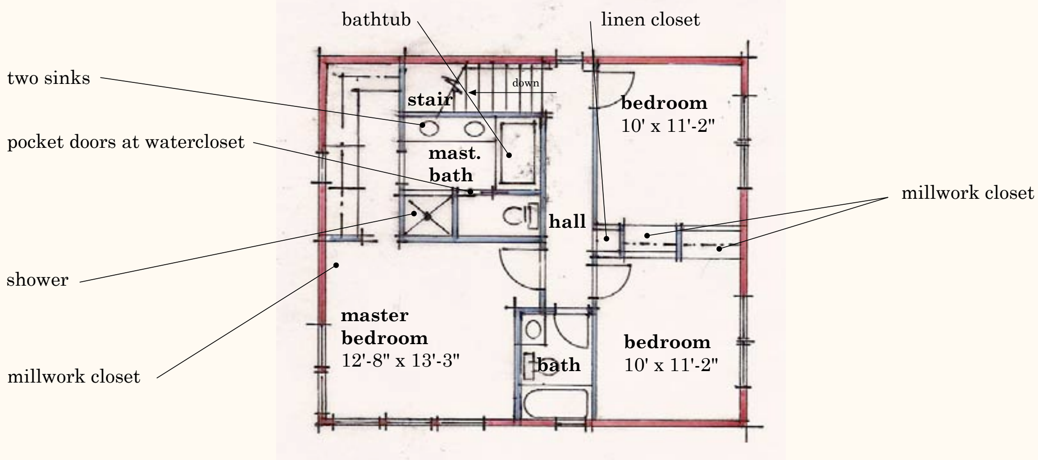

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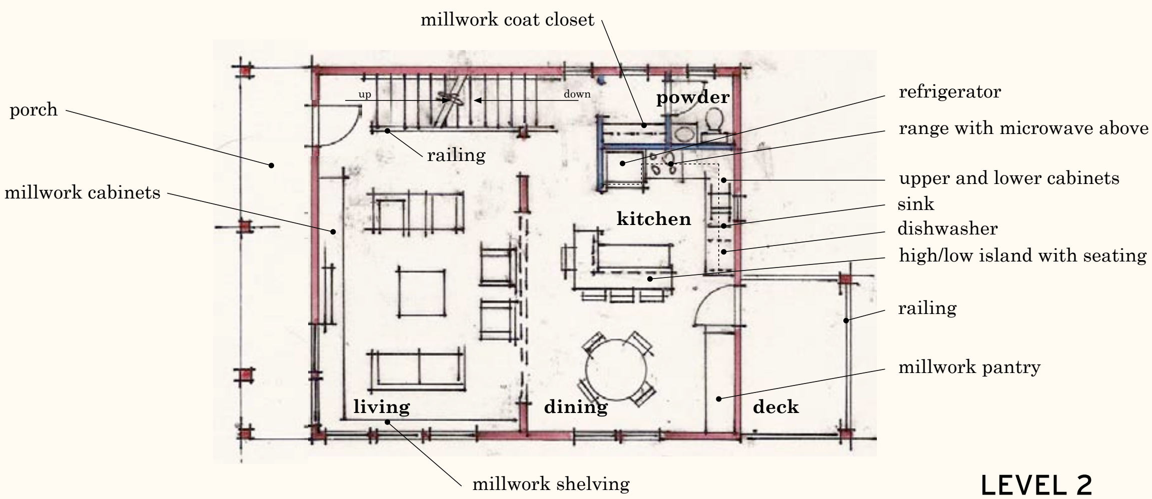

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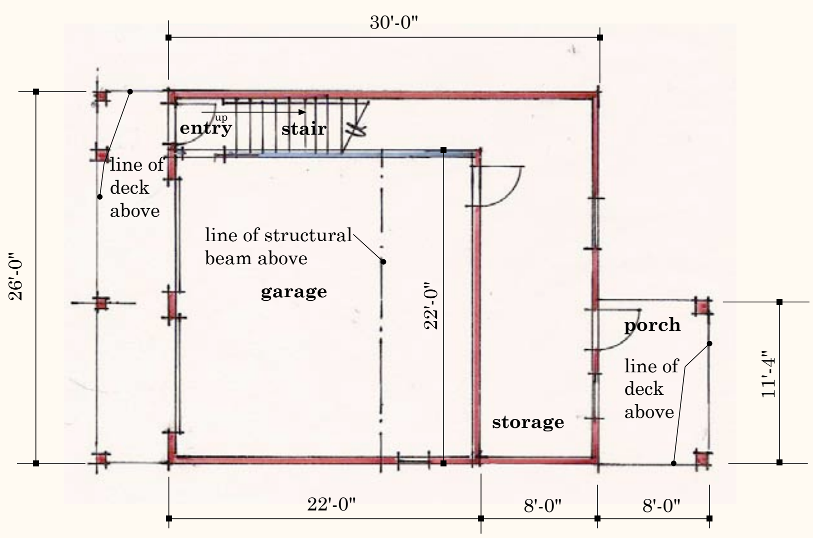


LEVEL 1

City Council Staff Report

Subject: Woodside/Norfolk Reconstruction 2008
Author: C. Ronald Johnson, P. E. Interim City Engineer
Department: Engineering
Date: May 1, 2008
Type of Item: Administrative

Summary Recommendations:
The Council should accept the bid submitted for the Woodside/Norfolk Reconstruction Project by D C Transport & Excavating, Inc. of Kamas, Utah, in the amount of $3,998,436.22, and authorize the City Manager to sign the Construction Agreement with D C Transport & Excavating, Inc.

Topic/Description:
The City Council adopted the current Old Town Improvement Study (OTIS) in 2002. In the FY 2008 budget the City Council included funds for this latest OTIS project, namely the improvement of Woodside Avenue from 15th Street to 13th Street, and also Norfolk Avenue from 13th Street to 8th Street, plus improvements on 15th Street between Park Avenue and Woodside Avenue, on 13th Street between Park Avenue and Norfolk Avenue. The project also includes some spot Walkability sidewalk improvements on Park Avenue, Lucky John Drive near Monitor Drive, and at Olympic Welcome Plaza as prioritized by the Council in the spring of 2007.

Background:
OTIS identified numerous utility deficiencies and substandard roads in Old Town. In addition, the Snyderville Basin Water Reclamation District (SBWRD) has identified improvements to the sanitary sewer system that needs to be made. This project includes the work SBWRD identified in our construction contract and then SBWRD will reimburse Park City for their share of the construction costs. Questar Gas will also install a new natural gas line in the street prior to street improvements.

The Council has approved funding for this project as follows:

CIP Project 31-43418	$ 1,792,000	(Norfolk Avenue)
CIP Project 31-43419	$ 1,075,000	(Woodside Avenue)

Analysis:
All the bids submitted were reviewed and compliance with the terms of the Contract Documents was evaluated. The following bids were considered responsive :

FIRM	PROJECT BID AMOUNT
D C Transport & Excavating, Inc.	$ 3,998,436.22
Granite Construction Company	$ 4,671,508.50

(see attached Bid Tabulation) In addition to cost, each Contractor was evaluated according to experience on similar projects, experience of employees working on the project, familiarity with Park City and SBWRD specifications, and the Contractor plan to complete the project during the 2008 construction season.

As noted above, partial funding for the project was approved as a part of the FY 2008 budget in a total amount of $ 2,867,000. Due to increased costs of construction, an additional $ 790,000 has been included in the City Manager's Recommended Budget. This will provide sufficient funding to complete the project when combined with SBWRD's contribution of approximately $ 730,661 to the project for the costs of Sanitary Sewer construction.

In October of 2007, the Council approved a Professional Services Agreement with Alliance Engineering for a total amount of $ 384,285.00, including $ 185,890.00 for project design, and 198,395.00 for construction engineering. To date, we have spent $ 160,985.33 of the project design money, and $ 0.00 of the construction engineering budget.

The project includes removal of existing surface improvements, construction of new sanitary sewer mains and laterals, construction of new culinary water mains and service meters, storm drain inlet structures and connecting piping, installing dry conduits for future underground utility relocations by utility companies and/or by citizen Special Improvement Districts, sidewalk on one side of the street, new curb & gutter, and new asphalt pavement. It also includes traffic control and street name signs. The completion date specified in the Contract Documents is October 31, 2008.

Department Review:
The Project Construction Plans have been available for review by both City staff and by the public, and this report has been reviewed by Budget, Executive, and Legal Departments. All identified issues have been resolved.

Alternatives:

A. Approve:
This is Staff's recommendation.

B. Deny:
This alternative would require a re-evaluation of the existing bids, or a new solicitation of bids which would make the construction very difficult to complete during this construction season.

C. Modify:
Some items could be deleted from the project as bid as long as the deletions did not exceed approximately 10% of the Bid Total, without affecting the unit cost of the other items.

D. Continue the Item:
If the Council needs more information, this matter could be continued, but this may delay the start of the project and subsequently effect the completion date.

E. Do Nothing:
This option would result in the project not proceeding this construction season.

Significant Impacts:
The construction of this project will directly impact the residents on Woodside Avenue and on Norfolk Avenue, as well as adjoining and adjacent streets. During the construction, the streets will be closed to through traffic, with detour routes established, but local residents will be allowed access from each end or from intersecting streets. It will be necessary to restrict access to residences while construction proceeds in front of the lots and while the curb & gutter and sidewalk is constructed and while the street is being paved, but efforts will be made to keep the restricted access to a minimum. The exposed surfaces will be maintained to keep them as passable as possible.

Before construction on the Project proceeds, the City will conduct one Public Outreach Meeting to inform the residents about the scope of the project as finally designed, and the estimated Construction Schedule as submitted by the Contractor for progress and completion of the Project.

The additional $ 790,000 required to fully fund the project has been included in the City Manager's Recommended Budget which will be considered by City Council beginning in May. The recommended funding source is sales tax revenue bonds.

Consequences of not taking the recommended action:
Because of this anticipated construction project, pavement repairs and curb & gutter maintenance has not taken place. If the project does not proceed, the surface improvements will continue to deteriorate, and will require extensive spot repairs. Also, surface drainage will continue to run down the pavement and continue to impact adjacent properties. These elements need to be replaced.

Recommendation:
The Council should accept the bid submitted for the Woodside/Norfolk Reconstruction Project by D C Transport & Excavating, Inc. of Kamas, Utah, in the amount of $ 3,998,436.22, and authorize the City Manager to sign the Construction Agreement with D C Transport & Excavating, Inc..

ATTACHMENTS: Construction Agreement

Project Bid Tabulation

CONSTRUCTION AGREEMENT

THIS AGREEMENT is made and entered into as of this 1st day of May, 2008, by and between PARK CITY MUNICIPAL CORPORATION, P O Box 1480, Park City UT 84060, a municipal corporation of the state of Utah (hereinafter "City"), and D C Transport & Excavating, Inc, of 3650 West Highway 248, Kamas, Utah 84036, (hereinafter "Contractor").

PURPOSE: For the project known as the Woodside/Norfolk Reconstruction 2008, (hereinafter "Project"), which consists of new sewer lines, new water lines, new storm drain, dry utility conduits, new rolled curb, new curb and gutter, and new asphalt paving on Woodside Avenue from 15th Street to 13th Street, on Norfolk Avenue from 13th Street to 8th Street, 13th Street from Park Avenue to Norfolk Avenue, 15th Street from Park Avenue to Woodside Avenue, and spot curb & gutter and sidewalk Walkability improvements on Park Avenue, Lucky John Drive, and at Olympic Welcome Plaza

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

SECTION 1. SCOPE OF WORK. Contractor shall furnish all labor, materials and equipment to complete the Project, consisting of the work described in the Information for Bidders as the Basic Bid, herein called the "Project."

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

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

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

The Contractor shall, within ten (10) days of submittal of request for final payment, include an affidavit showing satisfactory evidence that all claims of subcontractors, laborers and materialmen who supplied services or materials to the Project have been fully paid, discharged, or waived. The Contractor shall submit lien waivers for each pay release.

If the City reasonably believes that Contractor has failed to pay Subcontractors, materialmen, or laborers for work on the Project within a reasonable time of when payment is due, then City may, after having notified the Contractor, either pay unpaid bills or withhold from the release of Contractor's payment bond for this Project, a sum of money deemed reasonably sufficient to pay any and all such lawful claims until satisfactory evidence is furnished that all liabilities have been fully discharged and a ten percent (10%) fee for administering such claims.

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

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

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

D. WARRANTY. Contractor warrants that all materials and supplies used in the construction of the Project shall be new, except as otherwise agreed to in writing by the City's Representative. All materials, equipment, parts and labor and any necessary corrections to the Project shall be guaranteed for a period of one (1) year following the date of substantial completion of the Project under the terms of the performance bond.

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

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

The Contractor shall provide a Certificate of Insurance evidencing:

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

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

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

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

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

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

SECTION 4. CONTRACT AMOUNT, ACCEPTANCE OF WHOLE, ADDITIONS. City shall pay Contractor the total sum of Three Million, Nine Hundred Ninety Eight Thousand, Four Hundred Thirty Six and 22/100 Dollars ($ 3,998,436.22) ("Contract Amount") for all work and materials expended to complete this Project, which shall include the cost of all bonds, insurance, and all charges, fees, permits (including water and sewer fees, unless waived), expenses or assessments of whatever kind or character that are or may be necessary to complete this Project, including any additive alternates listed within the Scope of Work described in Section 1.

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

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

A. RETAINAGE. The City shall retain the final payment of up to five percent (5%) of the total project amount. As work nears completion, and solely at the City's discretion, the City may reduce the retainage to an amount more in line with the work remaining. The City reserves the right to retain all amounts previously withheld or due, including any liquidated damages, until all services specified herein are complete.

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

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

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

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

SECTION 7. COMPLETION TIME. The work on this Project shall commence within ten days of receipt of the Notice to Proceed and shall be completed by October 31, 2008. Work stoppage due to inclement weather conditions and other factors must be approved in writing by the Project Manager. Inclement weather shall not otherwise constitute cause for delay. Unless otherwise agreed by the City by Change Order, no damages shall become due to Contractor for City caused delay. A Change Order for delay will generally be accepted for delay so excessive and unreasonable that it is beyond the scope of the Contract or delay attributed to direct, active or willful interference by the City. The Change Order must be based upon actual damages sustained by the Contractor which are directly attributed to the delay.

In the event that Contractor fails to complete all of the work required herein within the time limit set out above, then for each partial or complete day during which the work remains uncompleted thereafter, the Contractor agrees to pay the City **Five Hundred Dollars ($500.00)**, which the parties believe, due to the difficulty of actually assessing the damages the City will suffer in the event of such a delay, is a fair estimate of the loss the City will suffer. The parties agree that the daily liquidated damages provided for herein is reasonable and fair, and is not a penalty. TIME IS OF THE ESSENCE IN THIS AGREEMENT.

