PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
April 30, 2020

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regular City Council meeting at the Marsac Municipal Building, City Council Chambers, 445 Marsac Avenue, Park City, Utah 84060 for the purposes and at the times as described below on Thursday, April 30, 2020.

ATTENTION:

This meeting will be an electronic meeting as permitted by Park City Open and Public Meeting Resolution 18-2020, adopted March 19, 2020. This meeting will not have an anchor location at City Hall and the Council Members will connect remotely. If you are interested in listening and/or giving public comment remotely, please go to www.parkcity.org

WORK SESSION

4:00 p.m. - Discuss PC-SLC Connect UTA Agreement/Electric Bus Purchase
PC-SLC Connect Electric Bus Purchase Staff Report
Exhibit A: Interlocal Cooperative Agreement
Exhibit B: VW Class 4-8 Bus Park City Municipal Agreement

4:40 p.m. - Fiscal Year 2021 Budget Preview
FY21 Budget Preview Staff Report
Exhibit A: Deferred Capital Improvement Projects

5:55 p.m. - Break

REGULAR MEETING - 6:00 p.m.

I. ROLL CALL

II. COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Council Questions and Comments

III. PUBLIC INPUT (ANY MATTER OF CITY BUSINESS NOT SCHEDULED ON THE AGENDA)

IV. CONSIDERATION OF MINUTES

Consideration to Approve the City Council Meeting Minutes from April 9 and 16, 2020
April 9, 2020 Minutes

April 16, 2020 Minutes

V. NEW BUSINESS

1. Consideration to Extend the Street Dining on Main Program for Another Term, Authorizing the Mayor to Sign Updated Leases of City Property/Rights-of-Way with Eight (8) Main Street Restaurants; and Consider Charging no Rental Fees and Removing the Requirement that the Dining Decks are Utilized for Both Lunch and Dinner for the 2020 Program Participants
(A) Public Hearing (B) Action
2020 Street Dining on Main Program Staff Report
Exhibit A: Updated 2020 Draft Lease Agreements
Exhibit B: Street Dining Operational Restrictions
Exhibit C: 2020 Street Dining on Main Map
Exhibit D: Historic Park City Alliance Economic Recovery Plan Letter dated April 24, 2020

2. Consideration to Adopt Resolution 07-2020, a Resolution Recognizing May 2020 as Mental Health Awareness Month in Park City
(A) Public Hearing (B) Action
Mental Health Awareness Month Staff Report
Exhibit A: Mental Health Awareness Month Resolution

3. Consideration to Adopt Resolution 08-2020, a Resolution Authorizing the Allocation of Emergency Funds to Local Nonprofit Entities Providing Essential Services to the Most Vulnerable in Park City, Utah
(A) Public Hearing (B) Action
Relief Funding for Essential Services Staff Report
Exhibit A: Resolution Authorizing Relief Funds
Exhibit B: Proposed Category Special Services Committee List

4. Consideration to Adopt Emergency Proclamation No. 3 of 2020, for the Purpose of Ratifying Additional Emergency Powers Related to Reducing the Financial Impact of Public Utilities Bills as a Response to COVID-19
(A) Public Hearing (B) Action
City Utility Bill Relief Staff Report
Exhibit A: Emergency Proclamation No. 3

VI. ADJOURNMENT

VII. PARK CITY WATER SERVICE DISTRICT MEETING

I. ROLL CALL

II. PUBLIC INPUT (ANY MATTER OF CITY BUSINESS NOT SCHEDULED ON THE AGENDA)

III. NEW BUSINESS

1. Consideration to Authorize the Mayor to Execute a Memorandum of Agreement, in a Form Approved by the City Attorney, to Continue Leasing Surplus Water to Weber Basin through Provisions in the Western Summit County Project Master Agreement
(A) Public Input (B) Action
Surplus Water Lease Staff Report
Exhibit A: Surplus Water Memorandum of Agreement
Exhibit C: Excess Capacity, Surplus Water and Demand Schedule (Exhibit D)

IV. 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. Wireless internet service is available in the Marsac Building on Wednesdays and Thursdays from 4:00 p.m. to 9:00 p.m. Posted: See: www.parkcity.org

***Parking validations will be provided for Council meeting attendees that park in the China Bridge parking structure.**

Agenda Item No:

Council Agenda Item Report

Meeting Date: April 30, 2020
Submitted by: Michelle Kellogg
Submitting Department: Executive
Item Type: Staff Report
Agenda Section:

Subject:
4:00 p.m. - Discuss PC-SLC Connect UTA Agreement/Electric Bus Purchase

Suggested Action:

Attachments:
PC-SLC Connect Electric Bus Purchase Staff Report

Exhibit A: Interlocal Cooperative Agreement

Exhibit B: VW Class 4-8 Bus Park City Municipal Agreement

City Council
Staff Report

Subject:	**PC-SLC Connect UTA Agreement/Electric Bus Purchase**
Author:	**Kim Fjeldsted**
Department:	**Transportation Department**
Date:	**April 30, 2020**
Type of Item:	**Work Session**

Summary Recommendation

Authorize the City Manager to pursue a Park City and Salt Lake City Connect (PC-SLC Connect) Interlocal Agreement between Utah Transit Authority (UTA) to facilitate the future purchase of new electric busses.

Background

Park City Transit operates a fleet of 43 full-sized buses. Buses are expected to have a useful life of twelve years. Six of the current fleet will be fourteen years old in 2020, and should be replaced. The proposed procurement will allow for four (4) of these oldest buses to be replaced.

The PC/SLC Connect service is operated by UTA in a contract with Park City and Summit County. All of the buses used for that service are older than twelve (12) years, some more than fifteen (15) years. Four (4) of the buses in the proposed procurement will be used in the PC/SLC Express service.

Park City Transit has learned from its experience with battery electric transit buses, starting in 2017, that it takes more electric buses than diesel buses to operate the same service. This is due to the limited range, recharging time for electric buses, and also the emerging technology of electric busses . Six (6) of the buses in the proposed procurement will augment the existing electric bus fleet to maintain service reliability.

In December 2019, Council authorized the City Manager to execute the PC-SLC Connect Collaborative Agreement with UTA for purchase and operation of electric buses through the federal Low-No grant program. Originally, council approved the purchase of two (2) 40' electric buses to be owned by Park City and operated/serviced by UTA for the PC-SLC Connect and associated infrastructure improvements. In March 2020, Park City received the long awaited VW settlement money, which included two Vehicle Identification Numbers (VINs) identified as part of the settlement, which belonged to UTA.

Therefore, staff seeks council approval to purchase a total of four (4) 40' electric buses to be owned by Park City and operated and maintained by UTA, including the associated charging infrastructure described above for the PC-SLC Connect.

The agreement includes the purchase of four (4) 40' electric buses to be operated and serviced by UTA, and the purchase of ten (10) additional 35' electric buses in a combined competitive procurement. The total cost to Park City is estimated at $1.6 million in a local match to purchase a total of fourteen (14) electric buses and install new chargers at SLC Central Station and Kimball Junction Transit Center (KJTC). The entire purchase is estimated to cost 14.8 million.

Fortunately, UTA is planning a competitive procurement for 30 electric buses. Park City has the option to piggyback on that procurement to save both staff time and costs. All electric buses procured will be next generation, with increased power and industry-standard charging specifications. In recent years, several new and competitive electric bus manufacturers have entered the market. The increased competition, volume purchasing and new technology should lead to lower cost and increased efficiency/reliability.

The purchase is consistent with Park City Transit's fleet replacement plan and Park City's net-zero carbon goal for city operations by 2022. Several funding sources will be utilized, including federal section 5339(b) Low-No grant funds, a donation from Rocky Mountain Power (RMP), Volkswagon (VW) settlement money, federal section 5311 and 5339 grant funds as well as local matches from both UTA and Park City. The information below describes how the various funding sources will be applied.

<u>Federal Section 5339(b) Low-No Grant Funds & RMP Grant</u>
Park City and UTA applied through the Utah Department of Transportation (UDOT) for federal 5339(b) Low or No (Low-No) Emissions funding and were selected to receive a grant from the Federal Transit Administration (FTA) to purchase electric buses and infrastructure chargers. $2.29 million was awarded to procure two (2) 40' electric buses to replace the two (2) diesel MCI Coaches and to install new charging infrastructure at UTA Salt Lake Central Station and KJTC.

RMP awarded a grant to UTA for $500,000 for the charging infrastructure. UTA is funding the remaining local match.

The total Low-No project cost is estimated at $3.2 million.

Cost to Park City……………………$0
Buses Purchased…………………….2

<u>VW Settlement Funds</u>
Park City was awarded a settlement from the VW diesel lawsuit in the amount of $3.69 million for six (6) electric buses, replacing six (6) diesel buses. The cost of six (6) electric buses exceeds the VW settlement. Park City Transit has been given permission by UDOT and FTA to use federal section 5311 and section 5339 grant funds to cover a portion of the difference. Park City and UTA will make up the remainder. The replaced diesel buses must be destroyed per the terms of the VW settlement.

The total cost for these six (6) electric buses is estimated at $5.8 million. Local match for Park City is estimated at $453,000.

Cost to Park City……………….$453,000
Buses Purchased……………….6

5339 Grant Funds for Additional Buses
Park City Transit would like to purchase six (6) additional buses to remain consistent with Park City Transit's Fleet Replacement Plan and help ensure electric vehicle availability. Available 5339 funds will be used for 80% federal share for the cost of these six (6) additional buses.

The local match is approximately $1.16 million, and the total cost estimated at $5.8 million.

Cost to Park City…………..$1.16 million
Buses Purchased……………6

The total local match by Park City for four (4) 40' electric buses on PC-SLC Connect, associated infrastructure, and ten (10) 35' electric buses for local use is approximately $1.6 million. Total cost for the bus purchase and infrastructure for the combined projects is estimated at $14.8 million. Park City should continue to purchase replacement buses as the fleet ages. Eight more buses will exceed twelve years in service by the end of 2022.

Department Review
The City Manager's Office, the City Attorney's Office, Budget, Transit and Transportation have reviewed this Staff Report.

Funding Source
The $1.6 million of total local match will be covered by local transit sales tax and resort tax.

Attachments
Exhibit A – PC-SLC Connect Interlocal Cooperative Agreement
Exhibit B – VW Settlement Agreement

Interlocal Cooperative Agreement
Between
Utah Transit Authority
and
Park City Transit Municipal Corporation
Regarding
Electric Bus and Charging Equipment Program

THIS INTERLOCAL COOPERATIVE AGREEMENT (the “Agreement”) is made and entered into as of the _____ day of __________, 2019, by and between the Park City Transit Municipal Corporation, a Utah municipal corporation, (hereinafter referred to as “Park City”), and UTAH TRANSIT AUTHORITY, a public transit district organized under Title 17B, Chapter 2a, Part 8, Utah Code 1953, as amended (hereinafter referred to as “UTA,” collectively, UTA and Park City are referred to as the “Parties” or individually, “Party”).

W I T N E S S E T H:

WHEREAS, Park City owns and operates a public transit system to assist in providing transportation in Summit County; and

WHEREAS, UTA's function is to provide public transportation to the residents within its district boundaries and is authorized by Title 17B Section 2a, Utah Code, 1953, as amended; and

WHEREAS, Park City and UTA, did apply through the Utah Department of Transportation (“UDOT”) for Statewide 5339(b) funding and were selected to receive a grant from the Federal Transit Administration to purchase buses with low or no emissions, to use to serve the current PC-SLC Connect Route (See existing service agreement attached hereto as Exhibit “I” and incorporated herein, Park City – Salt Lake City Connect Service Interlocal Agreement) and UTA’s traveling public; and

WHEREAS, on August 24, 2018, the Federal Transit Administration (“FTA”) did award a grant, in the amount of Two million Two hundred Ninety Thousand Dollars ($2,290,000.00), for the acquisition of two (2) electric buses (collectively, the “Vehicles” or individually, a “Vehicle”), together with charging stations (“Charger(s)”) and ancillary facilities; the buses will be funded at a eighty five percent (85%) federal share and infrastructure at ninety percent (90%) federal share; Rocky Mountain Power (RMP) has also committed Five Hundred Thousand Dollars ($500,000.00) to the project for infrastructure; and the existing service agreement (Exhibit I, Park City – Salt Lake City Connect Service Interlocal Agreement, as amended on June 26, 2017,) identifies operational deficit costs paid by Park City will be used for bus replacements and charging infrastructure on UTA property; funds received to date from Park City will be used for the local match on the project; and

WHEREAS, Park City was awarded six (6) electric buses to replace diesel buses in the Volkswagen (“VW”) settlement, two (2) of which will replace two (2) existing diesel coach buses on the PC-SLC Connect route; and

WHEREAS, Park City and UTA intend that UTA shall procure fourteen (14) total Vehicles in a solicitation as follows: two (2) buses with the Lo/No grant funding, six (6) Vehicles with a combination of Park City VW settlement funds and federal section 5311 transit grant funds, and six (6) Vehicles with federal section 5311 grant funds. Ten (10) of the vehicles shall be for Park City's use only and not part of the PC-SLC Connect route; and

WHEREAS, UTA shall use and operate four (4) Vehicles to provide transit service in UTA's district and Summit County.

NOW, THEREFORE, in consideration of the covenants and agreements hereinafter set forth, the parties enter into the following described Collaboration Agreement:

1. COLLABORATION ACTIVITIES:

The Parties agree to work together in accomplishing the procurement of fourteen (14) Vehicles and operation, maintenance and disposition of four (4) electric buses and associated charging equipment and stations as further described below:

a. ACQUISITION OF VEHICLES:
UTA will administer and manage the procurement of the vehicles in accordance with all federal grant and VW settlement requirements and in collaboration with Park City to identify the Vehicle specifications. Park City and UTA shall attend the manufacturing site to inspect Vehicles for compliance to agreed specification. Park City and UTA acknowledge a separate agreement for acquisition of the Vehicles will be entered into and that the term of this Agreement will be dependent upon the delivery of the Vehicles. Park City will lease the Vehicle batteries and UTA will reimburse Park City for those battery lease costs.

b. ACQUISITION OF CHARGERS: Park City and UTA acknowledge that UTA will administer and manage the procurement of the Overhead and Overnight chargers.

c. USE AND MAINTENANCE OF VEHICLES: The buses procured by Park City will be bailed to UTA under a bailment agreement (attached as Exhibit "F" and incorporated herein), whereby UTA agrees to use the Park City PC-SLC Connect Electric Vehicles to provide accessible transportation services for the PC-SLC Connect Route and to serve the interest and welfare of the public. UTA covenants that it will not use the PC-SLC Connect Electric Vehicles to provide trips which compete with other revenue service routes. UTA may, however, utilize the Vehicles for non-revenue service during Vehicle down time. UTA agrees to provide all funds needed, and all services, whether by employees or contracted, to maintain, repair, and operate the PC-SLC Connect Vehicles; and to maintain the PC-SLC Connect Electric Vehicles at a high level of cleanliness and mechanical soundness and in a manner consistent with industry safety standards and according to the terms and conditions of any warranties provided by the manufacturer.

d. USE AND MAINTENANCE OF CHARGERS: The Parties agree that the Chargers will be installed and maintained by UTA at UTA facilities in order to facilitate the effective use of the electric buses procured according to the terms and conditions of any warranties.

2. DURATION OF AGREEMENT; TERM FOR EACH VEHICLE AND CHARGERS; CONTINUING CONTROL:

Subject to this Paragraph 2, the terms and conditions of this Agreement shall remain in effect so long as UTA shall retain possession of the PC-SLC Connect Electric Vehicles, but in no event less than twelve (12) years, unless it is found that the buses do not meet UTA requirements for the PC-SLC Connect route, in which case the buses will revert to Park City possession. UTA acknowledges that the federal interest remains in the Vehicles and that disposition of the Vehicles for any reason is subject to approval of Park City and FTA, pursuant to the terms and parameters set forth in any then-applicable FTA circulars or guidance. The term of the Agreement, for each separate Vehicle, shall continue for a minimum of twelve (12) years or until the Vehicle shall have travelled a minimum of five hundred thousand (500,000) miles (the "Minimum Term"), whichever is first in time; and shall end no later than the date which is twelve (12) years from the date the Vehicles go into revenue service (the "Maximum Term"). The term of the Agreement, for each Charger, shall continue for a minimum of twelve (12) years. Park City and UTA acknowledge that upon reaching the end of the useful life of the Vehicles Park City shall have the option of obtaining possession of the vehicles or of surrendering them to UTA for final disposition. Upon reaching the end of the useful life, Park City shall surrender any further interest in the chargers and related equipment. They will become the property of UTA.

3. OPERATIONS AND MAINTENANCE:

With respect to the PC-SLC Connect Electric Vehicles, overhead, and overnight chargers, UTA agrees to:

A. Pay for all operating expenses of the Vehicles and Chargers, including fuel, oil and tires as well as the cost of insurance premiums for the busses procured and operated under this Agreement. These expenses shall be subject to the arrangement for sharing of operational expenses outlined in the Operational Plan contained in Exhibit A to the Interlocal Agreement between the Parties dated August 24, 2011 and amended on June 27, 2017. The Parties agree to update said Operational Plan to provide for the sharing of these operating expenses on a mutually agreeable basis consistent with current practice under the existing ILA. Pay for all operating expenses of the Vehicles and Chargers, including the additional cost of insurance, if any, fuel, oil, and tires.

B. Perform preventive maintenance on said Vehicles and Chargers according to manufacturer and UTA's maintenance department specifications and be responsible for all maintenance and repairs necessary to keep said Vehicles in proper operating condition, including major component failure and accident repairs in accordance with the terms and conditions of manufacturer warranties.

4. MAINTENANCE RECORDS:

UTA agrees to keep a maintenance record on each Vehicle and Charger showing the maintenance performed according to the standards established between the parties. The format of the maintenance records shall be specified by UTA's maintenance department and the manufacturer requirements. The Vehicles and the maintenance records will be made available to Park City's representatives for inspection at any time with reasonable notice. The maintenance files shall contain the following items: Preventive maintenance inspection sheets, repair orders, maintenance repairs, driver defect cards or any other documentation or paperwork relating to the maintenance of the PC-SLC Connect Electric Vehicles and Chargers. All maintenance related transactions, including repair orders, must have current mileage and dates attached.

5. REPORTING, AUDIT AND INSPECTION OF RECORDS:

A. The UTA shall submit, on or about the first day of each month a monthly report as well as annual reports to Park City providing information on the most recent month and year-to-date operating statistics or other information or schedule as shall be reasonably required by FTA or Park City regulations. Attached to this Agreement and incorporated herein as Exhibit "C" is the form that is to be used by UTA for the monthly report. The monthly report and the annual reports shall include the following information:

1.	Daily vehicle mileage start/end odometer (to be reported Monthly)
2.	Number of one-way passenger trips (Monthly)
3.	Number of revenue miles (Monthly)
4.	Farebox revenue
5.	Vehicle service hours
6.	Vehicle service miles
7.	Preventive Maintenance Performed (Monthly) Exhibit E
8.	Vehicle Surveillance (April and October) Exhibit D

B. UTA shall report to Park City on a monthly basis.

C. In accordance with FTA National Transit Database (NTD) reporting requirements, UTA shall submit a year-end report using the forms and instruction provided by NTD. UTA agrees to complete any reporting mandated by current FTA regulations or any reporting mandated by changes to FTA regulations.

D. The UTA shall also submit to Park City each month an accounting of maintenance performed on each Vehicle used in the performance of this Agreement during the month according to the procedures outlined in Section 19 of this Agreement. Attached to this Agreement as Exhibit "E" and incorporated herein is the form which is to be used by UTA for this purpose.

E. If Park City requests, UTA shall provide to Park City a copy of audit information as may be conducted by UTA as required by law or as otherwise obtained by UTA.

F. The UTA shall permit the authorized representatives of Park City to inspect and audit all data and records of the UTA relating to the performance of the Vehicles and the terms of this Agreement, at the offices of the UTA or elsewhere during normal business hours upon reasonable notice. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified.

6. NOTIFICATION OF ACCIDENTS:

UTA agrees to notify Park City within five (5) calendar days of any accident involving any one of the PC-SLC Connect Electric Vehicles which results in physical damage to said Vehicle of greater than Five Hundred Dollars ($500.00). Any accident resulting in bodily injury shall be reported to Park City immediately.

7. INSURANCE:

Park City shall provide insurance for the Electric PC-SLC Connect Vehicles to cover the vehicles for physical damage and loss subject to reimbursement by UTA as described in Paragraph 3 (A) above.