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

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

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

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

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

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

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

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

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

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

D. If Contractor (1) shall become insolvent in a bankruptcy sense; (2) shall be generally not paying its debts as they become due, or within a reasonable time thereafter; (3) shall suffer, voluntarily or involuntarily, the entry of an order by any court or governmental authority authorizing the appointment of or appointing of a custodian (as that term is defined in 11 U.S.C. '101[10]), receiver, trustee, or other officer with similar powers with respect to it or any portion of its property which remains undismissed for a period of ninety (90) days; (4) shall suffer, voluntarily or involuntarily, with or without judicial or governmental authorization, any such custodian, receiver, trustee, or other officer with similar powers to take possession of any part of its property which third party remains in possession for an excess of ninety (90) days; (5) shall suffer, voluntarily or involuntarily, the filing of a petition respecting an assignment for the benefit of creditors which is not dismissed for a period of ninety (90) days; (6) shall be dissolved; (7) shall become the subject of any proceeding, suit, or action at law or in equity under or relating to any bankruptcy, reorganization or arrangement of debt, insolvency, readjustment of debt, receivership, liquidation, or dissolution law or statute or amendments thereto to be commenced by or against it or against any of its property which remains undismissed for a period of ninety (90) days; (8) shall voluntarily suspend substantially all of its business operations; (9) shall be merged with, acquired by, or otherwise absorbed by any individual, corporation, or other business entity or organization of any kind except for any individual corporation or other business entity or organization which is controlled by, controlling, or under common control with the Contractor; or (10) shall take action for the purpose of any of the foregoing, After serving ten (10) days written notice on the Contractor and its surety of its intention to terminate the services of Contractor, and if within ten (10) days after serving such notice, the violation is not corrected to City's reasonable satisfaction, the City then may take over the work and prosecute it to completion by contract or by any other method it may deem advisable at the expense of the Contractor. The Contractor and the bonding company shall be liable to the City for any reasonable cost occasioned by the City in excess of the amount agreed for the service herein.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

<u>SECTION 20. HOURS AND DAYS OF WORK</u>. All work performed by the Contractor, its subcontractors, material men, agents and employees shall be performed during work hours of 7:00 a.m. to 7:00 p.m. Monday through Saturday unless otherwise specified in a Conditional Use Permit or Construction Mitigation Plan. In individual Construction Mitigation Plans, the Building Official through the Project Manager, may further reduce the hours or days of work for Special Events or as other circumstances may reasonably warrant.

> **Extended Hours Special Permit**. The Building Official through the City Engineer, may authorize extended hours for construction operations or procedures which, by their nature, require continuous operation or modify or waive the hours of work on projects in generally isolated areas where the extended hours do not impact upon adjoining property occupants. In such cases, the Building Official through the City Engineer, shall issue a Special Permit identifying the extended hours. Contractor shall display the special permit on site.
>
> **Special Event Regulations**. The Building Official and/or Police Chief may, at their discretion, through the City Engineer, restrict construction activity, including governmental or special improvement agencies, in order to assure the public safety during special events within the City. Special events shall include, but not be limited to the Art Festival, Film Festival, ski events, and holiday events.

<u>SECTION 21. CONSTRUCTION MANAGEMENT PLANS</u>. Contractor shall submit a Construction Mitigation Plan through the city Engineer, to be approved by the Community Development Department, for all building permits. The Community Development Department may waive this requirement for minor remodels, additions and interior construction where the impact on adjacent property is minimal. This plan shall be written and shall address, to the satisfaction of the Community Development Department.

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

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

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

D. Construction Phasing. Due to the narrow streets, small lot configuration, topography, traffic circulation, weather, construction parking and material staging problems, projects in the Historic District and other areas of the City may be required to be phased.

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

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

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

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

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

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

No additional fee is required for this sign.

SECTION 22. TOILET FACILITIES AND CONTAINERIZED TRASH SERVICE REQUIRED.

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

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

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

SECTION 24. NONDISCRIMINATION.

A. The City is an equal opportunity employer.

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

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

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

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

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

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

Contractor: __________________________, or such other person designated in writing by the Contractor's chief administrative officer, at the Contractor's address set out first above;

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

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

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

PARK CITY MUNICIPAL CORPORATION

____
Dana Williams, Mayor

ATTEST:

____
City Recorder's Office

APPROVED AS TO FORM:

____
City Attorney's Office

CONTRACTOR:
D C Transporting & Excavating Inc.
3650 West Hwy. 248
Kamas, Utah 84036

____
Signator, Title

__273213-5501_________________
Utah Contract License No.

Corporate Acknowledgment

STATE OF UTAH)
) ss.
COUNTY OF SUMMIT)

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

____
Notary Public

CITY OF PARK CITY, UTAH

WOODSIDE/NORFOLK RECONSTRUCTION 2008

BID TABULATION

April 17, 2008

ITEM NO.	ITEM	UNIT	QUANT.	ENGINEER'S ESTIMATE UNIT PRICE	ENGINEER'S ESTIMATE TOTAL PRICE	D C Transport & Excavating UNIT PRICE	D C Transport & Excavating TOTAL PRICE	Granite Construction Co. UNIT PRICE	Granite Construction Co. TOTAL PRICE
	SCHEDULE A - GENERAL								
A1	Mobilization	l s	1	$ 120,000.00	$ 120,000.00	$ 163,570.00	$ 163,570.00	$ 183,000.00	$ 183,000.00
A2	Traffic Control and signing	l s	1	$ 50,000.00	$ 50,000.00	$ 196,153.00	$ 196,153.00	$ 225,000.00	$ 225,000.00
A3	Storm Water Management	ls	1	$ 30,000.00	$ 30,000.00	$ 58,480.00	$ 58,480.00	$ 136,000.00	$ 136,000.00
A4	Subsurface Probing	hrs	150	$ 175.00	$ 26,250.00	$ 387.00	$ 58,050.00	$ 172.00	$ 25,800.00
					$ 226,250.00		$ 476,253.00		$ 569,800.00
	BID SCHEDULE B - ROAD IMPROVEMENT								
B1	Demolition (Asphalt & Concrete)	sf	141000	$ 1.25	$ 176,250.00	$ 0.82	$ 115,620.00	$ 0.08	$ 11,280.00
B2	Subgrade Preparation	ls	1	$ 135,000.00	$ 135,000.00	$ 48,076.00	$ 48,076.00	$ 209,965.00	$ 209,965.00
B3	Structural Fill	cy	6000	$ 30.00	$ 180,000.00	$ 26.13	$ 156,780.00	$ 82.00	$ 492,000.00
B4	Flowable Fill Materials	cy	30	$ 108.00	$ 3,240.00	$ 168.13	$ 5,043.90	$ 150.00	$ 4,500.00
B5	Untreated Base Course	cy	3200	$ 50.00	$ 160,000.00	$ 24.18	$ 77,376.00	$ 62.00	$ 198,400.00
B6	6" Asphalt Pavement Section	sf	81550	$ 2.25	$ 183,487.50	$ 3.03	$ 247,096.50	$ 3.50	$ 285,425.00
B7	3" Asphalt Pavement Section	sf	14300	$ 1.15	$ 16,445.00	$ 1.87	$ 26,741.00	$ 1.80	$ 25,740.00
B8	30" Concrete Roll Gutter	lf	8110	$ 16.50	$ 133,815.00	$ 30.03	$ 243,543.30	$ 24.00	$ 194,640.00
B9	30" Concrete High Back Gutter	lf	180	$ 16.50	$ 2,970.00	$ 27.50	$ 4,950.00	$ 23.00	$ 4,140.00
B10	18" Concrete Outfall Curb & Gutter	lf	1790	$ 14.00	$ 25,060.00	$ 25.85	$ 46,271.50	$ 20.00	$ 35,800.00
B11	7" Conc. Sidewalk or Driveway	sf	10100	$ 5.20	$ 52,520.00	$ 5.45	$ 55,045.00	$ 6.50	$ 65,650.00
B12	4" Concrete Sidewalk	sf	12000	$ 4.10	$ 49,200.00	$ 3.58	$ 42,960.00	$ 5.00	$ 60,000.00
B13	48" Concrete Drain Gutter	sf	115	$ 6.00	$ 690.00	$ 39.60	$ 4,554.00	$ 14.00	$ 1,610.00
B14	Topsoil	sf	10000	$ 0.75	$ 7,500.00	$ 0.79	$ 7,900.00	$ 1.75	$ 17,500.00
B15	Sod Replacement	sf	1000	$ 3.00	$ 3,000.00	$ 1.38	$ 1,380.00	$ 1.50	$ 1,500.00
B16	Hydroseeding	sf	9000	$ 0.15	$ 1,350.00	$ 0.13	$ 1,170.00	$ 0.10	$ 900.00
B17	Survey Monuments	sf	3	$ 750.00	$ 2,250.00	$ 1,100.00	$ 3,300.00	$ 300.00	$ 900.00
B18	Retaining Walls	0	875	$ 35.00	$ 30,625.00	$ 33.00	$ 28,875.00	$ 54.00	$ 47,250.00
B19	Stripping	0	1	$ 3,000.00	$ 3,000.00	$ 2,750.00	$ 2,750.00	$ 700.00	$ 700.00
B20	Traffic Signs	0	34	$ 275.00	$ 9,350.00	$ 187.00	$ 6,358.00	$ 1,200.00	$ 40,800.00
					$1,175,752.50		$ 1,125,790.20		$ 1,698,700.00
	TOTAL								

CITY OF PARK CITY, UTAH

WOODSIDE/NORFOLK RECONSTRUCTION 2008

BID TABULATION

April 17, 2008

				ENGINEER'S ESTIMATE		D C Transport & Excavating		Granite Construction Co.	
ITEM				UNIT	TOTAL	`	TOTAL	UNIT	TOTAL
NO.	ITEM	UNIT	QUANT.	PRICE	PRICE	PRICE	PRICE	PRICE	PRICE
	BID SCHEDULE C - WATER SERVICE								
C1	Temporary Water Service	ls	1	$ 75,000.00	$ 75,000.00	$ 89,530.00	$ 89,530.00	$ 7,500.00	$ 7,500.00
C2	8" Water Main	lf	4360	$ 50.00	$ 218,000.00	$ 72.33	$ 315,358.80	$ 83.00	$ 361,880.00
C3	8 " Gate Valve	ea	36	$ 1,500.00	$ 54,000.00	$ 1,376.93	$ 49,569.48	$ 1,550.00	$ 55,800.00
C4	8" Water Wet Tap Sleeve	ea	2	$ 2,200.00	$ 4,400.00	$ 1,811.52	$ 3,623.04	$ 4,500.00	$ 9,000.00
C5	Connect to Existing Water Line	ea	9	$ 800.00	$ 7,200.00	$ 771.41	$ 6,942.69	$ 3,150.00	$ 28,350.00
C6	Fire Hydrants	ea	17	$ 5,500.00	$ 93,500.00	$ 3,859.77	$ 65,616.09	$ 6,320.00	$ 107,440.00
C7	Remove Fire Hydrant Assembly	ea	10	$ 850.00	$ 8,500.00	$ 550.00	$ 5,500.00	$ 2,600.00	$ 26,000.00
C8	Adjust Water Valve Box	ea	61	$ 400.00	$ 24,400.00	$ 605.00	$ 36,905.00	$ 300.00	$ 18,300.00
C9	4" Fire Line	lf	170	$ 45.00	$ 7,650.00	$ 73.50	$ 12,495.00	$ 60.00	$ 10,200.00
C10	4" Tee and Gate Valve	ea	8	$ 1,200.00	$ 9,600.00	$ 1,269.76	$ 10,158.08	$ 1,100.00	$ 8,800.00
C11	1 ½" Water Service Connection	ea	63	$ 1,000.00	$ 63,000.00	$ 910.27	$ 57,347.01	$ 1,500.00	$ 94,500.00
C12	2 " Water Service Connection	ea	13	$ 1,200.00	$ 15,600.00	$ 1,013.81	$ 13,179.53	$ 1,600.00	$ 20,800.00
C13	1 ½" Water Stub	ea	9	$ 800.00	$ 7,200.00	$ 1,115.32	$ 10,037.88	$ 1,650.00	$ 14,850.00
C14	2" Water Stub	ea	4	$ 900.00	$ 3,600.00	$ 1,322.35	$ 5,289.40	$ 1,890.00	$ 7,560.00
C15	¾" Water Meter Vault	ea	15	$ 1,500.00	$ 22,500.00	$ 1,770.13	$ 26,551.95	$ 1,100.00	$ 16,500.00
C16	1" Water Meter Vault	ea	2	$ 1,700.00	$ 3,400.00	$ 1,856.47	$ 3,712.94	$ 1,150.00	$ 2,300.00
C17	1 ½Water Meter Vault	ea	1	$ 2,500.00	$ 2,500.00	$ 3,596.88	$ 3,596.88	$ 3,000.00	$ 3,000.00
C18	2" Water Meter Vault	ea	1	$ 2,700.00	$ 2,700.00	$ 3,955.05	$ 3,955.05	$ 3,050.00	$ 3,050.00
C19	Dual ¾Water Meter Vault	ea	3	$ 3,000.00	$ 9,000.00	$ 3,129.41	$ 9,388.23	$ 3,400.00	$ 10,200.00
C20	Dual 1" Water Meter Vault	ea	1	$ 3,500.00	$ 3,500.00	$ 4,677.24	$ 4,677.24	$ 3,600.00	$ 3,600.00
C21	Dual 1 ½" Water Meter Vault	ea	1	$ 4,000.00	$ 4,000.00	$ 4,751.06	$ 4,751.06	$ 5,100.00	$ 5,100.00
C22	Dual 2" Water Meter Vault	ea	1	$ 4,500.00	$ 4,500.00	$ 5,100.15	$ 5,100.15	$ 5,400.00	$ 5,400.00
					$ 643,750.00		$ 743,285.50		$ 820,130.00
	BID SCHEDULE D - STORM DRAIN SYSTEM								
D1	18" RCP Storm Drain	lf	350	$ 55.00	$ 19,250.00	$ 50.66	$ 17,731.00	$ 62.00	$ 21,700.00
D2	15" RCP Storm Drain	lf	3285	$ 50.00	$ 164,250.00	$ 45.54	$ 149,598.90	$ 58.00	$ 190,530.00
D3	6" Storm Drain Lateral	lf	105	$ 80.00	$ 8,400.00	$ 27.24	$ 2,860.20	$ 77.00	$ 8,085.00
D4	Single Gutter Inlet Box	ea	37	$ 2,250.00	$ 83,250.00	$ 1,776.61	$ 65,734.57	$ 2,200.00	$ 81,400.00
D5	4X4 Gutter Inlet Box	ea	1	$ 3,000.00	$ 3,000.00	$ 2,593.00	$ 2,593.00	$ 2,700.00	$ 2,700.00
D6	Storm Drain Manhole	ea	5	$ 5,000.00	$ 25,000.00	$ 2,714.00	$ 13,570.00	$ 3,500.00	$ 17,500.00
D7	3X3 Area Drain	ea	1	$ 2,000.00	$ 2,000.00	$ 2,002.00	$ 2,002.00	$ 2,300.00	$ 2,300.00
D8	Storm Drain Manhole Adjust.	ea	6	$ 450.00	$ 2,700.00	$ 639.00	$ 3,834.00	$ 450.00	$ 2,700.00
D9	Storm Drain Inlet Adjustment	ea	39	$ 750.00	$ 29,250.00	$ 385.00	$ 15,015.00	$ 400.00	$ 15,600.00
D10	Structure or Manhole	ea	2	$ 900.00	$ 1,800.00	$ 550.00	$ 1,100.00	$ 3,000.00	$ 6,000.00
D11	Remove & Dispose Exist. Inlet	ea	2	$ 850.00	$ 1,700.00	$ 495.00	$ 990.00	$ 950.00	$ 1,900.00
					$ 340,600.00		$ 275,028.67		$ 350,415.00
	TOTAL								