8. INDEMNIFICATION:

A. Nothing in this Agreement shall be construed as a waiver of any rights or defenses applicable to UTA under the Utah Governmental Immunity Act (the "Act"), including without limitation the provision of Section 63G-7-604 regarding limitation of judgments. Subject to the Act and up to the amounts established in Section 63G-7-6a04 of the Act, UTA shall defend, indemnify and save harmless Park City from and against all liabilities, claims, actions, damages, losses, and expenses, including without limitation, reasonable attorneys' fees and costs, for bodily injury or personal injury, including death, or loss or damage to tangible or intangible property, to the extent caused by UTA's negligence, in connection with or during or arising from use of the Park City PC-SLC Connect Electric Vehicles provided by UTA, its agents, employees, contractors or subcontractors. Likewise, Park City shall defend, indemnify and save harmless UTA from and against all liabilities, claims, actions, damages, losses, and expenses, including without limitation, reasonable attorneys' fees and costs, for bodily injury or personal injury, including death, or loss or damage to tangible or intangible property, to the extent caused by Park City's negligence, in connection with activities conducted under this Agreement.

B. UTA shall indemnify and hold Park 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 Park City arising out of, in connection with, or incident to the execution of this Agreement and/or UTA's negligent 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 Park City, its agents, employees, and officers, this indemnity provision shall be valid and enforceable only to the extent of the negligence of UTA; and provided further, that nothing herein shall require UTA to hold harmless or defend the City, its agents, employees and/or officers from any claims arising from the sole negligence of Park City, its agents, employees, and/or officers.

UTA expressly agrees that the indemnification provided herein constitutes UTA'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 UTA claims or recovers compensation from Park City for a loss or injury that UTA would be obligated to indemnify Park 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.

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

9. FORCE MAJEURE:

Any delay in or failure by either party in performance of this Agreement shall be excused if and to the extent such delay or failure is caused by occurrences beyond the control of the affected party including, but not limited to, decrees or restraints of Government, acts of God, strikes, work stoppage or other labor disturbances, war or sabotage (each being a "Force Majeure Event"). The affected party will promptly notify the other party upon becoming aware that any Force Majeure has occurred or is likely to occur and will use its best efforts to minimize any resulting delay in or interference with the performance of its obligations under this Agreement.

10. TERMINATION:

A. If either party fails to perform its obligations under this Agreement or shall fail to comply with any of the terms, conditions, or provisions thereof, the non-breaching Party who is not in breach of the Agreement, may, at its sole discretion, terminate this Agreement by giving written notice to the other party by registered mail, return receipt requested, at least thirty (30) calendar days in advance of such termination, specifying the reason or reasons therefor. The breaching Party shall have a period of thirty (30) days after receipt of notice to cure its breach or default (the "Cure Period").

B. It is further understood and agreed that the liability of the parties hereunder for the further performance of the terms of this Agreement shall cease upon termination, but they shall not be relieved of the duty to perform their obligations up to the date of termination and any audit and/or reporting obligations required after date of termination.

C. In the event of termination, the PC-SLC Connect Electric vehicles shall be returned to Park City. An accounting shall be made of remaining federal funds or property under FTA C 5010.1E.

D. The breaching Party shall be liable for all direct damages suffered by non-breaching Party due to the breach of this Agreement. Neither Party shall be liable to the other for indirect or consequential damages.

11. NONDISCRIMINATION:

A. In connection with the carrying out of this Agreement, UTA shall not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The UTA shall take affirmative action to ensure that applicants are selected for employment and are treated during employment without regard to their race, color, religion, sex or national origin. Such action shall include but not be limited to the following: Employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. The UTA agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provision of this nondiscrimination clause.

B. The UTA covenants that no person or group will be denied the benefits of, participation in, or access to any service or facility provided in conjunction with this Agreement due to race, color, religion, sex, or national origin.

C. The UTA will keep records and documents during performance of this Agreement to indicate compliance with the nondiscrimination clause set forth herein. These records and documents, or copies thereof, will be made available at reasonable times and places to an authorized representative of Park City and will be submitted to Park City upon request, together with any other compliance information which such representative may require.

D. In the event of UTA's noncompliance with the nondiscrimination clauses of this Agreement, this Agreement may be canceled, terminated or suspended in whole or in part.

12. DRUG-FREE WORKPLACE:

The UTA covenants and agrees to implement a drug-free workplace that is consistent with the terms and provisions of 49 CFR Part 653 as shown on Exhibit “A” attached hereto and incorporated herein.

13. EQUAL OPPORTUNITY AND DBE STATEMENT:

The UTA covenants and agrees to ensure equal employment opportunity to the maximum extent possible and to make every reasonable effort to utilize disadvantaged and women-owned business enterprises as described in Exhibit “B” attached hereto and incorporated herein.

14. PROGRAM MANAGER:

The Authority Program Manager for this Agreement shall be Hal Johnson, or his designee. All correspondence regarding the program work of this Agreement should be addressed to hjohnson@rideuta.com or Phone: 801-237-1905.

15. CONTRACT ADMINISTRATOR:

The Park City Contract Administrator shall be Brian Beckstrand, or his designee. All correspondence regarding the terms, conditions, or administration functions should be addressed to Brian Beckstrand at Brian.Beckstrand@parkcity.org or Phone: (435) 615-5562.

16. NOTICES OR DEMANDS:

A. Any notice or demand to be given by one party to the other shall be given in writing by personal service, FedEx, or any other similar form of courier or delivery service, or mailing in the United States Mail, postage prepaid, certified, return receipt requested, or via dated e-mail with a follow-up copy sent by regular United States Mail, and addressed to such party as follows:

If to Park City:
Park City Municipal Corporation
ATTN: Brian Beckstrand,
1053 Iron horse Drive, Park City, Utah 84060
Brian.Beckstrand@parkcity.org

With a copy to:
Thomas Daley, Deputy City Attorney
Park City Municipal Corporation
P.O. Box 1480
Park City, UT 84060
tdaley@parkcity.org

If to UTA:
Utah Transit Authority
ATTN: Pat Postell, Procurement & Contracts
669 West 200 South
Salt Lake City, Utah 84101
ppostell@rideuta.com

B. Either party may change the address at which such party desires to receive written notice of such change to any other party. Any such notice shall be deemed to have been given, and shall be effective, on delivery to the notice address then applicable for the party to which the notice is directed; provided, however, that refusal to accept delivery of a notice or the inability to deliver a notice because of an address change which was not properly communicated shall not defeat or delay the giving of a notice.

17. LAWS AND REGULATIONS:

This Agreement shall be governed by and construed in accordance with the laws of the state of Utah without regard to its conflict of laws provisions.

Park City and UTA each agree to comply with all applicable Federal, state and local laws, ordinances and regulations in providing transportation service with the Vehicles. All subcontracts must be solicited, awarded and administered in accordance with FTA Circular

4220.1F. All terms and conditions contained the FTA Master Grant AgreementFTA MA(25), dated October 1, 2018 shall be applicable to all subcontracts awarded under this Agreement.

Park City and UTA acknowledge that purchase of the Vehicles will be funded by FTA FY18 Grant Section 5339(c)(the "Grant"), under which UDOT is the Recipient, Park City is the Sub recipient, and that UTA will collaborate by providing the total local match as indicated in the project budget and as required by the Grant (See Project Budget Exhibit "G" and Rocky Mountain Power Agreement Exhibit "H"). UTA agrees to cooperate in good faith with Park City in connection with Park City's compliance obligations under the Grant.

18. ENTIRE AGREEMENT:

This Agreement and the exhibits attached hereto contain the full and complete understanding and agreement between the parties relating to the subject matter hereof and supersede all prior and contemporary understandings and agreements, whether oral or written, relating to such subject matter hereof. This Agreement may be executed in one or more counterparts and by exchange of signed counterparts transmitted by facsimile, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same original instrument.

19. **ADDITIONAL INTERLOCAL COOPERATKION ACT PROVISONS:**

. In satisfaction of the requirements of the Interlocal Cooperation Act, Utah Code Ann. §§ 11-13-101 et seq., the Parties agree as follows:

a. This agreement shall be authorized and adopted by resolution of the legislative body of each Party, pursuant to Section 11-13-202.5.
b. This agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party, pursuant to Section 11-13-202.5.
c. A duly executed original counterpart of this agreement shall be filed immediately with the keeper of records of each Party, pursuant to Section 11-13-219.
d. This agreement shall become effective upon (a) its approval and execution by each Party and (b) the filing of an executed copy of this agreement with the keeper of records of each of the Parties.
e. Immediately after the execution of this agreement by all Parties, each Party shall cause to be published notice regarding this agreement, pursuant to Section 11-13-219.
f. The Parties agree that they do not, by this agreement, create an Interlocal entity or any separate entity.
g. CITY appoints ____________________, its ____________________, as its administrator for all matters relating to CITY's participation in this agreement. UTA appoints ________________, its _________________, as its administrator for all matters relating to UTA's participation in this

agreement. If an administrator ceases to be employed by the represented Party, then the person who replaces the prior administrator shall become the new administrator of that Party for purposes of this agreement, unless that Party otherwise notifies the other Parties in writing. Any Party may, at any time, change the designation of its administrator by providing written notice to the other Parties. To the extent that any administration of this agreement becomes necessary, then the Parties' administrators named above, or their designees or successors, shall constitute a joint board for such purpose, and each party shall have an equal vote in any decision that needs to be made.

h. There shall be no joint acquisition or ownership of property.
i. There is no joint budget; each Party will be responsible for maintaining its own financial budget for both income and expenditures arising under this agreement.

Utah Transit Authority, a Utah Corporation
669 West 200 South
Salt Lake City, Utah 84101

____
By:

____
By:

Approved as to Form and Consent:

____
UTA Legal Counsel

PARK CITY MUNICIPAL CORPORATION, a
Utah municipal corporation
445 Marsac Avenue
Post Office Box 1480
Park City, UT 84060-1480

____
Matt Dias, Acting City Manager

Attest:

____
City Recorder's Office

Approved as to form:

____
City Attorney's Office

STATE OF UTAH)
) ss.
COUNTY OF SUMMIT)

On this ____ day of ________________, 20__, 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 UTA, a Utah 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 Utah Transit Authority, a Utah corporation.

____
Notary Public

EXHIBIT "A"

DRUG-FREE WORKPLACE ACT CERTIFICATION
FOR A PUBLIC OR PRIVATE ENTITY

1. The Utah Transit Authority (UTA) certified that it will provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the UTA's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an ongoing drug-free awareness program to inform employees about:

(1) The dangers of drug abuse in the workplace;
(2) The UTA's policy of maintaining a drug-free workplace;
(3) Any drug counseling, rehabilitation, and employee assistance programs that are available; and
(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

(c) Making it a requirement that each employee to be engaged in the performance of the cooperative agreement be given a copy of the statement required by paragraph (a).

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the cooperative agreement, the employee will--

(1) Abide by the terms of the statement; and
(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the Federal agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every project officer or other designee on whose project activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected cooperative agreement.

(f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted--

(1) Taking appropriate personnel action against such an employee, up to and

including termination, consistent with the UTA's employment policies and

the requirements of the Rehabilitation Act of 1973, as amended; or (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, state or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

2. The UTA's headquarters is located at the following address:

Name of Recipient:	Utah Transit Authority
Street Address:	669 W 200 S
City:	Salt Lake City
County:	Salt Lake
State:	Utah
Zip Code:	84101

EQUAL EMPLOYMENT OPPORTUNITY AND DISADVANTAGED BUSINESS ENTERPRISE STATEMENT

The undersigned states on behalf of the UTA: ______________________________________.

A. The UTA has given or will give, prior to the commencement of an approved Park City project, notice to all pertinent personnel, i.e., managers, supervisors, employees, unions, subcontractors, etc. of the UTA EEO and DBE policies and procedures and its intent and effort to realize such procedures in connection with the EEO and DBE requirements that Park City is required to follow as a Federal Transit Administration Grantee.

B. UTA designates --

Name____

Title____

As the person assigned the responsibility for securing compliance with and reporting progress to the UTA and Park City's Civil Rights Office on all EEO efforts initiated and taken.

C. UTA will cooperate fully with Park City and ensure equal employment opportunity to the maximum extent possible during the term of this contract. If the UTA employs fifty (50) or more persons and, or will be entering into a contract hereunder in an amount of Fifty Thousand Dollars ($50,000.00) or more, then an EEO Plan for employment of minorities and women must be submitted. UTA will further be kept fully informed of any refusals by unions or others to cooperate with Park City's and the UTA's EEO and DBE requirements.

D. UTA agrees to make every reasonable good faith effort to utilize disadvantaged and women business enterprises in the performance of this contract. UTA will take affirmative steps to meet any DBE contract goal set for this contract.

UTA Name: ___________________________

Address: __________________________________

Signed: ___________________________________

Title: _____________________________________

EXHIBIT “C”
MONTHLY REPORTING FORM

Agency: ____Utah Transit Authority_____ Month/Year: _______________

Date of Preparation: _____________________

1. Daily vehicle mileage start/end odometer ________________________________
   (attach detail)
2. Number of one-way passenger trips____________________________________
3. Number of revenue miles____
4. Farebox Revenue
5. Vehicle Service Hours
6. Vehicle service miles
7. Vehicle Surveillance completed
   (April and October- attach completed form)_______________________________
8. Preventive Maintenance Certification ___________________________________
   (attach completed form)

The undersigned represents that the information shown on this reporting form is true and accurate.

____
UTA Representative

EXHIBIT “D”

MONTHLY PREVENTIVE MAINTENANCE CERTIFICATION

FOR MONTH ENDING __________________, 20_____

I, ____

Representing _____________________________________, do hereby certify that the following inspections, as outlined in "Preventive Maintenance Schedule", were performed:

DATE	VEHICLE #	INSPECTION PERFORMED	ODOMETER READING

____
Signature
Utah Transit Authority

Exhibit "E" - Sample

UDOT
Keeping Utah Moving

5310 / 5311 VEHICLE SURVEILLANCE INSPECTION

DATE: ______________________

TRANSPORTATION PROVIDER NAME: ______________________________________

Make	Vehicle Year	V.I.N. (last 4 digits)	Plate Number	Odometer

Documents kept in vehicle (please check if present) *Registration ☐ ***Insurance Card** ☐ *** DMV Inspection Sticker** ☐

All items must be inspected. If an item is not applicable to this vehicle, place "N/A" in the adjacent box.
Check "✓" appropriate box **P = Pass F = Fail # = number of days to correct failure**

EXTERIOR	P	F	#	SAFETY EQUIPMENT	P	F	#	INTERIOR	P	F	#
Body damage			-	Triangles (3)			1	Mirrors			2
Windows			2	First Aid Kit			2	Lights			3
***2 Outside Mirrors**			**0**	Bloodborne Pathogen Kit			3	Horn			2
Reflector/marker/clearance			2	Seat belt cutter			5	Seats			2
***Turn Signals**			**0**	Extra electrical fuses			5	***Seat Belts**			**0**
***Four Way Flashers**			**0**	Fire Extinguisher			2	AC/Heat/Defroster			2
***Tires front 4/32 rear 2/32**			**0**	Rear door buzzer			3	***Wipers**			**0**
***Headlights high and low**			**0**	Exit windows/buzzers			3	Gauges and Indicators			2
***Parking lights**			**0**	Roof Hatch			3	***Brakes (Foot/Parking)**			**0**
***Brake lights**			**0**	Spare Tire/Jack/Lug Wrench			3	Cleanliness			2
Cleanliness			2								

SIGNAGE	P	F	#	LIFT	P	F	#	SECUREMENTS	P	F	#
Buckle Up (or equivalent)			5	***Interlocks**			**0**	***Belt (4 or 8 floor)**			**0**
Emergency Exits			3	Level Platform			3	***Lap Belt**			**0**
Lift Operating Instructions			5	Lift Light			1	***Shoulder belt**			**0**
Vehicle Height			5	***Electric Wires (cut, frayed)**			**0**				
				***Hand Pump**			**0**				
				Hand Rails on Lift (2)			1				

Comments and Observations of Inspector:

Items that are ***bolded** may be placed out of service for failing inspection. The vehicle may not be returned to service until defect is repaired and the Agency Administrator is notified of the repairs. Body damage depending on severity should be repaired as soon as possible.

Agency Administrator:

Name: ______________________

Signature: ______________________

Inspector:

Name: ______________________

Signature: ______________________

This document can be completed by agency personnel and is a tool for you to monitor the maintenance source you are using. For questions, please contact Brian Gallea, PTT Program Compliance Officer, 801-209-3744. Inspections are to be performed on April 1 and October 1 and the completed inspection entered into PTT Online at: https://www.udot.utah.gov/public/ptt/f?p=131:101:1166169282072515

EXHIBIT “F”

BAILMENT AGREEMENT

This Bailment Agreement (“AGREEMENT”) is entered into as of the _____day of ___________, 2019 (the “EFFECTIVE DATE”) by and between:

Utah Transit Authority (UTA)
669 West 200 South
Salt Lake City, Utah 84004
(BAILEE)

Park City Transit Municipal Corporation (Park City)1053 Iron horse Drive,
Park City, Utah 84060
(BAILOR)

1. DEFINITION OF “PROPERTY”

For purposes of this Agreement, the term “PROPERTY” means the two (2) PC-SLC Connect Electric Vehicles and batteries procured or leased by Park City as a sub recipient to an FTA grant made to the Utah Department of Transportation (UDOT), as further described in Attachment “A” attached hereto and incorporated herein.

2. BAILMENT

The parties agree that UTA can possess and use the Property subject to the terms and conditions in this Agreement. The established value of Bailed Property is in the amount of approximately Two Million Dollars ($2,000,000.00).

3. TERM

The terms and conditions in this Agreement shall remain in effect for as long as the buses remain in the possession of UTA or the useful life of the vehicles as described in the Collaboration Agreement between Utah Transit Authority and Park City Transit Municipal Corporation Regarding ELECTRIC BUS AND CHARGING EQUIPMENT Program dated ___________ _____, 2019, attached hereto and incorporated herein as Attachment “B”). (Hereinafter “Collaboration Agreement”) This Agreement can be terminated in writing by mutual agreement of all parties.

4. OWNERSHIP

The Parties acknowledge that title and ownership of the buses is maintained by Park City and that UTA’s use and possession of it is by virtue of this Agreement. UTA agrees not to do anything that is inconsistent with Park City’s ownership in the Property.

5. USE OF THE PROPERTY

UTA agrees to use the Property for the sole purpose of serving the PC-SLC Connect and UTA’s traveling public.

6. MAINTENANCE

UTA agrees to keep vehicles in good and efficient working order during their useful life by performing normal maintenance and repairs at UTA expense in accordance with any available warranties. UTA further agrees to follow the specifications and recommended procedures contained in the manufacturer’s operator’s manuals, guides, schedules, and warranties.

7. MARKING/LOGO

UTA is permitted to place its markings and logo on the vehicles. Such marking and logos need not be removed when the bailment is terminated.

8. ACCESS

UTA agrees that Park City can enter UTA premises during normal business hours for purposes of inspecting and inventorying the vehicles.

9. TERM,DISPOSITION, AND RETURN OF PROPERTY

This Agreement shall remain in effect so long as UTA shall retain possession of the PC-SLC Connect Electric Vehicles, but in no event less than twelve (12) years, unless it is found that the buses do not meet UTA requirements for the PC-SLC Connect route, in which case the buses will revert to Park City possession. UTA acknowledges that the federal interest remains in the Vehicles and that disposition of the Vehicles for any reason is subject to approval of Park City and FTA, pursuant to the terms and parameters set forth in any then-applicable FTA circulars or guidance. The term of the Agreement, for each separate Vehicle, shall continue for a minimum of twelve (12) years or until the Vehicle shall have travelled a minimum of five hundred thousand (500,000) miles (the “Minimum Term”), whichever is first in time; and shall end no later than the date which is twelve (12) years from the date the Vehicles go into revenue service (the “Maximum Term”). The term of the Agreement, for each Charger, shall continue for a minimum of twelve (12) years. Park City and UTA acknowledge that upon reaching the end of the useful life of the Vehicles Park City shall have the option of obtaining possession of the vehicles or of surrendering them to UTA for final disposition. Upon reaching the end of the useful life, Park City shall surrender any further interest in the chargers and related equipment. They will become the property of UTA.

At the end of the useful life of the vehicles and/or termination under the terms of the Collaboration Agreement, at Park City’s election, UTA agrees to surrender the vehicles to Park City. However, should the bailed property prove not to be suitable for the intended use, Bailee has the option to cancel this Agreement and return all bailed property to the Bailor.

10. RISK OF LOSS

Park City agrees to bear the risk of loss of Property and either self-insure or carry sufficient insurance to cover the loss of the complete loss of the vehicles.

11. DISCLAIMER

EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT, PARK CITY MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

12. ENTIRE AGREEMENT

This Agreement is the entire understanding and agreement between the parties as to its subject matter, and completely overrides (supersedes) all previous understandings, agreements, communications and representations, whether written or oral. Provided however, that this Bailment Agreement does not alter or supersede the terms of the Collaboration Agreement between the Parties.