CITY OF PARK CITY, UTAH

WOODSIDE/NORFOLK RECONSTRUCTION 2008

BID TABULATION

April 17, 2008

ITEM NO.	ITEM	UNIT	QUANT.	ENGINEER'S ESTIMATE UNIT PRICE	ENGINEER'S ESTIMATE TOTAL PRICE	D C Transport & Excavating UNIT PRICE	D C Transport & Excavating TOTAL PRICE	Granite Construction Co. UNIT PRICE	Granite Construction Co. TOTAL PRICE
	BID SCHEDULE E - SANITARY SEWER								
E1	Temporary Sewer Service	ls	1	$ 35,000.00	$ 35,000.00	$ 44,891.00	$ 44,891.00	$ 120,000.00	$ 120,000.00
E2	12" Sanitary Sewer Main PVC	lf	196	$ 75.00	$ 14,700.00	$ 84.11	$ 16,485.56	$ 70.00	$ 13,720.00
E3	10 " Sanitary Sewer Main DI	lf	178	$ 90.00	$ 16,020.00	$ 123.40	$ 21,965.20	$ 120.00	$ 21,360.00
E4	8" Sanitary Sewer Main PVC	lf	3915	$ 70.00	$ 274,050.00	$ 76.46	$ 299,340.90	$ 60.00	$ 234,900.00
E5	8" Sanitary Sewer Main DI	lf	100	$ 85.00	$ 8,500.00	$ 112.12	$ 11,212.00	$ 100.00	$ 10,000.00
E6	48" Sewer Manhole	ea	18	$ 3,000.00	$ 54,000.00	$ 2,564.49	$ 46,160.82	$ 3,400.00	$ 61,200.00
E7	60 " Sewer Manhole	ea	2	$ 5,000.00	$ 10,000.00	$ 3,655.00	$ 7,310.00	$ 4,100.00	$ 8,200.00
E8	Replace Sewer Manhole 2409-70	ls	1	$ 7,000.00	$ 7,000.00	$ 15,800.00	$ 15,800.00	$ 12,000.00	$ 12,000.00
E9	Inside Drop Manhole	ea	2	$ 6,500.00	$ 13,000.00	$ 486.00	$ 972.00	$ 4,500.00	$ 9,000.00
E10	Connect to Existing Manhole	ea	2	$ 1,500.00	$ 3,000.00	$ 825.00	$ 1,650.00	$ 900.00	$ 1,800.00
E11	MH 2416-51 Reconstruction	ea	1	$ 850.00	$ 850.00	$ 825.00	$ 825.00	$ 880.00	$ 880.00
E12	Manhole Grade Adjustment	ea	25	$ 750.00	$ 18,750.00	$ 639.00	$ 15,975.00	$ 450.00	$ 11,250.00
E13	6" PVC Sewer Lateral	lf	180	$ 82.50	$ 14,850.00	$ 61.00	$ 10,980.00	$ 70.00	$ 12,600.00
E14	6" PVC Solvent Weld Sewer Lateral	lf	20	$ 85.00	$ 1,700.00	$ 70.00	$ 1,400.00	$ 88.00	$ 1,760.00
E15	4" PVC Sewer Lateral	lf	2004	$ 80.00	$ 160,320.00	$ 63.31	$ 126,873.24	$ 63.00	$ 126,252.00
E16	4" PVC Solvent Weld Sewer	lf	65	$ 80.00	$ 5,200.00	$ 180.38	$ 11,724.70	$ 82.00	$ 5,330.00
E17	6" PVC Sewer Lateral	lf	90	$ 50.00	$ 4,500.00	$ 62.99	$ 5,669.10	$ 75.00	$ 6,750.00
E18	4" PVC Sewer Lateral	lf	510	$ 48.00	$ 24,480.00	$ 61.60	$ 31,416.00	$ 73.00	$ 37,230.00
E19	4" PVC Sewer Lateral Connection	lf	18	$ 45.00	$ 810.00	$ 72.04	$ 1,296.72	$ 73.00	$ 1,314.00
E20	4" PVC Solvent Weld Sewer	lf	36	$ 45.00	$ 1,620.00	$ 64.83	$ 2,333.88	$ 83.00	$ 2,988.00
E21	Sewer Lateral Cleanout	ea	10	$ 150.00	$ 1,500.00	$ 1,858.24	$ 18,582.40	$ 900.00	$ 9,000.00
E22	Trench Dike	ea	5	$ 150.00	$ 750.00	$ 1,100.00	$ 5,500.00	$ 1,500.00	$ 7,500.00
E23	Abandon Sewer Manhole	ea	6	$ 800.00	$ 4,800.00	$ 779.00	$ 4,674.00	$ 850.00	$ 5,100.00
E24	Remove and Dispose Manhole	ea	8	$ 1,200.00	$ 9,600.00	$ 976.00	$ 7,808.00	$ 1,600.00	$ 12,800.00
E25	Abandon Exist. Sewer Main	lf	2400	$ 3.50	$ 8,400.00	$ 7.34	$ 17,616.00	$ 6.50	$ 15,600.00
E26	Re-stack Existing Manhole	ea	2	$ 800.00	$ 1,600.00	$ 1,100.00	$ 2,200.00	$ 892.00	$ 1,784.00
					$ 695,000.00		$ 730,661.52		$ 750,318.00
	TOTAL						-		

CITY OF PARK CITY, UTAH

WOODSIDE/NORFOLK RECONSTRUCTION 2008

BID TABULATION

April 17, 2008

ITEM NO.	ITEM	UNIT	QUANT.	ENGINEER'S ESTIMATE UNIT PRICE	ENGINEER'S ESTIMATE TOTAL PRICE	D C Transport & Excavating UNIT PRICE	D C Transport & Excavating TOTAL PRICE	Granite Construction Co. UNIT PRICE	Granite Construction Co. TOTAL PRICE
	BID SCHEDULE F - DRY UTILITY CONDUITS								
F1	Dry Utility Trench	lf	7800	$ 45.00	$ 351,000.00	$ 19.69	$ 153,582.00	$ 20.00	$ 156,000.00
F2	6" Elect. Conduit, NEMA TC 2	lf	14254	$ 9.50	$ 135,413.00	$ 5.23	$ 74,548.42	$ 5.50	$ 78,397.00
F3	3" Elect. Conduit, NEMA TC 2	lf	22000	$ 7.30	$ 160,600.00	$ 2.19	$ 48,180.00	$ 2.25	$ 49,500.00
F4	6" Elect. 90º Sweep, Galvanized Steel	ea	78	$ 630.00	$ 49,140.00	$ 295.52	$ 23,050.56	$ 310.00	$ 24,180.00
F5	3" Elect. 90º Sweep, Galvanized Steel	ea	60	$ 180.00	$ 10,800.00	$ 40.10	$ 2,406.00	$ 40.00	$ 2,400.00
F6	6" Elect. 45º Sweep, Galvanized Steel	ea	30	$ 630.00	$ 18,900.00	$ 269.56	$ 8,086.80	$ 285.00	$ 8,550.00
F7	3" Elect. 45º Sweep, Galvanized Steel	ea	10	$ 180.00	$ 1,800.00	$ 37.13	$ 371.30	$ 38.00	$ 380.00
F8	Concrete Power Vault, 8X8	ea	5	$ 12,600.00	$ 63,000.00	$ 9,098.00	$ 45,490.00	$ 9,700.00	$ 48,500.00
F9	4" Telephone Conduit, Schedule 40 PVC	lf	7792	$ 7.30	$ 56,881.60	$ 2.97	$ 23,142.24	$ 3.00	$ 23,376.00
F10	4" Telephone Sweep, Schedule 40 PVC	ea	10	$ 80.00	$ 800.00	$ 9.00	$ 90.00	$ 9.75	$ 97.50
F11	Concrete Communication Manhole - 4X6	ea	11	$ 8,000.00	$ 88,000.00	$ 3,983.38	$ 43,817.18	$ 4,000.00	$ 44,000.00
F12	2" CATV Conduit, Schedule 40 PVC	lf	15584	$ 3.90	$ 60,777.60	$ 12.74	$ 198,540.16	$ 1.25	$ 19,480.00
F13	2" CATV Sweep, Schedule 40 PVC	ea	20	$ 50.50	$ 1,010.00	$ 1.78	$ 35.60	$ 1.75	$ 35.00
F14	Concrete CATV Manhole - 5 " Diameter	ea	11	$ 6,000.00	$ 66,000.00	$ 2,243.37	$ 24,677.07	$ 2,350.00	$ 25,850.00
F15	1" Street Light Conduit, Schedule 40 PVC	lf	2000	$ 3.40	$ 6,800.00	$ 0.70	$ 1,400.00	$ 0.70	$ 1,400.00
	SUB TOTAL				$1,070,922.20		$ 647,417.33		$ 482,145.50
	BID SCHEDULE A				$ 226,250.00		$ 476,253.00		$ 569,800.00
	BID SCHEDULE B				$1,175,752.50		$ 1,125,790.20		$ 1,698,700.00
	BID SCHEDULE C				$ 643,750.00		$ 743,285.50		$ 820,130.00
	BID SCHEDULE D				$ 340,600.00		$ 275,028.67		$ 350,415.00
	BID SCHEDULE E				$ 695,000.00		$ 730,661.52		$ 750,318.00
	BID SCHEDULE F				$1,070,922.20		$ 647,417.33		$ 482,145.50
	TOTAL				$4,152,274.70		$ 3,998,436.22		$ 4,671,508.50

City Council Staff Report

Subject: Water Service Agreement
Author: Deputy City Attorney
Department: Public Works / Legal
Date: May 1, 2008
Type of Item: Administrative

Summary Recommendations:
Authorize the Mayor to execute the attached draft Water Service Agreement.

Topic/Description:
Water Service Agreement between Intermountain Healthcare ("IHC"), United States Ski and Snowboard Association ("USSA") and Park City Municipal Corporation ("Park City").

Background:
Park City on entered into an Annexation Agreement with IHC and USSA on January 1, 2008. The Annexation Agreement provided for the execution of a subsequent agreement to implement paragraphs 8, 9, and 10 of the Annexation Agreement. Paragraphs 8, 9, and 10 addressed generally the means by which Park City would provide water to the IHC hospital and USSA campus currently under construction at Quinn's Junction. Since entering into the Annexation Agreement, Park City staff has refined the projected water demand created by IHC and USSA and has identified ways by which IHC, USSA, and Park City may benefit from development of the water delivery system.

Analysis:
The attached draft Water Service Agreement sets a cost per Equivalent Residential Unit ("ERU"), as that term is defined in Park City's water impact fee ordinance, for the projected demand for water associated with the development of the IHC / USSA campus. The Annexation Agreement provides for the payment of $16,000 per ERU. The draft Water Service Agreement identifies the total water demand associated with the IHC / USSA project to be 71.4 ERU's. This amounts to a payment of $1,142,680 by IHC and USSA to Park City. IHC has paid Park City $1,102,800, and will pay $39,880 upon execution of the Water Service Agreement.

In addition to providing culinary water to the IHC / USSA project just as Park City does with other water users within the Park City Water Service District, Park City has agreed to provide to the IHC hospital up to 3,000 gallons of water per minute for up to three hours from a separate, redundant source in the event Park City is unable to provide culinary water to the hospital from its water delivery system. This water is defined as "Emergency Water" in the draft Water Service Agreement. IHC has agreed to pay $800,000 to Park City for the development of the separate, redundant source. If Park City is unable to develop the redundant source to the point that it is able to deliver the Emergency Water to the hospital by March 1, 2009, Park City will reimburse $700,000 to IHC (the $100,000 difference is due to $100,000 worth of infrastructure that IHC will use for the delivery of culinary water exclusive of the Emergency Water). If Park City is unable to develop the redundant source by March 31, 2009 – or if Park City is unable to provide the culinary water or Emergency Water at anytime subsequent to March 1, 2009 - IHC has the right to identify a different source and Park City agrees to connect that source to its water delivery system. (Note: The March 31, 2009 deadline may be extended if the development of the Emergency Water source is imminent and the extension will not impact IHC's ability to receive a temporary or permanent certificate of occupancy). While there may be costs to IHC associated with the connection to the alternate redundant source, there will be no additional fees charged for the use of city infrastructure or facilities constructed within the IHC property.

IHC has also agreed to contribute financially to the upgrade of the Fairway Hills pump station. While the final cost of the upgrade is not yet known, it is estimated that IHC's contribution will be $33,000.

Department Review:
This staff report and the attached draft Water Service Agreement have been reviewed by Executive, Legal, Public Works, Planning, Building, and Gary Hill.

Alternatives:

A. **Approve the Request:**
This is the recommended action.

B. **Deny the Request:**
This in not recommended.

C. **Continue the Item:**
This is not recommended.

D. **Do Nothing:**
This is not recommended.

Significant Impacts:
The Annexation Agreement provided for the subsequent execution of a water service agreement. While the Annexation Agreement expressly stated that Park City would not have any responsibility to provide emergency water to the IHC project, the attached draft Water Service Agreement obligates Park City to develop the emergency water source. Park City staff is recommending that the city accept that obligation because IHC is paying $800,000 for it and it is infrastructure that the city may one day use to deliver additional water to the city. The execution of the attached agreement allows the continued construction of the IHC / USSA projects.

Consequences of not taking the recommended action:
Construction of the IHC / USSA campus would be delayed and the hospital would not open as scheduled. Park City could be exposed to liability for damages stemming from the failure to enter into an implementing agreement as provided in the Annexation Agreement.

Recommendation:
Authorize the Mayor to execute the attached draft Water Service Agreement.

Template 7.07

WATER SERVICE AGREEMENT

This WATER SERVICE AGREEMENT (the "Agreement") is made and entered into as of the ___ day of ________, 2008, by and between PARK CITY MUNICIPAL CORPORATION, a political subdivision of the State of Utah (the "City") and IHC HEALTH SERVICES, INC., a Utah nonprofit corporation ("Intermountain Healthcare") (individually, a "Party" and, collectively, the "Parties").

RECITALS

A. Intermountain Healthcare is the owner of that certain real property located in Summit County, State of Utah, as more particularly described and shown in attached Exhibit "A" (the "Intermountain Healthcare Property"); and

B. The Intermountain Healthcare Property will be further subdivided by that certain Amended Subdivision Plat for the Intermountain Healthcare Park City Medical Campus/USSA Headquarters and Training Facility Subdivision, to be recorded in the official real estate records of Summit County, Utah (the "Amended Subdivision Plat"), a copy of which is attached as Exhibit "B;" and

C. The City and Burbs, L.L.C., a Utah limited liability company ("Burbs") entered into that certain Annexation Agreement, dated January 1, 2007, as acknowledged and consented to by Intermountain Healthcare (the "Annexation Agreement"), under which the City agreed to annex certain lands including the Intermountain Healthcare Property into the corporate limits of the City and extend municipal services to the Intermountain Healthcare Property; and

D. Under the Annexation Agreement, the City and Burbs (or, as specified in connection with any assignment of the Annexation Agreement, its assigns) agreed to enter into one or more separate agreements for the purpose of implementing Sections 8, 9, and 10 of the Annexation Agreement relating to, among other matters, the "Water Cost" and the "Water Facilities and Systems" (each as defined in the Annexation Agreement and as further defined in this Agreement); and

E. Pursuant to that certain Assignment and Assumption of Certain Annexation Agreement Obligations and Supplemental Agreement dated January 23, 2007 (the "Assignment"), Burbs assigned its obligations and benefits under the Annexation Agreement to Intermountain Healthcare exclusive to, or necessary for, Intermountain Healthcare's ownership, use, occupancy and/or development of the Intermountain Healthcare Property and, in that connection, Intermountain Healthcare assumed certain obligations under the Annexation Agreement relating to the Water Cost and the Water Facilities and Systems; and

F. The Parties wish to enter into this Agreement for the purpose of implementing Sections 8, 9, and 10 of the Annexation Agreement relating to the foregoing and the subject of this Agreement and, as and to the extent specified herein, to amend and supplement the Annexation Agreement;

AGREEMENT

NOW, THEREFORE, to these ends and in consideration of the terms and conditions of this Agreement, as well as the mutual benefits to be derived herefrom, the Parties agree as follows:

1. Primary Water Supply and Source; Primary Water Supply Allocations; ERU's. No later than March 1, 2009, the City shall and hereby agrees to provide such (a) culinary water, water rights, source capacity and/or water systems (the "Essential Water Supply") and (b) irrigation water, water rights, source capacity and/or water systems (the "Non-Essential Water Supply"), as required by Intermountain Healthcare or the United States Ski and Snowboard Association ("USSA"), as the case may be, with respect to the Intermountain Healthcare Property or the "USSA Property" (as defined in the Annexation Agreement), respectively, and necessary, appropriate, suitable, and sufficient to meet the

projected peak daily water demand for the use and development of, as the case may be, the Intermountain Healthcare Property and/or the USSA Property (collectively, the "Primary Water Supply"), which the Parties understand, acknowledge and agree shall not exceed (c) 105,516 gallons per day for the health care, medical support and related facilities on the Intermountain Healthcare Property and (d) 8,759 gallons per day for the administrative, athlete-training and related educational facilities on the USSA Property. Attached as Exhibit "C," with reference to the lots identified within the Amended Subdivision Plat, is a spreadsheet, which, for the USSA Property and the initial phase of the development of the Intermountain Healthcare Property, shows the Equivalent Residential Unit ("ERU") calculations contemplated by the Annexation Agreement and under this Agreement. As indicated in Exhibit "C," the ERUs for the Intermountain Healthcare Property will be used in connection with the development of Lots 1, 6, 7, and/or 8 (or other subdivided lots within Lots 1 and/or 8) and, except as otherwise specified in this Agreement or the Annexation Agreement (or agreed by the City), the City shall have no further obligations to provide any water, water rights, source capacity and/or water systems to the Intermountain Healthcare Property or the USSA Property.