13. GOVERNING LAW

This Agreement shall be governed by, and construed in accordance with, the laws of the state of Utah, without regard to that state's rules concerning conflict of laws.

14. SIGNATURES

This Agreement has been signed by the parties or their duly authorized representatives to become effective as of the date of last signature.

Utah Transit Authority

By:

____

Printed/Typed Name:

Title:

Date:

PARK CITY MUNICIPAL CORPORATION, a Utah municipal corporation
445 Marsac Avenue
Post Office Box 1480
Park City, UT 84060-1480

____
Matt Dias, Acting City Manager

Attest:

____
City Recorder's Office

Approved as to form:

____
City Attorney's Office

BAILMENT AGREEMENT – ATTACHMENT “A”
DESCRIPTION OF “PROPERTY”

Buses: Two (2) electric powered buses.
Batteries: leased vehicle batteries will be minimum 440 kWh energy on board.

Exhibit G
PROJECT BUDGET

2018 Bus Low/No leased batteries Budget

Item Description	Total Maximum Federal Amount	Total Minimum Local Match	UTA over Match	Total Cost
Buses (2)	$ 974,860	$ 259,140		$ 1,234,000
Radios (2)	$ 28,440	$ 7,560		$ 36,000
Bus configurable/contingency	$ 94,800	$ 25,200	$ 120,000	$ 240,000
Project Management	$ 39,500	$ 10,500	$ 50,000	$ 100,000
Training	$ 27,650	$ 7,350		$ 35,000
Tools	$ 11,850	$ 3,150		$ 15,000
shop improvements	$ 15,800	$ 4,200		$ 20,000
TOTALS	$ 1,192,900	$ 317,100	$ 170,000	$ 1,680,000

Requested Facilities Budget

Item Description	Total Maximum Federal Amount	Total Minimum Local Match	UTA over Match	Total Cost
On Route Charging Equipment	$ 337,330	$ 89,670		$ 427,000
On Route A&E Services	$ 51,350	$ 13,650		$ 65,000
PCT charger retrofit	$ 102,700	$ 27,300		$ 130,000
Depot Charging Equipment (2 units)	$ 126,400	$ 33,600		$ 160,000
Depot A&E Services(completed as part of Depot District)	$ -	$ -		$ -
Depot Charger Construction Services	$ 63,200	$ 16,800		$ 80,000
Software	$ 2,844	$ 756		$ 3,600
Training	$ 11,850	$ 3,150		$ 15,000
On Route Construction Services	$ 211,878	$ 56,322		$ 268,200
Offset to project 1 for charger construction	$ 63,200	$ 21,000	$ 100,041	$ 184,241
UTA Project Management	$ 27,650	$ 7,350	$ 60,000	$ 95,000
Contingency	$ 98,698	$ 26,250		$ 124,948
TOTALS	$ 1,097,100	$ 295,848	$ 160,041	$ 1,552,989

LoNo Project Total	$2,290,000	$ 612,948	$ 330,041	$ 3,232,989
Local Match Source Bus				Match Amount
UTA/PCT funding				$ 442,989
Rocky Mountina Power				$ 500,000
Subtotal				$ 942,989

Exhibit “H”

ROCKY MOUNTAIN POWER

Plug-in Electric Vehicle Custom Project – Incentive Offer Letter

Utah Transit Authority
669 West 200 South
Salt Lake City, Utah 84101

Re: EVUT_252139

Rocky Mountain Power
Electric Vehicle Program
EV@rockymountainpower.net

After reviewing your application, we are pleased to provide you an incentive offer for the successful implementation of your electric vehicle custom project as outlined in your project application (2 – High Power Overhead Chargers and 5 – DC Fast Chargers).

Incentive Estimate
Issue Date: December 17, 2018
Estimated Incentive: $500,000 up to 26% of total project costs
Completion Date: May 1, 2019

For this offer to remain valid and to receive an incentive, it is the responsibility of the participant to:

1. Sign and return this offer and revised application to the contact above within 14 days of the issue date.
2. Implement the project as outlined in the project plan/application and by the Completion Date.
3. Notify Rocky Mountain Power of any changes that materially affect the implementation schedule, project costs or project scope.
4. Upon project completion notify Rocky Mountain Power via email project has been completed.
5. Provide actual itemized project cost documentation after project completion.
6. Provide all required documentation and participate in any required inspections no later than 60 days from the Completion Date

Acknowledgement
I understand: (1) my responsibilities listed above; (2) the incentive offer is an estimate; (3) the incentive paid will be based upon completion of the project as outlined in the project application.

W. STEVE MEYER
Name (please print)

INTERIM EXECUTIVE DIRECTOR
Title

[signature]
Signature

12/21/18
Date

Approved As to Form
UTA Legal Counsel

12/20/18
VP of operations, capital, and assets

33

Exhibit “I”

Park City – Salt Lake City Connect Service Interlocal Agreement

Agreement # ______________
Amount: $3,693,941.00
Date: ______________

VOLKSWAGEN ELIGIBLE MITIGATION ACTION FUNDING AGREEMENT
PARK CITY MUNICIPAL CORPORATION and
STATE OF UTAH
DEPARTMENT OF ENVIRONMENTAL QUALITY

WHEREAS, pursuant to the terms of the settlement,[1] on January 29, 2018, the Trustee of the Volkswagen Diesel Emissions Environmental Mitigation Trust for State Beneficiaries, Puerto Rico, and the District of Columbia ("Trust") designated the State of Utah a beneficiary under the Trust.[2] In accordance with the Environmental Mitigation Trust Agreement for State Beneficiaries ("Trust Agreement"),[3] the State of Utah may disburse Trust funds for Eligible Mitigation Actions to mitigate the lifetime excess nitrogen oxide ("NO_x") emissions from noncompliant vehicles;[4]

---

[1] On October 25, 2016, and on May 17, 2017, the United States District Court, Northern District of California ("Court"), entered partial consent decrees requiring the settling defendants (Volkswagen AG, Audi AG, Volkswagen Group of America, Inc., Volkswagen Group of America Chattanooga Operations, L.L.C., Dr. Ing. H.c. F. Porsche AG, and Porsche Cars North America, Inc.), to collectively fund Eligible Mitigation Actions that will reduce nitrogen oxide emissions where the noncompliant vehicles "were, are or will be operated." *Partial Consent Decree*, In re: Volkswagen "Clean Diesel" Marketing, Sales Practices, and Products Liability Litigation, MDL No. 2672 (CRB (JSC) ("*First Partial Consent Decree*"), (Approved October 25, 2016) at 5; *Second Partial Consent Decree*, In re: Volkswagen "Clean Diesel" Marketing, Sales Practices, and Products Liability Litigation, MDL No. 2672 (CRB)(JSC), (Approved May17, 2017).

[2] *Notice of Beneficiary Designation Under the Volkswagen Diesel Emissions Environmental Mitigation Trust for State Beneficiaries, Puerto Rico, and the District of Columbia,* In Re: Volkswagen "Clean Diesel" Marketing, Sales Practices, and Products Liability Litigation, MDL No. 2672 (CRB (JSC) (January 29, 2019).

[3] *See Environmental Mitigation Trust Agreement for State Beneficiaries* (filed October 2, 2017).

[4] *First Partial Consent Decree* at 5; *Second Partial Consent Decree* at 5.

WHEREAS, the Utah Department of Environmental Quality ("UDEQ"), as the lead agency in the Trust matter, intends to provide funding assistance to Utah governmental entities[5] to reduce the purchase price of Eligible Mitigation Actions;[6]

WHEREAS, pursuant to the Environmental Mitigation and Response Act, Title 19, Chapter 1, Part 6, Utah Code, 1953, as amended, the UDEQ may accept and distribute settlement funds in accordance with the terms and conditions of that settlement;

WHEREAS, Park City Municipal Corporation ("Park City"), a governmental entity in the State of Utah, requested financial assistance derived from the Trust to partially fund the replacement of one or more diesel vehicles;

NOW, THEREFORE, pursuant to the Environmental Mitigation and Response Act and the Trust Agreement, this Volkswagen Eligible Mitigation Action Funding Agreement ("Agreement") is entered into by and between the UDEQ and Park City as follows:

I. **Terms of the Eligible Mitigation Action Funding.**

A. **Funding Assistance Purpose:** The UDEQ awards Eligible Mitigation Action Funding Assistance ("Funding Assistance") to Park City to reduce the purchase price of each new replacement vehicle to achieve a reduction in NO_x emissions.

[5] Government entity defined pursuant to Title 11, Chapter 13, Interlocal Cooperation Act, Utah Code.
[6] Trust at ¶ 5.1.

B. **Eligible Vehicles to Receive Funding Assistance for Replacement:** Once verified by the UDEQ as meeting the Eligible Mitigation Action requirements, the UDEQ may authorize Funding Assistance for the replacement of each of the following vehicles (also referred to as "replaced vehicle"):

1. Vehicle identification numbers (VIN) 15GGB291561076504, engine model year 2005, Class 8 transit bus;
2. VIN 15GGB291761076505, engine model year 2005, Class 8 transit bus;
3. VIN 15GGB291961076506, engine model year 2005, Class 8 transit bus;
4. VIN 15GGB291061076507, engine model year 2005, Class 8 transit bus;
5. VIN 1M8PDMPA06P057017, engine model year 2005, Class 8 transit bus; and
6. VIN 1M8PDMPA76P057015, engine model year 2005, Class 8 transit bus.

C. **Eligible Mitigation Action Funding Deadline:** To receive Funding Assistance, on or before three years from the effective date of this Agreement, Park City shall complete and submit to the UDEQ supporting documentation that all requirements specified in this Agreement have been met.

D. **Maximum Award:** To reduce the purchase price, the UDEQ may provide Funding Assistance up to sixty-five percent (65%) of the lowest price quote for each new replacement vehicle purchased by Park City. The total maximum combined Funding Assistance awarded to Park City is $3,693,941.00.

II. **Required Certifications:** In signing this Agreement, Park City agrees and certifies, under penalty of perjury, that:

A. **Park City Cost Share**: Park City shall cost-share or fund a minimum of thirty-five percent (35%) of each new replacement vehicle partially funded under this Agreement.

B. **Leased Vehicles Not Eligible for Funding Assistance:** Park City shall use Funding Assistance only to purchase each authorized replacement vehicle and not to lease any vehicle.

C. **Highway Model Year:** Park City shall use Funding Assistance only to replace eligible, UDEQ-approved, Class 8 highway vehicles with engine model years 1992 to 2006.

D. **Eligible Mitigation Action Funding:** Park City shall only use Funding Assistance:

1. To purchase each new replacement vehicle powered by a 2020 model year or newer engine certified by the U.S. Environmental Protection Agency ("EPA") or the California Air Resources Board;

2. To purchase a new replacement vehicle that is in the same Class and associated Gross Vehicle Weight Rating ("GVWR") as the replaced vehicle listed in ¶ I.B; and

3. To fund up to sixty-five percent (65%) of the lowest price quote for each new replacement vehicle, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired,[7] and freight.

E. **Mandated Measures**: Park City shall not use Funding Assistance for emissions reductions that are otherwise mandated under federal law.[8]

F. **Normal Attrition**: Park City shall not use Funding Assistance to replace vehicles that Park City intends to replace through normal attrition or fleet turnover.[9] Vehicle replacements that would have occurred through normal attrition or fleet turnover on or before December 31, 2021, are considered the result of normal fleet turnover or normal attrition; and those vehicles are not eligible to be replaced using Eligible Mitigation Action Funding.

G. **Fleet Expansion**: Park City shall not use Funding Assistance for the purchase of vehicles to expand its fleet.

H. **Matching Funds:** Park City shall not use Funding Assistance as matching or cost-share funds for other federal grants, including funds received under EPA's federal Supplemental Environmental Project funds.

I. **Procurement Code:** Park City shall procure each replacement vehicle in accordance with applicable provisions of the Utah Procurement Code, Title 63G, Chapter 6a, Utah Code and any local procurement rules in Park City's jurisdiction.

---

[7] The cost of additional "optional" components or "add-ons" that significantly increase the cost of the vehicle may not be eligible for funding.
[8] Voluntary or elective emissions reductions measures shall not be considered "mandated," regardless of whether the reductions are included in the State of Utah, State Implementation Plan.
[9] Normal attrition is defined by Park City's budget plan, operating plan, standard procedures, or retirement schedule.

J. **Disable Replaced Vehicles:** Park City shall scrap or disable each replaced vehicle within ninety (90) days of being replaced in accordance with the criteria specified in ¶ III.F below.

K. **Sufficient Progress:** Park City agrees that the UDEQ may terminate any Funding Assistance if Park City fails to make sufficient progress to reasonably ensure completion of the requirements specified in this Agreement prior to three years from the effective date of this Agreement. The UDEQ shall determine whether Park City is achieving sufficient progress by examining quarterly reports, the status of each requirement, the milestone schedule and the time remaining in the project period.

L. **Replacement Vehicle Use, Management, and Disposition:**

1. Park City shall register, license, and insure each new replacement vehicle in the State of Utah.

2. Park City shall operate each new replacement vehicle, partially funded under this Agreement, in the same function and operation as the replaced vehicle, specified in ¶ I.B.

3. For each replacement vehicle partially funded under this Agreement, Park City shall follow the manufacturer's recommendations for routine maintenance and retain documents demonstrating that the maintenance was completed. These documents shall be made available to the UDEQ upon request.

4. Park City shall not tamper with, remove, or render inoperative an emission control component of the EPA or CARB certified engine.

5. If Park City uses a replacement vehicle as a trade-in, it shall only trade for an equivalent replacement vehicle. If Park City sells a replacement vehicle, it shall use the proceeds to offset the cost of a subsequent equivalent replacement vehicle.

6. If the current per unit, fair market value of each replacement vehicle partially funded under this Agreement is $5,000 or less, the vehicle may be retained, sold or otherwise disposed of with no further obligation.

III. **Eligible Mitigation Action Funding Conditions.**

To receive Funding Assistance, Park City shall comply with the following conditions:

A. **Standard Terms and Conditions:** Park City shall comply with the Funding Assistance Agreement, Standard Terms and Conditions, Attachment A.

B. **Quarterly Reporting and Environmental Results:** Beginning with the subsequent quarter, at least (90) days after the effective date of this Agreement until Park City is reimbursed under ¶ III.F., Park City shall prepare and submit quarterly progress reports to the UDEQ on or before:

July 1st
October 1st
January 1st
April 1st

In its quarterly reports, Park City shall describe its status with respect to completing the requirements specified in this Agreement, including: a summary of Park City's progress toward completing the Eligible Mitigation Action; (¶ III.C.3) expenditures and planned activities for the next quarter (i.e., submitting to UDEQ documentation that demonstrates compliance with applicable procurement requirements, ordering each replacement vehicle, delivery of each replacement vehicle, entering each replacement vehicle into service, disabling each replaced vehicle, etc.); an explanation of any challenges encountered during the reporting period that may impede progress toward completing the Eligible Mitigation Action; a description of any public outreach activities involving the Eligible Mitigation Action project; and anticipated completion date. Park City may submit the quarterly reports and responses to the UDEQ through electronic mail.

C. **Eligible Mitigation Action Activities:** Prior to each replacement vehicle purchase, Park City shall obtain written approval from UDEQ acknowledging Park City's justification that its purchasing procedures comply with applicable state and local laws (¶ II.I procurement requirements) and verifying vehicle eligibility. To determine eligibility, Park City shall provide the following information to UDEQ:

1. For each vehicle to be replaced:
    a) The make and model;
    b) Legible photos of:
        (1) the side profile, including any vehicle identifier name or number;

(2) the full engine plate that clearly specifies the engine make, model, year, horsepower, displacement, serial number, engine family name, and EPA estimated emissions for NO_x (nitrogen oxides) and PM (particulate matter);
(3) the Vehicle Identification Number (VIN) plate; and
(4) the GVWR;

c) The total percentage of time the vehicle operates in the 24-hour $PM_{2.5}$ nonattainment counties - Box Elder, Cache, Davis, Salt Lake, Tooele, Utah, and Weber counties;
d) Evidence demonstrating that the vehicle is an early replacement, that the replacement would not have occurred through normal attrition, including a description of Park City's normal attrition cycle, and that the vehicle has a minimum of three years remaining in its useful life;
e) Vehicle route description, including details of the vehicle's current purpose, routes, and daily/weekly/seasonal operation schedule;
f) An odometer reading within thirty (30) days of the date of Application submission;
g) The annual miles traveled;
h) The annual fuel usage;
i) The estimated annual hours the vehicle idles;
j) Proof of current registration in the State of Utah; and
k) Proof of current insurance.

2. For each proposed new replacement vehicle:
a) The vehicle make, model, and model year;
b) The engine family name and model year;
c) The GVWR;
d) The horsepower;
e) The displacement;
f) The fuel type;
g) The estimated cost (including itemized add-ons);
h) An explanation if any add-ons are necessary to make the vehicle usable for the vehicle's intended purpose; and
i) Documentation that Park City's jurisdiction shall fund a minimum of the thirty-five percent (35%) cost share.

3. A timeline specifying anticipated dates to meet key milestones specified in this Agreement, including submission of new vehicle purchase price quotes, ordering the vehicles, securing the thirty-five percent (35%) cost share funding, purchase of vehicles, disabling the replaced vehicle engine and chassis, and submission of reimbursement documentation.

D. **Replacement Vehicle Procurement Code Documentation:** Park City shall obtain competitive bids for the purchase of each new replacement vehicle in accordance with Utah Code § 63G-6a-6 and any local procurement rules that apply to Park City's jurisdiction. To demonstrate proof of competition and to allow cost and price analyses, Park City shall submit to the UDEQ, for approval, a minimum of two itemized price quotes for replacement vehicles in the same class, same model year, and similar GVWR, engine displacement and horsepower as the replaced vehicle. Park City shall submit the Vehicle Price Quote Bid Summary Form ("Price Quote Form"), provided by the UDEQ, signed and dated by each vendor. In lieu of submitting the Price Quote Form, Park City may submit a signed and dated price quote from each vendor that summarizes the information specified in the Price Quote Form. Each price quote shall be dated within in ninety (90) days of the other quote and within one year of the date of purchase. The information required in the Vehicle Price Quote Bid Summary Form includes:

1. The vehicle and engine make and model;
2. The GVWR;
3. The engine model year;
4. The horsepower;
5. The engine displacement;
6. That the vehicle is certified to the most stringent EPA emissions standards;
7. Add-ons, modifications or attachments;
8. Delivery costs, if applicable;
9. The dealership providing the quote;
10. That the quote is offered to Park City;
11. The time period the quote is valid; and
12. Warranty information.

E. **Replacement Vehicles Orders:** Any replacement vehicles orders are incurred at Park City's own peril, unless, for each vehicle, Park City has received written authorization from the UDEQ confirming:

1. Park City's vehicle is eligible for replacement using Funding Assistance;
2. Park City's desired replacement vehicle meets the criteria specified in this Agreement, ¶ II.D;
3. Park City obtained a minimum of two competitive price quotes in accordance with ¶ III.D above; and
4. Park City is authorized to place an order for the purchase of its replacement vehicles.

F. **Reimbursement and Receiving Funding Assistance:** Reimbursement of the Funding Assistance portion of each new vehicle purchase price shall occur after each replacement vehicle is entered into service and upon determination by the UDEQ that Park City has complied with the terms, conditions, and certifications of this

Agreement. To demonstrate compliance with the terms of this Agreement, Park City shall:

1. **Permanently Disable Each Replaced Vehicle:** Within ninety (90) days of entering each replacement vehicle into service, Park City shall scrap or permanently disable each replaced vehicle by:
   a) Cutting a three-inch by three-inch hole in the engine block, the part of the engine that contains the cylinders; and
   b) Disabling the chassis by cutting through the frame rails on both sides of the vehicle between the front and rear axles.

2. **Demonstration of Each Disabled Replaced Vehicle and Proper Disposal:** Within ninety (90) days of entering each replacement vehicle into service, Park City shall obtain a signed certificate of destruction[10] signed by both the individual disabling each vehicle and an individual authorized to represent Park City. The certificate of destruction for each individual replaced vehicle shall include an electronic copy of a continuous, clear, unedited video that captures:
   a) The side profile of the vehicle;
   b) The VIN plate showing a legible VIN;
   c) The entire engine plate clearly displaying the engine make, model, year, horsepower, displacement, serial number, and engine family name;
   d) The three-inch by three-inch hole drilled into the engine block; and
   e) The cut chassis rails.

   Park City may supplement the continuous, clear, unedited video with still photographs of engine and vehicle data if the location of the data is impossible to capture in the continuous video.