2. Emergency Water Supply and Source. Notwithstanding any term or condition of the Annexation Agreement, no later than March 31, 2009, the City, at its sole cost and expense (subject to Paragraph 5, below), shall and hereby agrees to provide such emergency water, water rights, source capacity and/or systems as shall be required by Intermountain Healthcare and necessary, appropriate, suitable, and sufficient for the use and development of the health care, medical support and related facilities on or about the Intermountain Healthcare Property, which the Parties understand, acknowledge and agree shall not exceed 3,000 gallons per minute for not less than a three (3) hour period, per occurrence (in any such case, the "Emergency Water Supply"). The Parties agree that the March 31, 2009 deadline may be extended by written agreement in the event that the Parties, in their respective and sole discretion, acknowledge and agree that (a) the development of the Emergency Water Supply Source and the completion of the Emergency Water Supply Water Facilities and Systems are imminent and (b) any such extension will not delay or condition the issuance of any temporary or permanent certificate of occupancy or any other license or permit necessary or appropriate for the use, occupancy or development of the Intermountain Healthcare Property.

3. Fairway Hills Pump Station Upgrade. In furtherance of the City's obligations under this Agreement and the Annexation Agreement, the City shall and hereby agrees to take or cause to be taken such actions as may be necessary or appropriate to upgrade certain water distribution facilities located in the City and generally known as the Fairway Hills Pump Station (on or about the location shown on attached Exhibit "D") and, thereby, make the Fairway Hills Pump Station adequate and sufficient for the delivery of the Primary Water Supply (the "Fairway Hills Pump Station Upgrade"). At least thirty (30) days prior to the commencement of any such construction or installation at the Fairway Hills Pump Station, the City shall provide Intermountain Healthcare with copies of any and all plans and specifications for, together with the projected commencement and completion dates and the estimated costs and expenses of, the Fairway Hills Pump Station Upgrade. In this connection, the Parties understand, and the City confirms, that the estimated cost of the Fairway Hills Pump Station Upgrade is THIRTY-THREE THOUSAND TWO HUNDRED SIXTY-SIX AND NO/100 DOLLARS ($33,266) (the "Fairway Hills Pump Station Upgrade Costs").

4. Water Facilities, Infrastructure and Water System Costs; Related Matters. The Parties further agree that:

a. Subject to the terms and conditions of the Annexation Agreement and this Agreement, unless otherwise agreed in writing, Intermountain Healthcare shall submit all required plans and specifications to the City for approval and, thereafter, shall construct and install such approved City Water Facilities and Systems on the Intermountain Healthcare Property, at its cost, as and to the extent necessary for the delivery of the Primary Water Supply (the "Primary Water Supply Water Facilities and Systems Costs").

b. Subject to the terms and conditions of the Annexation Agreement and this Agreement, unless otherwise agreed in writing, Intermountain Healthcare shall submit all required plans and specifications to the City for approval and, thereafter, shall construct and install the City Water Facilities and Systems on the Intermountain Healthcare Property, at its cost, as and to the extent necessary for the delivery of the Emergency Water Supply (the "Emergency Water Supply Water Facilities and Systems Costs" and, together with the Primary Water Supply Water Facilities and Systems Costs, collectively, the "Water Facilities and Systems Costs").

c. Notwithstanding any other term or condition of the Annexation Agreement, in the event (and as and to the extent) the City shall design, construct and install any part or all of the City Water Facilities and Systems necessary for the Primary Water Supply or the Emergency Water Supply, as the case may be, whether within or without the Intermountain Healthcare Property, then, at least thirty (30) days prior to the commencement of any such construction or installation, the City shall make available to Intermountain Healthcare with copies of any and all plans and specifications for, together with the projected commencement and completion dates and the estimated costs and expenses of, any such City Water Facilities and Systems.

d. The City and Intermountain Healthcare further agree that, in connection with the construction of the "Main Access Roadway" (as defined in the Annexation Agreement) to the Intermountain Healthcare Property from Highway 248, Intermountain Healthcare shall, at the City's sole cost and expense, extend the City's water pipeline from the boundary line of the Intermountain Healthcare Property to the City's existing water system north of Highway 248, located on the City's property adjacent to the Intermountain Healthcare Property and south of the Intermountain Healthcare Property, as necessary for the delivery of the Emergency Water Supply (generally, as shown on attached Exhibit "E," the "Line Extension").

5. Water Cost Payment; Emergency Water Supply Source Cost Payment; Fairway Hills Pump Station Upgrade Costs Payment; and Line Extension Payment Reimbursement. The Parties agree that, pursuant to the terms of the Annexation Agreement and this Agreement:

a. Intermountain Healthcare (i) has paid to the City, and the City confirms, acknowledges and agrees that Intermountain Healthcare has paid to the City, in the aggregate, ONE MILLION ONE HUNDRED TWO THOUSAND EIGHT HUNDRED AND NO/100 DOLLARS ($1,102,800) and (ii) shall pay to the City, within twenty (20) business days following the execution and delivery of this Agreement, THIRTY-NINE THOUSAND EIGHT HUNDRED EIGHTY AND NO/DOLLARS ($39,880) (the two payments being, together, the "Water Cost") in full and complete satisfaction of each of Intermountain Healthcare's and USSA's (v) share of any capital costs incurred by the City through the Snyderville Importation Project or otherwise for the Intermountain Healthcare Peak Water Demand or the "USSA Peak Water Demand" (as defined in the Annexation Agreement), (w) share of any water share acquisition costs for water from the Weber Basin Water Conservancy District or otherwise for the Intermountain Healthcare Peak Water Demand or the USSA Peak Water Demand, (x) share of any water treatment costs based on, or arising from, the "Intermountain Healthcare Peak Water Demand" or the "USSA Peak Water Demand" (as defined in the Annexation Agreement), (y) obligation for any City water impact fees for the Intermountain Healthcare Property, the USSA Property, the USSA Peak Water Demand, and/or the Intermountain Healthcare Peak Water Demand, and (z) obligation for any City water connection impact fees associated with, or relating to, the use and development of the Intermountain Healthcare Property or the USSA Property, whether under the Annexation Agreement or otherwise. As provided in the Annexation Agreement, the Water Cost was determined based on a payment of SIXTEEN THOUSAND AND NO/100 DOLLARS ($16,000) per ERU and the peak water demand figures submitted to the City by Intermountain Healthcare and USSA, at the City's request, and the City's calculations, and confirmation, that the number of ERUs for the Intermountain Healthcare Property and the USSA Property is, in the aggregate, equivalent to 71.4175 (see attached Exhibit "C").

b. Intermountain Healthcare shall pay the City, in the aggregate, EIGHT HUNDRED THOUSAND AND NO/100 DOLLARS ($800,000), in full and complete satisfaction of all of the costs associated with the Emergency Water Supply (the "Emergency Water Supply Source Cost"). Intermountain Healthcare shall pay SEVEN HUNDRED THOUSAND AND NO/100 DOLLARS ($700,000) of the Emergency Water Supply Source Cost to the City within twenty (20) business days following the execution and delivery of this Agreement. The balance of the Emergency Water Supply Source Cost shall be paid to the City upon completion of the Emergency Water Supply Water Facilities and Systems serving the Intermountain Healthcare Property and issuance of the occupancy permit for the medical and related support facilities to be constructed on the Intermountain Healthcare Property; provided that, notwithstanding the foregoing, the balance of the Emergency Water Supply Source Cost shall be reduced by an amount equal to the costs and expenses for the construction and installation of the Line Extension, as contemplated under subparagraph 4(d), above.

c. Intermountain Healthcare shall pay to the City the Fairway Hills Pump Station Upgrade Costs within twenty (20) business days following completion of the Fairway Hills Station Upgrade (together with reasonably satisfactory confirmation thereof), and receipt from the City of a notice of reimbursement, together with reasonably satisfactory evidentiary documentation of the actual costs incurred by the City in connection with the construction of the Fairway Hills Pump Station Upgrade and for which Intermountain Healthcare shall be liable hereunder.

6. Emergency Water Supply Source Cost-Remedies; Alternate Water Supply Source. If the City fails to provide the Emergency Water Supply on or before March 31, 2009, Intermountain Healthcare shall have the right to be reimbursed by the City in the amount of SEVEN HUNDRED THOUSAND AND NO/100 DOLLARS ($700,000) within twenty (20) business days following written demand therefore by Intermountain Healthcare. If at any time subsequent to March 31, 2009, the Essential Water Supply or the Emergency Water Supply shall not be ready, accessible, available, suitable, and/or sufficient to meet the demand required with reference to the ERU's as set forth in Exhibit "C" to this Agreement, then, in such event, Intermountain Healthcare shall have the right and option, but not the obligation, to secure all or any part of the Essential Water Supply or the Emergency Water Supply (in any such case, the "Alternate Water Supply") from any other person, entity, source or party (an "Alternate Water Supply Source"). The Parties agree that the March 31, 2009 deadline may be extended by written agreement in the event that the Parties, in their respective and sole discretion, acknowledge and agree that (a) the development of the Emergency Water Supply Source and the completion of the Emergency Water Supply Water Facilities and Systems are imminent and (b) any such extension will not delay or condition the issuance of any temporary or permanent certificate of occupancy or any other license or permit necessary or appropriate for the use, occupancy or development of the Intermountain Healthcare Property. Further, in any such event, as and to the extent necessary for any such Alternate Water Supply Source to provide any Alternate Water Supply to the Intermountain Healthcare Property, the City shall and hereby agrees to allow the Alternate Water Supply Source to connect to and, at no additional charge, cost or expense, utilize the City's Water Facilities and Systems within the Intermountain Healthcare Property as and to the extent may be reasonably necessary or appropriate for the delivery of any such Alternate Water Supply and to ensure that the Alternate Water Supply, as and when required, shall be ready, accessible, available, suitable, and/or sufficient to meet the demand required with reference to the ERU's as set forth in Exhibit "C".

7. Annexation Agreement; Integration. Except as specified in this Agreement or as may be otherwise agreed in writing by the Parties, all terms and conditions of the Annexation Agreement remain in full force and effect.

8. Miscellaneous. The Parties further agree as follows:

a. Binding Terms; Entire Agreement. The terms, covenants and conditions herein contained shall be binding upon and inure to the benefit of the successors, transferees and assigns of the Parties. This Agreement and the exhibits attached hereto constitute the entire agreement between the

Parties hereto with respect to the subject matter hereof, incorporates all prior agreements, and may only be modified by a subsequent writing duly executed by the Parties.

b. No Public Dedication. Nothing contained in this Agreement shall, or shall be deemed to, constitute a gift or dedication of any part of the Intermountain Healthcare Property to the general public or for the benefit of the general public or for any public purpose whatsoever, it being the intention of the Parties that this Agreement will be strictly limited to and for the purposes expressed herein.

c. Waivers. No waiver of any of the provisions of this Agreement shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver be a continuing waiver. Except as expressly provided in this Agreement, no waiver shall be binding unless executed in writing by the Party making the waiver. Either Party may waive any provision of this Agreement intended for its benefit; provided, however, that any such waiver shall in no way excuse the other Party from the performance of any of its other obligations under this Agreement.

d. Interpretation; Recitals. This Agreement shall be interpreted and construed only by the contents hereof, and there shall be no presumption or standard of construction in favor of or against either Party. The recitals stated above and the exhibits attached to this Agreement shall be and hereby are incorporated in and an integral part of this Agreement by this reference.

e. Governing Law; Captions. This Agreement shall be construed and enforced in accordance with, and governed by, the law of the State of Utah. The captions in this Agreement are for convenience only and do not constitute a part of the provisions hereof.

f. Applicability. If any term or provision of this Agreement or the application of it to any person, entity or circumstance shall to any extent be invalid and unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby, and each term and provision of this Agreement shall be valid and shall be enforced to the extent permitted by law.

g. Authority; Further Assurances. Each Party hereto represents and warrants that it has the requisite corporate power and authority to enter into and perform this Agreement and that, to their respective, current, actual knowledge, the same will not contravene or result in the violation of any agreement, law, rule, or regulation to which any such Party may be subject. Each Party to this Agreement shall use reasonable efforts and exercise reasonable diligence to accomplish and effect the transactions contemplated and, to that end, shall execute and deliver all such further instruments and documents as may be reasonably requested by the other Party in order to fully carry out the transactions contemplated by this Agreement.

h. No Third Party Beneficiaries. Nothing in this Agreement is intended to or shall create an enforceable right, claim or cause of action by any third person, entity or party against any Party to this Agreement.

i. Counterparts; No Recording. This Agreement may be executed by facsimile and in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may not be recorded in the official real estate records of Summit County, Utah, or elsewhere, without the express, written consent of the Parties.

j. *Force Majeure*. If any Party is delayed or prevented from performance of any act required hereunder by reason of a "*force majeure*" event, and such Party is otherwise without fault, then performance of such act shall be excused for the period of the delay. For purposes of this Agreement, "*force majeure*" shall mean any delay caused by acts of nature or the elements, acts of terrorism, weather, avalanche, fire, earthquake, flood, explosion, war, invasion, insurrection, riot, malicious mischief, vandalism, including without limitation, except with respect to the City, governmental or regulatory action or inaction, beyond the control of the Party claiming "*force majeure*" or any other person or entity delayed.

k. Notices. Unless otherwise designated in writing, all notices, demands and other communications under this Agreement shall be in writing and mailed by first class registered or certified mail, postage prepaid, sent by receipted hand delivery, sent by nationally-recognized, overnight courier, sent by confirmed facsimile and, in any case, shall be addressed as set forth in the Annexation Agreement for each such Party (or their legal counsel).

l. Relationship of Parties; Limitation of Liability. Nothing herein contained shall be deemed or construed as creating a relationship of principal and agent, partnership or joint venture between the parties, it being agreed that neither any provision contained herein, nor any acts of the Parties hereto shall be deemed to create any relationship between the Parties except as otherwise specified in this Agreement.

m. Remedies Cumulative; No Waiver; Injunctive Relief. The various rights and remedies herein contained and reserved to each of the Parties shall not be considered as exclusive of any other right or remedy of such Party, but shall be construed as cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity, or by statute. No delay or omission of the right to exercise any power by either Party shall impair any such right or power, or be construed as a waiver of any default or as acquiescence therein. Further, the Parties agree and acknowledge that a nondefaulting Party may not have an adequate remedy at law by reason of any breach of default of the terms or conditions of this Agreement and, as such, the nondefaulting Party shall be entitled to injunctive or similar relief from any breach or anticipated or threatened breach of this Agreement by the other Party, in addition to and without waiver of any other remedies available at law or in equity.

DATED as of the ___ day of _________, 2008.

[signatures on following page]

PARK CITY MUNICIPAL CORPORATION,
a political subdivision of the State of Utah

By: ______________________________________
Dana Williams, Mayor

Dated this ______ day of ____________, 2008.

ATTEST:

____
Janet Scott, City Recorder

Dated this ______ day of __________, 2008.

APPROVED AS TO FORM:

____
Thomas A. Daley, Sr., Deputy City Attorney

Dated this ______ day of __________, 2008.

IHC HEALTH SERVICES, INC.,
a Utah nonprofit corporation

By: ______________________________________
Print Name: _______________________________
Its: _______________________________________

Dated this ______ day of __________, 2008.

ACKNOWLEDGED AND CONSENTED TO, as of the ____ day of __________, 2008, by:

UNITED STATES SKI AND SNOWBOARD ASSOCIATION,
a Utah nonprofit organization

By: ______________________________________
Print Name: _______________________________
Its: _______________________________________

Dated this ______ day of __________, 2008.

Exhibit “A”

(Legal Description of Intermountain Healthcare Property)

Property located in Summit County, Utah, more particularly described as follows:

Lot Nos. 1 and 2 of the Intermountain Healthcare Park City Medical Campus/USSA Headquarters and Training Facility Subdivision, as shown on the Intermountain Healthcare Park City Medical Campus/USSA Headquarters and Training Facility Subdivision Plat, recorded on January 23, 2007, as Entry No. 802749, at Book 1843, Pages 384, in the official real estate records of Summit County, Utah.

SUBJECT TO ANY AND ALL CONDITIONS, RESTRICTIONS, EASEMENTS, AND ENCUMBRANCES A MATTER OF PUBLIC RECORD OR DISCLOSED BY A PHYSICAL INSPECTION AND/OR SURVEY OF THE INTERMOUNTAIN HEALTHCARE PROPERTY.

Subdivision Plat for the Intermountain Healthcare Park City Medical Campus / USSA Headquarters and Training Facility

A part of the West 1/2 of Section 35, T1S, R4E, Salt Lake Base & Meridian, U.S. Survey Park City, Summit County, Utah

Scale 1" = 200'

Graphic Scale

LEGEND

- ▲ Set Nail in Curb
- ● Set 5/8"ø Rebar (24" Long) & Cap w/ Fencepost
- ○ Found Rebar & cap w/ Fencepost
- • Found Rebar & Cap
- ■ Set Hub & Tack
- Exist. Right of Way Monument

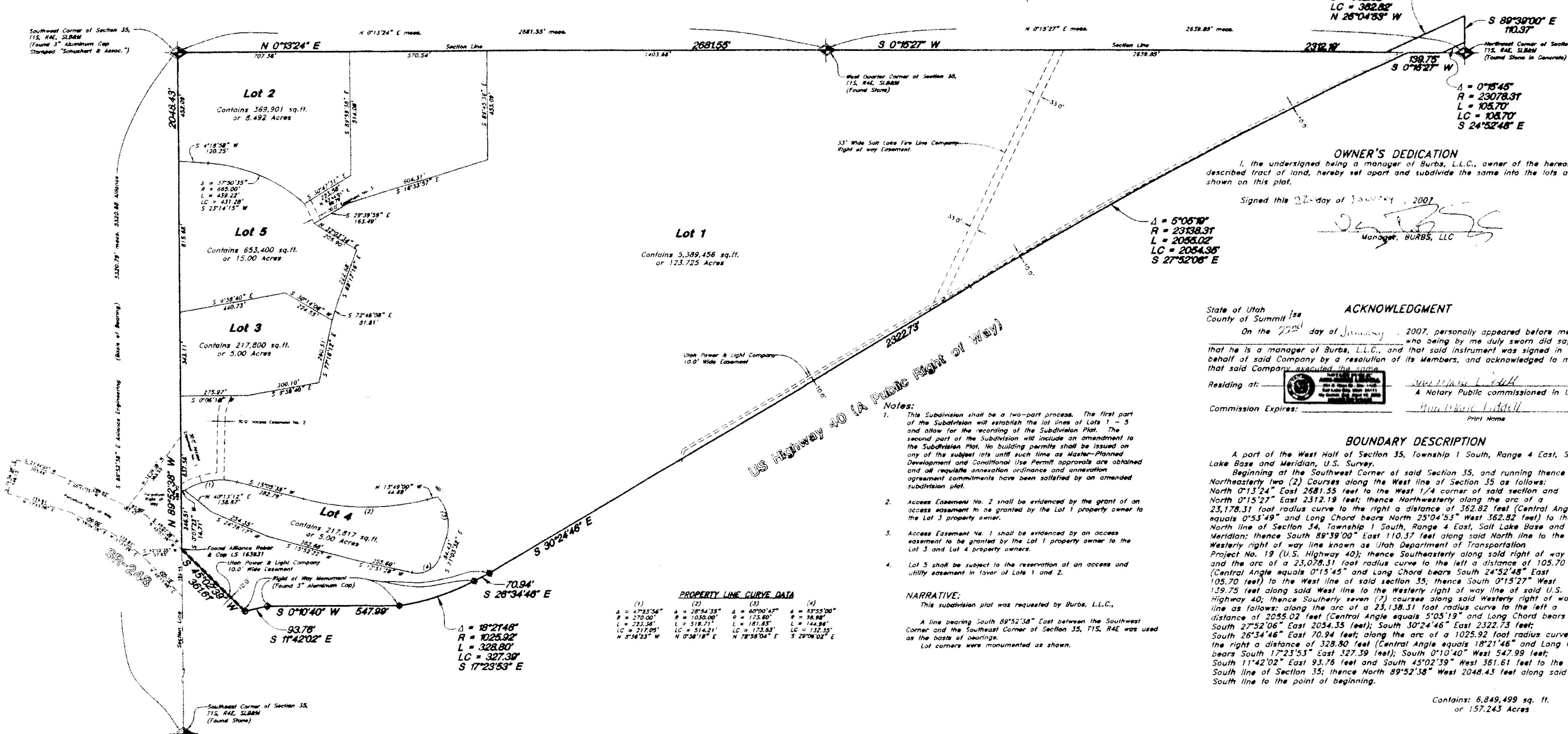
SURVEYOR'S CERTIFICATE

I, Mark E. Bobbitt, a Registered Professional Land Surveyor in the State of Utah, do hereby certify that this subdivision plat of the Intermountain Healthcare Park City Medical Campus / USSA Headquarters and Training Facility, in Park City, Summit County, Utah has been correctly drawn to the designated scale and is a true and correct representation of the following description of lands included in said subdivision.

Signed this 18th day of January, 2007.

166484 — License No.

Mark E. Bobbitt



OWNER'S DEDICATION

I, the undersigned being a manager of Burbs, L.L.C., owner of the hereon described tract of land, hereby set apart and subdivide the same into the lots as shown on this plat.

Signed this 22nd day of January, 2007

Manager, BURBS, LLC

ACKNOWLEDGMENT

State of Utah }ss
County of Summit

On the 22nd day of January, 2007, personally appeared before me, ______ who being by me duly sworn did say that he is a manager of Burbs, L.L.C., and that said instrument was signed in behalf of said Company by a resolution of its Members, and acknowledged to me that said Company executed the same.

Residing at: ______

A Notary Public commissioned in Utah

Commission Expires: ______

Print Name

BOUNDARY DESCRIPTION

A part of the West Half of Section 35, Township 1 South, Range 4 East, Salt Lake Base and Meridian, U.S. Survey.

Beginning at the Southwest Corner of said Section 35, and running thence Northeasterly two (2) Courses along the West line of Section 35 as follows: North 0°13'24" East 2681.55 feet to the West 1/4 corner of said section and North 0°15'27" East 2312.19 feet; thence Northwesterly along the arc of a 23,178.31 foot radius curve to the right a distance of 362.82 feet (Central Angle equals 0°53'49" and Long Chord bears North 25°04'53" West 362.82 feet) to the North line of Section 34, Township 1 South, Range 4 East, Salt Lake Base and Meridian; thence South 89°39'00" East 110.37 feet along said North line to the Westerly right of way line known as Utah Department of Transportation Project No. 19 (U.S. Highway 40); thence Southeasterly along said right of way line and the arc of a 23,078.31 foot radius curve to the left a distance of 105.70 feet (Central Angle equals 0°15'45" and Long Chord bears South 24°52'48" East 105.70 feet) to the West line of said section 35; thence South 0°15'27" West 139.75 feet along said West line to the Westerly right of way line of said U.S. Highway 40; thence Southerly seven (7) courses along said Westerly right of way line as follows: along the arc of a 23,138.31 foot radius curve to the left a distance of 2055.02 feet (Central Angle equals 5°05'19" and Long Chord bears South 27°52'06" East 2054.35 feet); South 30°24'46" East 2322.73 feet; South 26°34'46" East 70.94 feet; along the arc of a 1025.92 foot radius curve to the right a distance of 328.80 feet (Central Angle equals 18°21'46" and Long Chord bears South 17°23'53" East 327.39 feet); South 0°10'40" West 547.99 feet; South 11°42'02" East 93.76 feet and South 45°02'39" West 361.61 feet to the South line of Section 35; thence North 89°52'38" West 2048.43 feet along said South line to the point of beginning.

Contains: 6,849,499 sq. ft. or 157.243 Acres

Notes:

1. This Subdivision shall be a two-part process. The first part of the Subdivision will establish the lot lines of Lots 1 – 5 and allow for the recording of the Subdivision Plat. The second part of the Subdivision will include an amendment to the Subdivision Plat. No building permits shall be issued on any of the subject lots until such time as Master-Planned Development and Conditional Use Permit approvals are obtained and all requisite annexation ordinance and annexation agreement commitments have been satisfied by an amended subdivision plat.
2. Access Easement No. 2 shall be evidenced by the grant of an access easement to be granted by the Lot 1 property owner to the Lot 3 property owner.
3. Access Easement No. 1 shall be evidenced by an access easement to be granted by the Lot 1 property owner to the Lot 3 and Lot 4 property owners.
4. Lot 5 shall be subject to the reservation of an access and utility easement in favor of Lots 1 and 2.

NARRATIVE:

This subdivision plat was requested by Burbs, L.L.C.,

A line bearing South 89°52'38" East between the Southwest Corner and the Southeast Corner of Section 35, T1S, R4E was used as the basis of bearings.

Lot corners were monumented as shown.

PARK CITY ENGINEER

I hereby certify that I have had this Plat reviewed by this office and it is correct in accordance with available information on file in this office.

Signed this 23rd day of January, 2007.

Signature

PARK CITY PLANNING COMMISSION

Approved and Accepted by the Park City Planning Commission on this 10th day of January, 2007.

Planning Commission Chair

PARK CITY COUNCIL APPROVAL

Presented to the Park City Council this 11th day of January, 2007, at which time this plat was approved.

Attest: City Recorder

Mayor

APPROVAL AS TO FORM

Approved as to form on this 23rd day of January, 2007.

Park City Attorney

SNYDERVILLE BASIN WATER RECLAMATION DISTRICT

Reviewed for conformance to Snyderville Basin Water Reclamation District standards on this 22nd day of January, 2007.

S.B.W.R.D. Authorized Representative

SUMMIT COUNTY RECORDER

ENTRY NO. 802949 FEE PAID $35.00 FILED FOR RECORD AND RECORDED 1-23-07, AT 4:41 pm IN BOOK ______ OF OFFICIAL RECORDS, PAGE ______ RECORDED FOR Equity Title

SUMMIT COUNTY RECORDER

BY: ______ DEPUTY

GREAT BASIN ENGINEERING NORTH

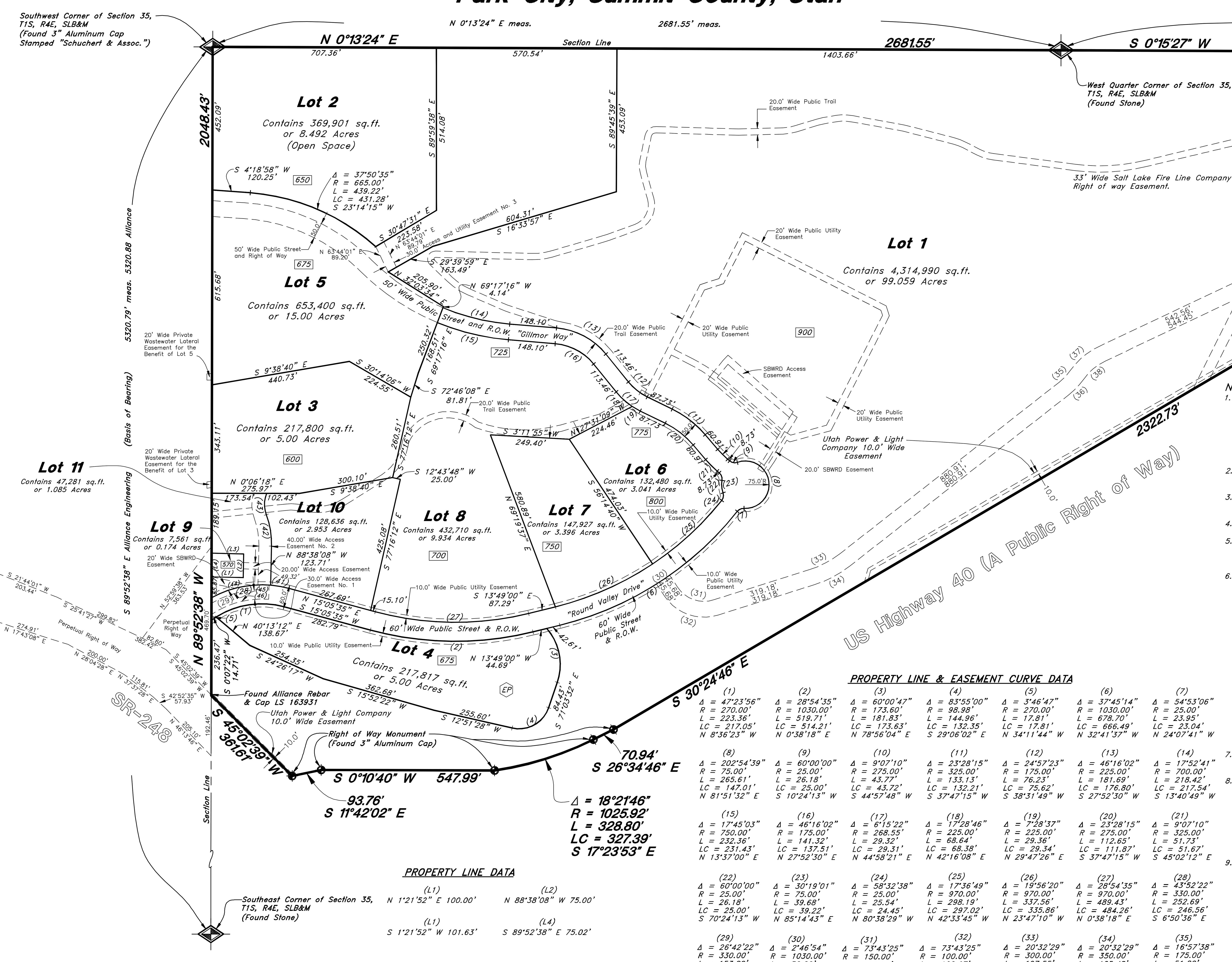
5746 South 1475 East – Suite 200
Ogden, Utah 84403
P.O. Box 150048, Ogden, Utah 84415