3. **Submission of Documentation for Reimbursement:** On or before three years from the effective date of this Agreement, Park City shall submit to the UDEQ the following:
   a) For each replaced vehicle, a certificate of destruction, signed by both the dismantler and person authorized to represent Park City, specifying the date of destruction and an electronic video meeting the requirements specified in ¶¶ III.F.1 and 2 above;

[10] Certificate of Destruction form to be obtained from the UDEQ.

b) Any receipt for scrappage if Park City received proceeds from the scrappage of the replaced vehicles;[11]

c) A final purchase invoice for each replacement vehicle that specifies:
   (1) the invoice date;
   (2) the total purchase price of the vehicle;
   (3) the vehicle make, model, and model year;
   (4) the Vehicle Identification Number (VIN);
   (5) the dealership name; and
   (6) Park City as the purchaser;

d) Proof of payment for each replacement vehicle rendered by Park City; and

e) The date Park City placed each replacement vehicle into service.

f) For each replaced vehicle, a statement, signed by an individual authorized to represent Park City, that:
   (1) describes the procurement process to purchase the vehicle and
   (2) states that "each replacement vehicle for which I am seeking funding assistance was procured in accordance with applicable state (63G-6a Utah Code) and local laws as described in this statement."

G. **Funds Derived from Scrappage:** Park City shall use any proceeds from the scrappage of the replaced vehicles to pay, in part, Park City's cost-share portion of the cost of the replacement vehicles.

H. **Delays or Favorable Developments:**

1. Park City shall promptly notify the UDEQ in writing of any problems, delays, or adverse conditions which may materially impair its ability to deliver on its obligations specified in this Agreement. This disclosure must include a statement of any actions taken, or contemplated, and any assistance needed to resolve the situation.

2. Park City shall notify the UDEQ in writing of any favorable development which may enable it to meet time schedules and objectives sooner or at less cost.

I. **Timely Follow-Up:** Park City shall timely respond with any necessary supporting documentation to any follow-up inquiries from the UDEQ, no later than fifteen (15) days after receipt of the inquiry.

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[11] Equipment and vehicle components may be salvaged from the vehicle being replaced (e.g. plow blades, shovels, seats, tires, etc.).

EXECUTION

NOW, THEREFORE, by virtue of the authority contained in Title 19, Part 6, Utah Code, the parties hereto mutually agree to perform and execute this Agreement. This Agreement shall take effect upon the signature of the Executive Director as evidenced below.

PARK CITY MUNICIPAL CORPORATION 1053 Ironhorse Drive Park City, UT 84060	STATE OF UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY 195 North 1950 West Salt Lake City, Utah 84114
____________________________	____________________________
By: ________________________ Print your name	By: L. Scott Baird Executive Director
Date:_______________________	Date:_______________________

ATTACHMENT A
Volkswagen Diesel Emission Environmental Mitigation Trust
Eligible Mitigation Action Funding Agreement
Park City Municipal Corporation
Standard Terms and Conditions

1. **DEFINITIONS:** The following terms shall have the meanings set forth below:
   a. "Agreement" means the Volkswagen Eligible Mitigation Action Funding Agreement, including all attachments and documents incorporated by reference.
   b. "Project Sponsor" means City of Park City Municipal Corporation as the entity to receive Funding Assistance pursuant to the terms of this Agreement. Project Sponsor as used in this Agreement shall include Project Sponsor's agents, officers, employees, and partners.
   c. "State of Utah" means the State of Utah, in its entirety, including its institutions, agencies, departments, UDEQ's authorities, instrumentalities, boards, commissions, elected or appointed officers, employees, agents, and authorized volunteers.
   d. "Trust" means the Volkswagen Diesel Emission Environmental Mitigation Trust created pursuant to *Partial Consent Decree*, In re: Volkswagen "Clean Diesel" Marketing, Sales Practices, and Products Liability Litigation, MDL No. 2672 (CRB (JSC) ("*First Partial Consent Decree*"), (Approved October 25, 2016); and *Second Partial Consent Decree*, In re: Volkswagen "Clean Diesel" Marketing, Sales Practices, and Products Liability Litigation, MDL No. 2672 (CRB (JSC), (Approved May17, 2017).
   e. "Trust Agreement" means the Environmental Mitigation Trust Agreement for State Beneficiaries, approved September 19, 2017, effective October 2, 2017.
   f. "UDEQ" means the Department of Environmental Quality, the lead agency for the Trust as designated by the Governor of the State of Utah.

2. **GOVERNING LAW AND VENUE:** This Agreement shall be governed by the laws, rules, and regulations of the State of Utah. Any action or proceeding arising from this Agreement shall be brought in a court of competent jurisdiction in the State of Utah. Venue shall be in Salt Lake City, in the Third Judicial District Court for Salt Lake County.

3. **LAWS AND REGULATIONS:** At all times during this Agreement, Project Sponsor shall comply with all applicable federal and state constitutions, laws, rules, codes, orders, and regulations, including applicable licensure and certification requirements.

4. **RECORDS ADMINISTRATION:** Project Sponsor shall maintain all records specified in this Agreement. These records shall be retained by Project Sponsor for at least six (6) years after final reimbursement, or until all audits initiated within the six (6) years have been completed, whichever is later. Project Sponsor agrees to allow, at no additional cost, State of Utah auditors, federal auditors or any firm identified by the UDEQ, access to all such records.

5. **CONFLICT OF INTEREST:** Project Sponsor represents that none of its officers or employees are officers or employees of the UDEQ unless previously disclosed in writing.

6. **INDEPENDENT CAPACITY:** Project Sponsor shall act in an independent capacity and not as officers or employees or agents of the UDEQ or other agencies of the State of Utah.

7. **INDEMNITY:** Both parties are governmental entities as defined in the Utah Governmental Immunity Act (Utah Code § 63G-7-1010 et. seq.). Nothing in this Agreement shall be construed as a waiver by either or both parties of any rights, limits, protections, or defenses provided by the Act. Nor shall this Agreement be construed as a waiver of any governmental immunity to which a party to this Agreement is otherwise entitled. Each party is responsible for its own actions or negligence and will defend against any claim or lawsuit brought against it. There are no indemnity obligations between these parties.

8. **AMENDMENTS:** This Agreement may only be amended by the mutual written agreement by the UDEQ and Project Sponsor, which amendment will be attached to this Agreement.

9. **TERMINATION:** This Agreement may be terminated, with cause by the UDEQ, upon written notice. The Project Sponsor will be given ten (10) days after written notification is received to correct and cease the violations, after which this Agreement may be terminated for cause immediately and subject to the remedies below. The Project Sponsor may terminate this Agreement in writing at any time prior to reimbursement. Termination of this Agreement for cause or by the Project Sponsor will render the Project Sponsor ineligible for reimbursement of any costs associated with the EVSE project.

10. **NONAPPROPRIATION OF FUNDS, REDUCTION OF FUNDS, OR CHANGES IN LAW:** Upon thirty (30) days after written notice is delivered to Project Sponsor, this Agreement may be terminated in whole or in part at the sole discretion of the UDEQ, if it reasonably determines that: (i) a change in Federal or State legislation or applicable laws materially affects the ability of either party to perform under the terms of this Agreement; or (ii) that a change in available funds affects the UDEQ's ability to provide financial assistance under this Agreement. If a written notice is delivered under this section, the UDEQ will reimburse the Project Sponsor for eligible costs of the project until the effective date of said notice. The UDEQ will not be liable for any performance, commitments, penalties, or liquidated damages that accrue after the effective date of said written notice.

11. **PUBLIC INFORMATION:** The Project Sponsor agrees that this Agreement, related purchase orders, related pricing documents, and invoices will be public documents and may be available for public and private distribution in accordance with the State of Utah's Government Records Access and Management Act (GRAMA) and the Trust Agreement. The Project Sponsor

gives the UDEQ and the State of Utah express permission to make copies of this Agreement, related sales orders, related pricing documents, and invoices in accordance with GRAMA and the Trust Agreement. The UDEQ and the State of Utah are not obligated to inform Project Sponsor of any GRAMA requests for disclosure of this Agreement, related purchase orders, related pricing documents, or invoices.

12. **ASSIGNMENT:** The Project Sponsor may not assign, sell, transfer or delegate any right or obligation under this Agreement, in whole or in part.

13. **REMEDIES:** Any of the following events will constitute cause for the UDEQ to declare the Project Sponsor in default of this Agreement: (i) the Project Sponsor's non-performance of its contractual requirements and obligations under this Agreement; or (ii) Project Sponsor's material breach of any term or condition of this Agreement. The UDEQ may issue a written notice of default providing a ten (10) day period in which Project Sponsor will have an opportunity to cure. Time allowed for cure will not diminish or eliminate Project Sponsor's liability for damages. If the default remains after Project Sponsor has been provided the opportunity to cure, the UDEQ may do one or more of the following: (i) exercise any remedy provided by law or equity; (ii) terminate this Agreement or (iii) demand a full refund of any payment that the UDEQ has made to Project Sponsor under this Agreement.

14. **FORCE MAJEURE:** Neither the UDEQ nor Project Sponsor will be held responsible for delay or default caused by fire, riot, act of God or war which is beyond that party's reasonable control.

15. **WAIVER:** A waiver of any right, power, or privilege shall not be construed as a waiver of any subsequent right, power, or privilege.

16. **PROCUREMENT ETHICS:** The Project Sponsor understands that a person who is interested in any way in the receipt of Funding Assistance from the State of Utah is violating the law if the person gives or offers to give any compensation, gratuity, contribution, loan, reward, or any promise thereof to any person who participates in the award of the funding assistance on behalf of the UDEQ whether it is given for their own use or for the use or benefit of any other person or organization.

17. **CHANGES IN SCOPE**: Any changes in this Agreement to be performed under these terms and conditions shall be in the form of a written amendment, mutually agreed to and signed by both parties, specifying any such changes, fee adjustments, any adjustment in time of performance, or any other significant factors arising from the changes in this Agreement.

18. **REVIEWS:** The UDEQ reserves the right to perform plan checks, plan reviews, other reviews, and/or comment upon the implementation status of this Agreement. Such reviews do not waive the requirement of Project Sponsor to meet all of the terms and conditions of this Agreement, including providing quarterly reports.

19. **ORDER OF PRECEDENCE:** In the event of any conflict in the terms and conditions in this Agreement, the order of precedence shall be: (i) this Agreement and (ii) this Attachment A. Any provision attempting to limit the liability of Project Sponsor or limit the rights of the UDEQ or the State of Utah must be in writing and attached to this Agreement or it is rendered null and void.