Exhibit “B”

(Copy of Amended Subdivision Plat)

Subdivision Plat (Amended) for the Intermountain Healthcare Park City Medical Campus / USSA Headquarters and Training Facility

A part of the West 1/2 of Section 35, T1S, R4E, Salt Lake Base & Meridian, U.S. Survey
Park City, Summit County, Utah



PROPERTY LINE & EASEMENT CURVE DATA

Curve	Δ	R	L	LC	Bearing
(1)	47°23'56"	270.00'	223.36'	217.05'	N 8°36'23" W
(2)	28°54'35"	1030.00'	519.71'	514.21'	N 0°38'18" E
(3)	60°00'47"	173.60'	181.83'	173.63'	N 78°56'04" E
(4)	83°55'00"	98.98'	144.96'	132.35'	S 29°06'02" E
(5)	3°46'47"	270.00'	17.81'	17.81'	N 34°11'44" W
(6)	37°45'14"	1030.00'	678.70'	666.49'	N 32°41'37" W
(7)	54°53'06"	25.00'	23.95'	23.04'	N 24°07'41" W
(8)	202°54'39"	75.00'	265.61'	147.01'	N 81°51'32" E
(9)	60°00'00"	25.00'	26.18'	25.00'	S 10°24'13" W
(10)	9°07'10"	275.00'	43.77'	43.72'	S 44°57'48" W
(11)	23°28'15"	325.00'	133.13'	132.21'	S 37°47'15" W
(12)	24°57'23"	175.00'	76.23'	75.62'	S 38°31'49" W
(13)	46°16'02"	225.00'	181.69'	176.80'	S 27°52'30" W
(14)	17°52'41"	700.00'	218.42'	217.54'	S 13°40'49" W
(15)	17°45'03"	750.00'	232.36'	231.43'	N 13°37'00" E
(16)	46°16'02"	175.00'	141.32'	137.51'	N 27°52'30" E
(17)	6°15'22"	268.55'	29.32'	29.31'	N 44°58'21" E
(18)	17°28'46"	225.00'	68.64'	68.38'	N 42°16'08" E
(19)	7°28'37"	225.00'	29.36'	29.34'	N 29°47'26" E
(20)	23°28'15"	275.00'	112.65'	111.87'	S 37°47'15" W
(21)	9°07'10"	325.00'	51.73'	51.67'	S 45°02'12" E
(22)	60°00'00"	25.00'	26.18'	25.00'	S 70°24'13" W
(23)	30°19'01"	75.00'	39.68'	39.22'	N 85°14'43" E
(24)	58°32'38"	25.00'	25.54'	24.45'	N 80°38'29" W
(25)	17°36'49"	970.00'	298.19'	297.02'	N 42°33'45" W
(26)	19°56'20"	970.00'	337.56'	335.86'	N 23°47'10" W
(27)	28°54'35"	970.00'	489.43'	484.26'	N 0°38'18" E
(28)	43°52'22"	330.00'	252.69'	246.56'	S 6°50'36" E
(29)	26°42'22"	330.00'	153.82'	152.43'	S 15°25'35" E
(30)	2°46'54"	1030.00'	50.00'	50.00'	N 33°45'20" W
(31)	73°43'25"	150.00'	193.01'	179.97'	N 19°22'58" E
(32)	73°43'25"	100.00'	128.67'	119.98'	S 70°37'02" E
(33)	20°32'29"	300.00'	107.55'	106.98'	N 27°44'59" W
(34)	20°32'29"	350.00'	125.48'	124.81'	N 27°44'59" W
(35)	16°57'38"	175.00'	51.80'	51.61'	N 46°30'03" W
(36)	16°57'38"	225.00'	66.60'	66.36'	N 46°30'03" W
(37)	29°41'42"	225.00'	116.61'	115.31'	S 40°08'01" E
(38)	29°41'42"	175.00'	90.70'	89.69'	S 40°08'01" E
(39)	8°02'10"	225.00'	31.56'	31.53'	S 25°36'50" E
(40)	8°02'10"	175.00'	24.55'	24.53'	S 25°36'50" E
(41)	10°13'03"	330.00'	58.85'	58.77'	S 9°59'04" W
(42)	21°43'50"	267.50'	101.45'	100.85'	S 80°29'57" W
(43)	42°28'47"	92.50'	68.58'	67.02'	N 89°07'34" W
(44)	33°39'19"	330.00'	193.84'	191.07'	S 11°57'07" E
(45)	28°58'14"	315.00'	159.27'	157.58'	S 15°48'43" E
(46)	38°19'53"	285.00'	190.67'	187.13'	S 14°44'31" E

PROPERTY LINE DATA

Line	Bearing	Distance
(L1)	N 1°21'52" E	100.00'
(L2)	N 88°38'08" W	75.00'
(L1)	S 1°21'52" W	101.63'
(L4)	S 89°52'38" E	75.02'

Notes:

1. The Public Trail Easement shall be evidenced by a declaration and grant of easement for non-vehicular pedestrian trails by the owner of Lot 1, 3, 8, 10 and Lot 11 (IHC Health Services, Inc.) to Park City Municipal Corporation and by the owner of Lot 3 (USSA) to Park City Municipal Corporation pursuant to that certain Annexation Agreement dated January 1, 2007, recorded with the Summit County Recorder on January 23, 2007 as Entry No. 00802747 Book 1843 Page 0308. Any repair or maintenance obligations, or costs and expenses associated therewith, shall be the responsibility of parties other than IHC Health Services, Inc.
2. Access Easement No. 2 (and the appurtenant 20' Wide Access Easement to Lot 9) is evidenced by, and subject to, a declaration and grant of access easement in favor of the Lot 3 property owner and the Lot 9 property owner from IHC Health Services, Inc.
3. Access Easement No. 1 is evidenced by, and subject to, an access easement in favor of the Lot 3 property owner from the Lot 9 property owner from, in each case, IHC Health Services, Inc.
4. Lot 5 is subject to the reservation of an access and utility easement in favor of Lots 1 and 2.
5. Access and Utility Easement No. 3 is evidenced by, and subject to, that Declaration and Grant of Access and Utility Easements dated January 23, 2007, recorded with the Summit County Recorder on January 23, 2007 as Entry No. 00802762, Book 1843 Page 0468.
6. Any utilities, lines or facilities, public or otherwise, constructed or installed within the subdivision for the benefit of the lots within the subdivision, except as and to the extent otherwise necessary or approved, in writing, by the Lot 1 owner, shall be underground, nonexclusive and, except as and to the extent otherwise evidenced by the grant of an easement therefor, within the public utilities easements shown on this amended subdivision plat. In this connection, space providers of any such utilities, lines or facilities shall have the right, within any such public utilities easements, or as shown on this amended subdivision plat, any public rights-of-way or other access easements therefor, to access any such installed utilities, lines and facilities as may be necessary or appropriate for the maintenance, repair and/or replacement thereof and, in that connection, to require the removal, at the lot owner's expense, a lot owner shall have the right to relocate any such trees and vegetation within any such public utilities easement which adversely affect any such utilities, lines or facilities. Further, at no time may any permanent structure or other obstruction, which unreasonably interferes with the maintenance, repair or replacement of any such utilities, lines or facilities, be located within the public utility easement without the prior written approval of the service provider affected thereby; provided that, at a development of specific lots within the Intermountain Healthcare Park City Medical Campus / USSA Headquarters and Training Facility Subdivision.
7. Subject to this Amended Subdivision Plat, the SBWRD access and sewer easement in Lots 1 and 10 shall be evidenced by declarations and grants of easements from IHC Health Services, Inc.
8. Notwithstanding any grant of easement relating to the SBWRD access easement, the Lot 1 owner, at such owner's expense, shall have the right to relocate the SBWRD access easement in whole or in part, as may be reasonably necessary or appropriate in connection with the use, ownership or development of Lot 1 within the subdivision; provided that SBWRD shall have the right to approve, in advance, any such relocated access easement (which approval, so long as the relocated access easement shall provide SBWRD with access comparable to the SBWRD access easement shown on this amended subdivision plat, shall not be unreasonably withheld, conditioned or delayed).
9. This Amended Subdivision Plat is subject to the conditions of approval of that certain Annexation Agreement referenced in Note 1 herein, and any conditions in the Master Planned Development Agreements and Conditional Use Permits relating to the development of specific lots within the Intermountain Healthcare Park City Medical Campus / USSA Headquarters and Training Facility Subdivision.

Note

(EP) Wastewater Service to Lot 4 May Require a Wastewater Ejector Pump. If Lot 4 is Subdivided, a Line Extension Agreement Must be Filed W/ Snyderville Basin Water Reclamation District.

Wastewater Service to Lots 2 & 9 is Not Available.

At The Time of Any Resurfacing of Paved Areas, Within Lot 1, The Owner of Lot 1 Shall be Responsible To Adjust Wastewater Manholes To Grade According To Snyderville Basin Water Reclamation District (SBWRD) Standards. Prior Notification of the Adjustments & Inspection By the SBWRD is Required.

NARRATIVE:

This amended subdivision plat was requested by IHC Health Services, Inc., Park City Municipal Corporation and United States Ski and Snowboard Association.

A line bearing South 89°52'38" East between the Southwest Corner and the Southeast Corner of Section 35, T1S, R4E was used as the basis of bearings.

Lot corners were monumented as shown.

SURVEYOR'S CERTIFICATE

I, Mark E. Babbitt, a Registered Professional Land Surveyor in the State of Utah, do hereby certify that this amended subdivision plat of the Intermountain Healthcare Park City Medical Campus / USSA Headquarters and Training Facility, in Park City, Summit County, Utah has been correctly drawn to the designated scale and is a true and correct representation of the following description of lands included in said subdivision.

Signed this day of , 2008.

166484
License No.

Mark E. Babbitt

OWNER'S DEDICATION

The undersigned, being the owners of the hereon described tracts of land, hereby set apart and subdivide the same into the lots as shown on this plat. The owners of Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11 hereby irrevocably dedicate to the public The Public Rights of Way and Public Easements indicated on this Amended Subdivision Plat. Any and all other roadways, easements or rights-of-way shown on this Amended Subdivision Plat, unless otherwise specified, shall be, and remain, private for the sole and exclusive use of the owner of Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11.

Signed this day of , 2008

IHC Health Services, Inc., a Utah nonprofit corporation, as the Owner of Lots 1, 2, 6, 7, 8, 9, 10 & 11

United States Ski Association dba United States Ski and Snowboard Association, as the Owner of Lot 3

Park City Municipal Corporation, as the Owner of Lots 4 and 5

ACKNOWLEDGMENT

State of Utah
County of ________ }ss

On the ________ day of ____________, 2008, personally appeared before me, ______________________________ who being duly sworn did say that he is a __________________________ of IHC Health Services, Inc., a Utah nonprofit corporation, and that this instrument was signed on behalf of said corporation.

Residing at: A Notary Public commissioned in Utah

Commission Expires: Print Name

State of Utah
County of Summit }ss

On the ________ day of __________, 2008, personally appeared before me, ______________________________ who being duly sworn did say that he is __________________________ of United States Ski Association dba United States Ski and Snowboard Association and that this instrument was signed on behalf of said association.

Residing at: A Notary Public commissioned in Utah

Commission Expires: Print Name

State of Utah
County of Summit }ss

On the ________ day of __________, 2008, personally appeared before me, ______________________________ who being duly sworn did say that he is __________________________ of the Park City Municipal Corporation and acknowledged to me that this instrument was signed on behalf of said corporation.

Residing at: A Notary Public commissioned in Utah

Commission Expires: Print Name

BOUNDARY DESCRIPTION

A part of the West Half of Section 35, Township 1 South, Range 4 East, Salt Lake Base and Meridian, U.S. Survey.

Beginning at the Southwest Corner of said Section 35, and running thence Northeasterly two (2) Courses along the West line of Section 35 as follows: North 0°13'24" East 2681.55 feet to the West 1/4 corner of said section and North 0°15'27" East 2312.19 feet; thence Northwesterly along the arc of a 23,178.31 foot radius curve to the right a distance of 362.82 feet (Central Angle equals 0°53'49" and Long Chord bears North 25°04'53" West 362.82 feet) to the North line of Section 34, Township 1 South, Range 4 East, Salt Lake Base and Meridian; thence South 89°39'00" East 110.37 feet along said North line to the Westerly right of way line known as Utah Department of Transportation Project No. 19 (U.S. Highway 40); thence Southeasterly along said right of way line and the arc of a 23,078.31 foot radius curve to the left a distance of 105.70 feet (Central Angle equals 0°15'45" and Long Chord bears South 24°52'48" East 105.70 feet) to the West line of said section 35; thence South 0°15'27" West 139.75 feet along said West line to the Westerly right of way line of said U.S. Highway 40; thence Southerly seven (7) courses along said Westerly right of way line as follows: along the arc of a 23,138.31 foot radius curve to the left a distance of 2055.02 feet (Central Angle equals 5°05'19" and Long Chord bears South 27°52'06" East 2054.35 feet); South 30°24'46" East 2322.73 feet; South 26°34'46" East 70.94 feet; along the arc of a 1025.92 foot radius curve to the right a distance of 328.80 feet (Central Angle equals 18°21'46" and Long Chord bears South 17°23'53" East 327.39 feet); South 0°10'40" West 547.99 feet; South 11°42'02" East 93.76 feet and South 45°02'39" West 361.61 feet to the South line of Section 35; thence North 89°52'38" West 2048.43 feet along said South line to the point of beginning.

Contains: 6,849,499 sq. ft.
or 157.243 Acres

PARK CITY ENGINEER

I hereby certify that I have had this Plat reviewed by this office and it is correct in accordance with available information on file in this office.

Signed this day of , 2008.

Signature

PARK CITY PLANNING COMMISSION

Approved and Accepted by the Park City Planning Commission on this 26th day of September, 2007.

Planning Commission Chair

PARK CITY COUNCIL APPROVAL

Presented to the Park City Council this 11th day of October, 2007 . at which time this plat was approved.

City Recorder

Mayor

APPROVAL AS TO FORM

Approved as to form on this day of , 2008.

Park City Attorney

SNYDERVILLE BASIN WATER RECLAMATION DISTRICT

Reviewed for conformance to Snyderville Basin Water Reclamation District standards on this day of , 2008.

S.B.W.R.D. Authorized Representative

SUMMIT COUNTY RECORDER

ENTRY NO.__________________FEE PAID
______________FILED FOR RECORD AND
RECORDED____________________, AT
__________ IN BOOK________ OF OFFICIAL
RECORDS, PAGE___________. RECORDED
FOR____________________________

SUMMIT COUNTY RECORDER

BY:____________________________
DEPUTY

GREAT BASIN ENGINEERING NORTH
CONSULTING ENGINEERS AND SURVEYORS
5746 South 1475 East – Suite 200
Ogden, Utah 84403
P.O. Box 150048, Ogden, Utah 84415
Ogden (801)394-4515 Salt Lake City (801)521-0222 Fax (801)392-7544

04N267T3D07-2

Exhibit “C”

WATER SERVICE AGREEMENT
ERU CALCULATIONS BY USER*

User/Property	Function/Approved Use	Peak Gallons	ERUs****	Location**
Intermountain Healthcare Medical/Health Campus (Initial Phase)				Lots 1, 6, 7, 8, and 10
	Hospital Facilities	12,750	7.97	Lot 1
	Support Medical Offices/Buildings	19,138	11.96	Lots 1, 6, 7, 8, or 10
	Permanent Irrigation	16,962	10.60	Lots 1, 6, 7, 8, or 10
	Temporary Irrigation***	56,667	35.42	Lots 1, 8, or 10
	Subtotals:	**105,517**	**65.95**	
USSA Property	USSA Improvements	8,759	5.47	Lot 3
	Totals:		**71.42**	

*Additional Comments:

1. Water calculations are subject to the terms and conditions of the Annexation Agreement.
2. No water in this Agreement shall be used, or available, for Lot 2, which is owned by Intermountain Healthcare and designated as open space.
3. No water in this Agreement shall be used, or available, for Lot 4, which is owned by the City and designated for affordable housing.
4. No water in this Agreement shall be used, or available, for Lot 5, which is owned by the City and designated for recreational purposes.
5. No water in this Agreement shall be used, or available, for Lot 9, which is intended to be conveyed to Questar Gas Company.
6. No water in this Agreement shall be used, or available, for Lot 11, which Intermountain Healthcare does not intend to develop.

** References to Lots are as shown on that certain Amended Subdivision Plat for the Intermountain Healthcare Park City Medical Campus/USSA Headquarters and Training Facility, to be recorded concurrently with or following the execution of this Agreement.

*** Temporary Irrigation ERUs may be used, either as "Essential Water Supply" or "Non-Essential Water Supply," in connection with the development of future phases on Lots 1 and/or 8 (or other lots within Lots 1 and/or 8); provided that, in any such event, Intermountain Healthcare understands that, before any such ERUs may be used for the development of future phases, the temporary irrigation systems within Lots 1 and 8 must be removed from the Intermountain Healthcare Property.

**** Numbers are rounded to the nearest 100th.

Exhibit "D"

(Location of Fairway Hills Pump Station)

Exhibit "E"

(Location and Description of Line Extension)

City Council Staff Report

Subject: City Manager Recommended Budget
Author: Bret Howser
Department: Budget, Debt, & Grants
Date: May 1, 2008
Type of Item: Informational

Summary Recommendations:
Hold a public hearing on the City Manager Recommended Budget. Provide direction concerning the proposed timeline for budget discussions/hearings.

Topic/Description:
FY 2008 Revised Budget and FY 2009 Proposed Budget

Background:
The City's budget process began in January with the Council Visioning Session. Staff received direction from Council at Visioning Session concerning topics, requests, and discussions to include in the upcoming budget. Department heads then compiled operating budget requests to present to the City Manager. These requests were considered during a series of meetings between functional teams and the City Manager in March. The requests were then approved or denied (or in some cases modified). Capital requests were sent to the CIP Committee in March for prioritization. The CIP Committee forwarded their recommendation to the City Manager. The City Manager made final decisions on operating and capital requests in April.

On April 28th, staff delivered the City Manager's Recommended Budget (Tentative or Proposed Budget) to City Council. Public hearings are currently scheduled for May 1st, 15th, 22nd, 29th, June 5th, and 19th. Discussion/action is slated for these dates as follows, barring changes as needed:

May 1 – Presentation of Tentative Budget, Budget Overview & Timeline, Update of Financial Impact Assessment Report (FIAR), Operating Revenues

May 15 – Operating Expenditures, Departmental Budget Request Presentations, Introduction to Capital Improvement Projects (CIP)

May 22 – Ongoing CIP Update (OTIS, Marsac Seismic Upgrade), New Project Requests (Park & Ride, Racquet Club), Walkability Projects

May 29 – Capital Improvement Projects (continued), Long-Term Unfunded Capital Needs, Water Fund (Operating Budget, Capital Improvement Plan, Fee Changes)

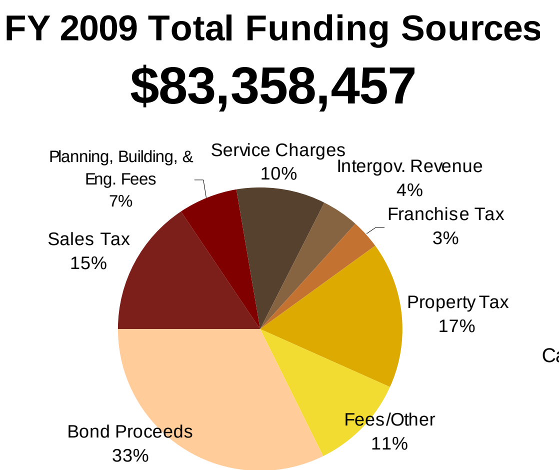
June 5 – Budget Policies, Personnel Policies and Procedures (P&P), Fee Resolution, Comprehensive Emergency Management Plan, Adoption of Tentative Budget.

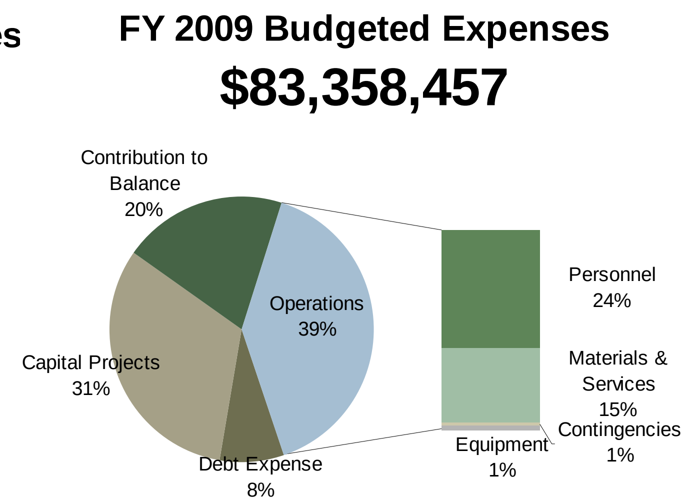
June 12 – Outstanding Budget Issues (if necessary)

June 19 – Presentation & Adoption of Final Budget

Analysis:

Budget Overview





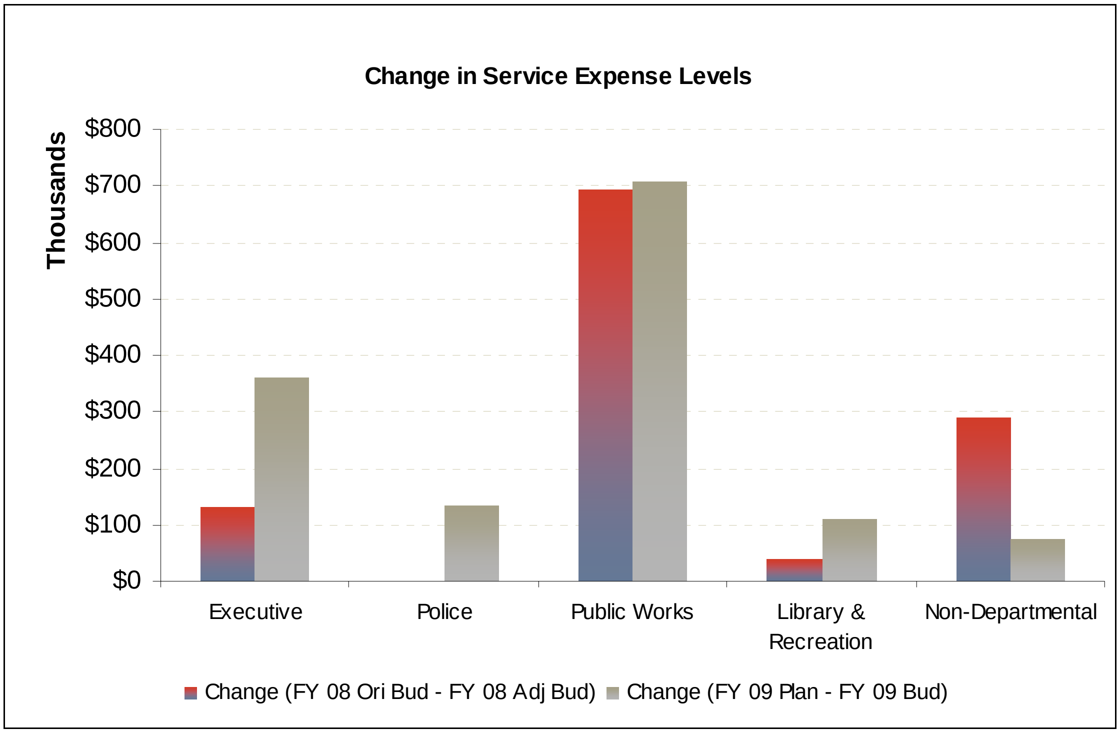
The above charts show the balanced budget proposal for FY 2009. Total revenues are expected to be $83 million ($56 million operating revenues, $27 million non-operating revenues). Staff proposes to spend those funds on the following: $57 million for operating expenses (which is comprised of $33 million for departmental operations, $6 million for debt service, and $18 million for capital expenses *paid for by operating revenues*), $9 million for capital expenses paid for by non-operating revenues, and $17 million reserved for future expenses. 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 (pg. 19 in Volume I and pg. 149 in Volume II) which give the most commonly desired breakdowns of budget figures.

Operating --

Function	FY 2009 Budget	% of Total	Prior Year
Executive	$8,540,447	26%	25%
Police	$3,743,390	11%	11%
Public Works	$13,587,605	41%	41%
Library & Recreation	$3,052,881	9%	9%
Non-Departmental	$2,387,940	7%	8%
Special Service Contracts	$433,973	1%	1%
Contingency	$625,000	2%	2%
Capital Outlay	$687,492	2%	2%
	$33,058,728	**100%**	**100%**

The table at left gives a breakdown of the departmental operating budgets by function. Very little has changed since last year as far as distribution of operating budgets by function.

Changes in operating budgets by function for both the FY 2008 Adjusted Budget and the FY 2009 Proposed Budget are displayed in the table below. The largest changes are seen in Public Works. These are due to an unusual accumulation of snow resulting in extremely high snow removal costs in FY 2008, and increased transit service in FY 2009 to both Summit County and the Richardson Flat Park & Ride. The large change in Non-Departmental in FY 2008 is related to risk management costs, claims, and legal fees in the Self Insurance Fund. Further operating changes will be discussed on May 15th when departments will present their operating requests in detail before Council. Details of operating changes are also discussed in the Budget Issues and Operating Budget sections of Volume I.



Capital --

The largest issues in this year's budget process are sure to be capital projects. A few details on the largest projects in the 5-year CIP are given on the table below.

Project	Proposed Budget	Principal Funding Sources	Scheduled Start	Scheduled Finish
Shell Space	$1.87 million	Sales Tax Bond Sale of Assets (Watts) General Fund	Underway	Spring 2008
Marsac Seismic Upgrade	$7.45 million	General Fund Reserves	Spring 2008	Fall 2009
OTIS Phase I (Lower Norfolk & Woodside)	$3.9 million	Sales Tax Bond General Fund	Spring 2008	Fall 2008
Richardson Flat Park & Ride	$1.5 million	Federal Grants	Summer 2008	Fall 2008
Walkable Community Projects	$15 million	GO Bond	Spring 2009	Phased
Water Infrastructure Project - Phase 1	$15.1 million	Water Service Fees Water Impact Fees	FY 2009	Phased
OTIS Phase II (a) Sandridge, Hillside, Empire, & Upper Lowell	$4 million	Sales Tax Bond	FY 2009	Phased
Bonanza Drive Reconstruction	$1.8 million	General Fund Federal Grants	FY 2009	FY 2010
Racquet Club	$8 million	General Fund Reserves	Spring 2009	Fall 2010

The Recommended Budget contains almost half a million dollars of new requests for FY 2008 and over $18 million for FY 2009. Some of the new budget requests for previously funded projects include the Marsac Seismic Renovation ($2.7 million), Lower Norfolk and Woodside Reconstruction ($1.3 million), Biocell Remediation ($445,000), Energy Efficiency ($1.4 million), and Water Infrastructure ($4 million). Newly proposed projects with significant funding include the Racquet Club Renovation ($8 million), Richardson Flat Park & Ride ($1.5 million), Emergency Operations Center ($300,000), and Indoor Pool ($2 million). These projects will be discussed in detail on May 22 & 29.

The Walkable & Bikeable Communities Projects will also be discussed on those dates. These projects have a dedicated revenue source in the GO Bond passed last November. Council created the WALC committee to look at potential projects and recommend which ones to do when. Currently, the $15 million of potential bond revenue is not scheduled out in the 5-year CIP. Once the WALC recommendation has been considered by Council and a decision has been reached on scheduling the projects, a cash flow analysis will be performed to determine the best bonding strategy. This will ultimately be included in the Final Budget Document.

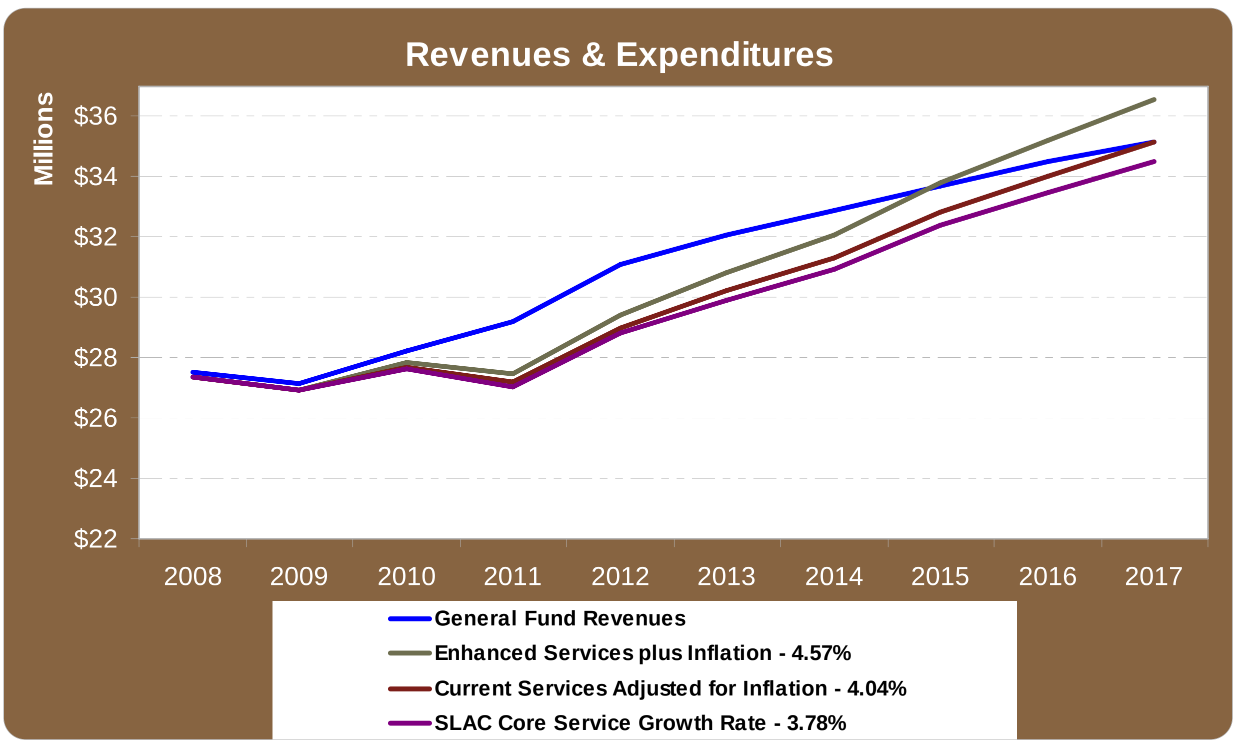
Other --

Debt service expenditures and interfund transfers are pre-determined and adjustments to these categories will not deviate much from last year’s adopted budget. The City plans to issue a substantial amount of debt in FY 2009 between the Water Fund, GO Bonds for Walkability and open space, and Sales Tax Bonds for OTIS. Depending on how the bonds are structured and when they are issued, debt service for these bonds may appear in the FY 2009 Adjusted Budget or the FY 2010 Proposed Budget next spring.

On June 5, Council will have a chance to discuss proposed policies and procedures. The Budget Department will propose a new Asset Management policy as well as additions to the Reserves Policy and the Purchasing Policy. In accordance with direction received at Council Visioning, the Budget Department has developed an addition to the purchasing policy which would require project managers to perform a cost-benefit analysis on projects over a certain threshold. These analyses would be carried out in a form approved by the Budget, Debt, & Grants Department, and would be presented to Council.

FIAR Update

Each January during Council Visioning, the Budget Department delivers a long-range Financial Impact Analysis Report (FIAR) to Council. The purpose of this report is to show the impact of budgetary decisions on the long-range projected finances of the City. The report focuses on General Fund activities and the main output of the analysis is the projected General Fund surplus. This surplus is generally what the City relies on to fund capital projects and increase service levels. The chart and table below give a summary of the current projected surpluses over the next ten years should the Proposed Budget be adopted.



Ten-year Financial Impact Forecast

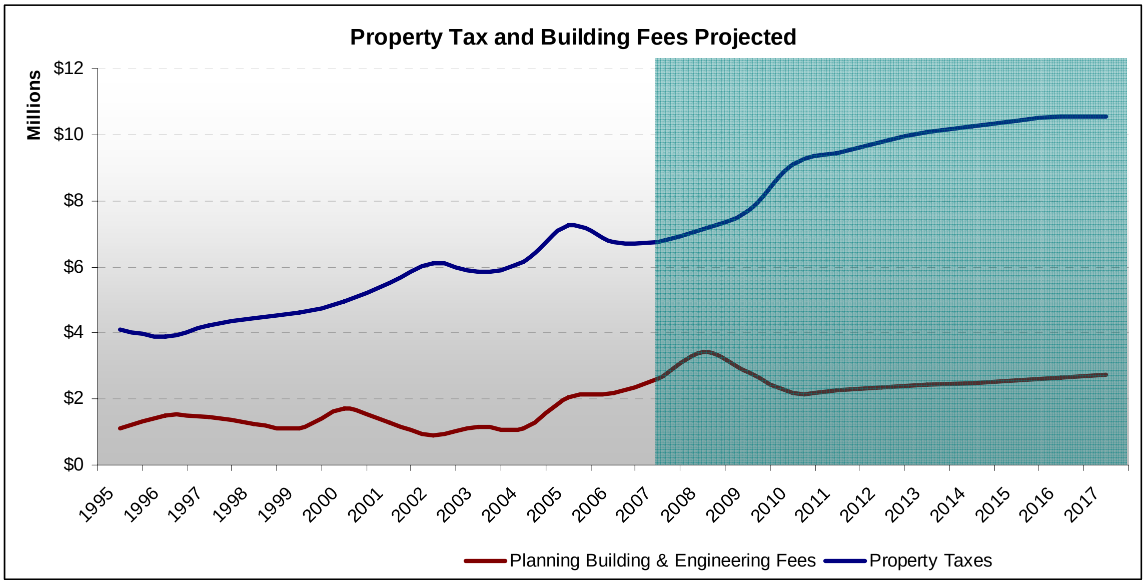
National Inflation Measure - 4.04%	2008	2009	2010	2011	2012
Revenue	**$27,548,963**	**$27,165,080**	**$28,202,915**	**$29,228,649**	**$31,091,140**
Op. Expenses	$21,299,607	$21,535,111	$23,439,311	$24,555,268	$25,820,564
CIP Expenses	$5,889,349	$5,220,209	$3,381,209	$1,748,979	$1,640,709
Debt Service	$183,684	$181,859	$891,712	$889,412	$1,547,237
Total Expenses	**$27,372,640**	**$26,937,179**	**$27,712,232**	**$27,193,659**	**$29,008,510**
Rev/Exp - CPI	**$176,323**	**$227,900**	**$490,683**	**$2,034,990**	**$2,082,630**

National Inflation Measure - 4.04%	2013	2014	2015	2016	2017
Revenue	**$32,062,874**	**$32,885,570**	**$33,699,501**	**$34,505,119**	**$35,138,905**
Op. Expenses	$27,022,831	$28,129,103	$29,280,066	$30,477,522	$31,723,352
CIP Expenses	$1,640,709	$1,640,709	$1,640,709	$1,640,709	$1,532,709
Debt Service	$1,547,262	$1,551,162	$1,913,662	$1,919,912	$1,917,012
Total Expenses	**$30,210,802**	**$31,320,974**	**$32,834,437**	**$34,038,143**	**$35,173,073**
Rev/Exp - CPI	**$1,852,072**	**$1,564,595**	**$865,065**	**$466,975**	**-$34,168**

For details on how projections were made and methodology in general, please consult the January 2008 FIAR Report or Volume I of the Budget Document (Budget Overview section). In summary, the vast majority of expected operating surplus is already scheduled out to projects through 2010. While some surplus is expected to be available for projects or services between 2011 and 2016, ongoing expenses growing at the normal rate of inflation (as measured by the CPI) are expected to slightly eclipse operating revenues by 2017. Adjustments will need to be made in upcoming years to ensure that revenues will continue to cover expenditures.

The simple fact that two of the City's chief operating revenues are limited in growth results in the inevitability of a day when expenses will exceed revenues (assuming the City does not raise taxes). Property Tax growth is limited by Truth in Taxation in such a way that the City can only collect the same dollar amount (nominal) that they collected the previous year on existing properties and improvements. There is no inflationary factor built into that revenue, but the expenses for which that revenue pays are irreversibly subject to inflation. Building, Planning, & Engineering Fees, which includes building permits but not impact fees, are also limited. These revenues are restricted to related operations. As the City approaches build-out (projected in 2016) these fees are likely to level off at much lower annual revenue than the City currently receives. With the high volume of building activity in the last few years, growth-related revenue has almost tripled in the space of four years. Such exponential growth cannot be reasonably expected to sustain itself. And while sales taxes have also experienced exponential growth in recent years, it is unlikely that sales tax growth will continue at a high enough rate to mask the leveling-off of 40% of the City's General Fund revenues (property tax and building revenues).

The chart below shows the historical patterns of these two revenues as well as projections in the shaded area. The Budget Department projects property tax to rise fairly dramatically in the next two years as large development projects come online. At the same time, though, building fees are expected to fall as building activity slows with the expected lull in the economy. Eventually, building fees should level off as the City approaches build-out. This “leveling-off” is estimated to be at the $2.5 million level, which may seem optimistic considering the City had never received building revenues at that level until last year. However, some degree of building activity will be sustained in perpetuity as redevelopment and improvements to existing property occur.



The take-home lesson from this FIAR update is simple. While the City has enough surplus at the present time to fund new projects each year and increase service levels, there will likely come a time in the next 10 years when such will not be the case. Decisions made during the current budget year should be made taking into consideration future surpluses (or the lack thereof). A decision to raise service levels this year could result in the inability to raise service levels (without a tax increase) in 2013.

Operating Revenues

The Recommended Budget does not anticipate a tax increase. Budgeted revenues are projected as detailed in the FIAR and the Revenues section of Volume I. Some changes are expected for fees, in particular water service fees. Council will have a chance to discuss these fee calculations on May 29 and June 5 before adopting an updated fee resolution.

Details concerning operating revenues are included in Volume I: Executive Summary of the Budget Document. Council is encouraged to turn there for a better understanding of projection techniques and other factors influencing estimated revenues (such as state legislation). Staff will make this portion of the presentation directly out of the Budget Document. A table is provided here, though, for a general overview of expected revenues.

All Funds Combined								
Revenue	2005	2006	2007	2008		2009		
	(actual)			(original)	(adj)	(plan)	(budget)	% ot Total
RESOURCES								
Property Taxes	12,608,114	12,694,990	12,744,480	13,014,909	13,254,214	13,748,909	13,924,909	11%
Sales Tax	10,502,699	11,401,348	12,977,127	11,475,000	12,701,000	12,065,000	12,876,000	10%
Franchise Tax	2,309,090	2,715,184	2,529,915	2,587,000	2,799,000	2,730,000	2,758,000	2%
Licenses	783,429	828,193	1,013,310	1,013,000	1,216,660	1,049,000	1,302,763	1%
Planning Building & Engineering Fees	4,722,862	4,980,807	6,090,176	5,588,000	6,137,294	5,362,000	5,556,000	4%
Other Fees	19,216	0	30,932	0	23,000	0	0	0%
Intergovernmental Revenue	2,995,291	962,305	3,926,496	7,454,546	7,146,223	1,694,000	3,597,200	3%
Charges for Services	4,807,943	6,538,642	7,201,295	7,211,000	7,255,000	7,511,000	8,568,000	7%
Recreation	2,172,128	2,411,737	2,475,541	2,361,600	2,346,600	2,389,600	2,456,600	2%
Other Service Revenue	102,708	100,661	75,304	84,000	86,000	85,000	101,000	0%
Fines & Forfeitures	767,959	656,295	750,817	808,500	723,500	808,500	813,500	1%
Misc. Revenue	2,907,257	5,232,798	9,887,563	2,059,726	5,149,165	1,274,726	1,419,726	1%
Interfund Transfers In	29,203,184	29,115,806	13,837,974	9,167,562	12,863,702	8,950,348	12,191,848	10%
Special Revenue & Resources	3,520,486	1,524,749	1,884,158	70,000	5,378,875	70,000	2,577,000	2%
Bond Proceeds	29,173,976	0	0	7,257,927	0	0	26,966,659	21%
Beginning Balance	54,810,573	79,661,361	80,018,337	26,237,762	88,030,246	24,480,008	31,448,240	25%
Total	**161,406,913**	**158,824,876**	**155,443,426**	**96,390,532**	**165,110,479**	**82,218,091**	**126,557,445**	**100%**

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 and provide direction on the timeline for budget hearings and discussion.
B. Deny:
State statute requires at least one public hearing before the adoption of a Tentative Budget. The City has traditionally held a public hearing accompanying each discussion of the budget. If Council decides to forgo a public hearing at this time, another must be held before adoption of the Tentative Budget.
C. Modify:

D. Continue the Item:
This has the same effect as Alternative B.
E. Do Nothing:
This also has the same effect as Alternative B.

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

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

Recommendation:
Hold a public hearing on the City Manager Recommended Budget. Provide direction concerning the proposed timeline for budget discussions/hearings.

Attachments:
A – Budget Summary: Resources & Requirements – All Funds Combined

Attachment A

Resources & Requirements - All Funds Combined

Description	2005 Actual	2006 Actual	2007 Actual	2008 Original Budget	2008 Adj Budget	2009 Plan	2009 Budget	Change - 2008 to 2009 Increase (reduction)	Change - 2008 to 2009 %
RESOURCES									
Sales Tax	10,502,699	11,401,348	12,977,127	11,475,000	12,701,000	12,065,000	12,876,000	175,000	1%
Planning Building & Engineering Fees	4,722,862	4,980,807	6,090,176	5,588,000	6,137,294	5,362,000	5,556,000	(581,294)	-9%
Charges for Services	4,807,943	6,538,642	7,201,295	7,211,000	7,255,000	7,511,000	8,568,000	1,313,000	18%
Intergovernmental Revenue	2,995,291	962,305	3,926,496	7,454,546	7,146,223	1,694,000	3,597,200	(3,549,023)	-50%
Franchise Tax	2,309,090	2,715,184	2,529,915	2,587,000	2,799,000	2,730,000	2,758,000	(41,000)	-1%
Property Taxes	12,608,114	12,694,990	12,744,480	13,014,909	13,254,214	13,748,909	13,924,909	670,695	5%
General Government	0	161,313	407,766	400,900	424,400	417,400	441,100	16,700	4%
Other Revenues	10,273,181	10,754,433	16,117,625	6,396,826	14,923,800	5,676,826	8,670,589	(6,253,211)	-42%
Total	**$48,219,181**	**$50,209,022**	**$61,994,881**	**$54,128,181**	**$64,640,931**	**$49,205,135**	**$56,391,798**	**($8,249,133)**	**-13%**
REQUIREMENTS (by function)									
Executive	5,572,095	6,497,830	7,236,345	8,077,508	8,207,385	8,179,619	8,540,447	333,063	4%
Police	3,072,079	3,264,505	3,377,137	3,520,705	3,520,705	3,607,795	3,743,390	222,685	6%
Public Works	9,824,515	10,712,650	11,940,897	12,628,412	13,321,712	12,879,088	13,587,605	265,894	2%
Library & Recreation	2,562,288	2,807,995	2,816,333	2,910,653	2,950,043	2,941,728	3,052,881	102,838	3%
Non-Departmental	1,620,744	1,748,612	2,112,448	2,315,007	2,605,809	2,315,007	2,387,940	(217,869)	-8%
Special Service Contracts	327,519	331,556	318,847	433,973	433,973	433,973	433,973	0	0%
Contingency	0	0	0	825,000	575,000	955,000	625,000	50,000	9%
Capital Outlay	222,696	297,094	267,579	736,660	730,660	665,992	687,492	(43,168)	-6%
Total	**23,201,936**	**25,660,241**	**28,069,586**	**31,447,918**	**32,345,287**	**31,978,202**	**33,058,728**	**713,442**	**2%**
REQUIREMENTS (by type)									
Personnel	14,553,051	15,924,342	17,443,771	18,359,029	18,431,127	18,669,797	19,601,261	1,170,135	6%
Materials, Supplies & Services	8,426,189	9,438,806	10,358,236	11,527,229	12,608,500	11,687,413	12,144,975	(463,525)	-4%
Contingency	0	0	0	825,000	575,000	955,000	625,000	50,000	9%
Capital Outlay	222,696	297,094	267,579	736,660	730,660	665,992	687,492	(43,168)	-6%
Total	**23,201,936**	**25,660,241**	**28,069,586**	**31,447,918**	**32,345,287**	**31,978,202**	**33,058,728**	**713,442**	**2%**
EXCESS (deficiency) OF RESOURCES OVER REQUIREMENTS	$25,017,245	$24,548,781	$33,925,295	$22,680,263	$32,295,644	$17,226,933	$23,333,070	(8,962,575)	-28%
OTHER FINANCING SOURCES (uses)									
Bond Proceeds	29,173,976	0	0	7,257,927	0	0	26,966,659	26,966,659	
Debt Service	(13,943,132)	(5,966,048)	(6,310,364)	(6,594,956)	(6,600,822)	(6,395,885)	(6,395,885)	204,937	-3%
Interfund Transfers In	29,203,184	29,115,806	13,837,974	9,167,562	12,863,702	8,950,348	12,191,848	(671,854)	-5%
Interfund Transfers Out	(29,203,184)	(29,115,806)	(13,837,974)	(9,167,562)	(13,863,702)	(8,950,348)	(12,191,848)	1,671,854	-12%
Capital Improvement Projects	(15,736,790)	(20,198,817)	(19,603,022)	(25,100,989)	(81,276,829)	(8,874,473)	(26,963,468)	54,313,361	-67%
Total	**(505,946)**	**(26,164,865)**	**(25,913,386)**	**(24,438,018)**	**(88,877,652)**	**(15,270,358)**	**(6,392,694)**	**82,484,958**	**-93%**
EXCESS (deficiency) OF RESOURCES OVER REQUIREMENTS AND OTHER SOURCES (uses)	$24,511,298	($1,616,084)	$8,011,909	($1,757,755)	($56,582,007)	$1,956,575	$16,940,376	73,522,383	-130%
Beginning Balance	54,810,573	79,661,361	80,018,337	26,237,762	88,030,246	24,480,008	31,448,240	(56,582,006)	-64%
Ending Balance	79,321,857	78,045,276	88,030,246	24,480,008	31,448,240	26,436,583	48,388,616	16,940,376	54%