20. **SURVIVAL OF TERMS:** Termination or expiration of this Agreement shall not extinguish or prejudice the UDEQ's right to enforce this Agreement with respect to any default of this or of any of the following clauses, including: Governing Law and Venue, Laws and Regulations, Records Administration, Remedies, Dispute Resolution, Indemnity, and Insurance.

21. **SEVERABILITY:** The invalidity or unenforceability of any provision, term, or condition of this Agreement shall not affect the validity or enforceability of any other provision, term, or condition of this Agreement, which shall remain in full force and effect.

22. **ERRORS AND OMISSIONS:** The Project Sponsor shall not take advantage of any errors and/or omissions in this Agreement. The Project Sponsor must promptly notify the UDEQ of any errors and/or omissions that are discovered.

23. **ENTIRE AGREEMENT:** This Agreement constitutes the entire agreement between the parties and supersedes any and all other prior and contemporaneous agreements and understandings between the parties, whether oral or written.

Agenda Item No:

Council Agenda Item Report

Meeting Date: April 30, 2020
Submitted by: Jed Briggs
Submitting Department: Budget, Debt & Grants
Item Type: Staff Report
Agenda Section:

Subject:
4:40 p.m. - Fiscal Year 2021 Budget Preview

Suggested Action:
Confirm the financial strategy to implement a “provisional” budget for fiscal year 2021 that includes significant operating expense reductions, deferring, delaying and cancelling non-essential capital projects and equipment purchases, and utilizing emergency reserves.

The provisional budget is fiscally responsible, maintains core community public service commitments, and shares the expenditure reductions across the organization. The provisional budget is built upon an initial 21% revenue shortfall projection, and will be revisited within 90 days from July 1, 2020, for potential re-adoption and adjustment, once the financial implications of COVID-19 are better understood.

Attachments:
FY21 Budget Preview Staff Report

Exhibit A: Deferred Capital Improvement Projects

City Council
Staff Report

Subject: Fiscal Year 2021 Budget Strategy
Author: Jed Briggs & Erik Daenitz
Department: Budget
Date: April 30, 2020
Type of Item: Administrative

Recommendation

Confirm the financial strategy to implement a "provisional" budget for FY2021 that includes significantly reducing operating budgets; deferring, delaying and cancelling non-essential capital projects and equipment purchases; and utilizing emergency reserves.

The provisional budget is fiscally responsible, maintains core community public service commitments, and distributes the expenditure reductions across the organization. The provisional budget is built upon an initial, 21% revenue shortfall projection, and will be revisited within 90 days from July 1, 2020, for potential re-adoption and adjustment, once the future financial implications of COVID-19 are better understood.

Background

In response to COVID-19, PCMC quickly activated the City's Recession Plan in FY2020 to impose a series of expenditure reductions necessary to close a projected General Fund revenue shortfall of $3.9M. Looking ahead to FY2021, the Budget Department projects a revenue loss of, at minimum, of 21%, **leading to a projected General Fund revenue shortfall of approximately $8.6M**. The shortfall is driven by a combination of lost sales tax and program revenues as a result of the economic impacts of COVID-19.

Overall, Park City's General and Capital Improvement Funds are well positioned to help sustain and augment municipal operations during an economic downtown. In many respects, the City's financial strategy is consistent with industry best practices in terms of utilize some portion of emergency and reserve funds complimented by expenditure reductions. This strategy should provide the ability for PCMC to maintain core services, even in the most dire of circumstances.

With regard to budget timelines, staff recommends adopting PCMC's Tentative Budget on May 14, 2020, as required by State law. Budget hearings and updates are planned at every subsequent Council meeting until final budget adoption on June 25, 2020.

Analysis

Revenues

As discussed, with increased economic uncertainty, municipal revenue projections remain incredibly uncertain and volatile. Nonetheless, projections are required to inform future expense budgets and public service levels. Generally speaking, staff has assumed a very slow return of sales tax revenues as the impacts of COVID-19 decrease. **A full return to average levels of sales tax revenues is not expected in fiscal year 2021.**

General Fund Revenues

Under these assumptions, the General Fund is projected to collect the following sales tax revenues:

General Fund – FY21 Sales Tax Revenue Projection				
Source of Tax Revenue	Normal Budget Estimate/Historical	FY 21 Budget	$, Variance	%, Variance
1% Local Option	$6,887,712	$4,777,068	($2,110,644)	-31%
1.1% Resort Tax	$7,163,519	$4,970,850	($2,192,669)	-31%
Total	**$14,051,231**	**$9,747,919**	($4,303,312)	**-31%**

This leads to overall revenue projections as outlined below:

FY 2021 General Fund Revenue Projections - Summary

Revenue Type	FY 2020 Revenue Budget	FY 2021 Budget - Under Shutdown Conditions	$, Variance	%, Variance	% of Total Revenue
Property Taxes	$11,196,658	$10,412,892	($783,766)	-7%	33%
Sales Tax	$15,231,123	$9,747,919	($5,483,204)	-36%	31%
Franchise Tax	$3,262,000	$3,229,380	($32,620)	-1%	10%
Licenses	$312,000	$324,480	$12,480	4%	1%
Planning, Building & Engineering Fees	$2,397,000	$2,109,360	($287,640)	-12%	7%
Recreation	$2,145,000	$1,415,700	($729,300)	-34%	4%
Other Revenue	$1,505,227	$617,143	($888,084)	-59%	2%
Ice Revenue	$872,000	$619,120	($252,880)	-29%	2%
Interfund Transfers	$2,724,847	$2,833,841	$108,994	4%	9%
Intergovernmental Revenues	$138,000	$162,840	$24,840	18%	1%
Total	**$39,783,855**	**$31,472,675**	**($8,311,180)**	**-21%**	

By extension, these reductions lead to an approximate $8.6M, or 21% shortfall relative to budgeted fiscal year 2020 expenses.

FY 2021 Revenue vs. Expenses

FY 2020 Expense Budget	FY 2021 Revenue Projection	$, Variance	%, Variance
$40,049,762	**$31,472,675**	**($8,577,087)**	**-21%**

General Fund Expenses

Staff continues to recommend implementing our Guiding Budgetary Principles (Fiscal Responsibility, Core Commitments and Compassion, and Shared Sacrifice) to close the projected fiscal year 2021 funding gap. Initially, we recommend preserving existing levels of municipal services, at least for the first 90 days of fiscal year 2021:

1. **Operating Expense Reductions & Controls ($2.9M) –** Across the board reductions incurred by each department in non-essential expenditure line items - tuition, training, conferences, supplies, equipment, materials, contract services, merit pay, overtime, hiring/open position moratorium.
2. **Capital Improvement Funds – Delay, Defer, Cancel ($3.8M) –** 1) $1.7M Delay capital project budgets, and 2) utilize 32% or $2.1M of Capital Improvement Fund balance.
3. **Utilize General Fund Balance (21% or $1.7M) -** Fund balances (emergency reserves) are meant to offset declines in revenue during times of economic distress and have been prudently held in abeyance for this purpose.

Proposed Budget Reduction Detailed Analysis

Sources of Operational Expense Reductions – Targeted Reduction ($2M)

Non-personnel related department expense budgets were analyzed in detail through a lens of maximizing across the board reductions without materially impacting service levels. Though service levels will be impacted, this level of emergency and across the board reductions will not result in existing public service or program cancellations, at least for 90 days.

Sources of Personnel Expense Reductions – Targeted Reduction ($975k)

Personnel related expenses were targeted for a variety of savings using a lens to minimize reductions in service levels and continue to take advantage of the timing and impacts of COVID-19. In other words, hiring moratoriums are already place, compensation and merit programs have been frozen, and seasonal and part time staff positions have been left vacant across the organization in order to produce immediate savings.

The proposed operating budget reductions:

FY21 - Proposed Operating Budget Reductions

Expense Type	FY 2020 Expense Budget	FY 2021 Expense Budget	$, Variance	%, Variance
Materials, Supplies, Equipment	$2,055,796	$1,619,700	($436,096)	**-21%**
Training, Meeting, Events	$1,638,821	$1,194,701	($444,121)	**-27%**
Contingency	$350,000	$150,000	($200,000)	**-57%**
Utilities	$1,744,597	$1,707,240	($37,357)	**-2%**
Personnel - Merit Pay, Overtime, Part-Time	$3,996,953	$3,022,172	($974,781)	**-24%**
Contract Services	$ 4,434,074	$ 3,860,904	($523,170)	**-12%**
Other	$332,700	$20,000	($312,700)	**-94%**
Total	**$14,552,941**	**$11,574,717**	**($2,978,224)**	

Sources of Capital Project Deferrals

Similar to the FY2020 capital project reductions, almost all capital projects are funded from an annual transfer from General Fund (General Fund transfer) revenue. Every year, the General Fund transfers between $2M and $3M to the Capital Improvement Fund to help pay for various capital and infrastructure projects, as well as assets. This budget can be carried over from previous fiscal years (carryforward) or would normally be part of the transfer for FY2021.

Delaying a capital project frees up the General Fund transfer revenue and allows those funds to be applied to the General Fund to bridge the COVID-19 related financial gap. In

FY2021, project managers were already aware that the majority of projects will not have funding available until at least FY2022, or until the economy improves.

Sources of Fund Balance

1. **Capital Fund Balance – (32% or $2.1M) -** Capital fund balance at the end of FY2021 is projected at $6.4M, prior to any recommended fund balance reductions to help offset shortfalls. Staff recommends utilizing some of this emergency reserve in FY2021.
2. **General Fund Balance – (21% or $1.7M) -** Due to using $750k to help bridge some of the FY2020 funding gap, General Fund balance is projected at $8.00M. Staff recommends utilizing more of this emergency reserve in FY2021.

In summary, staff proposes continuation of our Guiding Principles to help close the projected $8.6M FY2021 shortfall. These Principles provide a balanced approach to a very damaging economic event with potentially long-term ramifications for PCMC service levels. By utilizing our Principles, at least in the near term, PCMC can continue meeting community needs and distribute the sacrifice across the organization to minimize impacts to the public.

Transportation Fund

Currently, the Budget Department projects a $5.5M shortfall to Transit related incomes (predominantly sales tax revenue). The same volatility and level of future revenue uncertainty exists with the Transit revenues as exists within the General Fund revenues, described above. Similarly, staff hopes to have a clearer financial picture within 90 days into FY 2021. Accordingly, Transit is also in full operational recession mode, leaving positions vacant, not hiring seasonal drivers, and host of other cost savings measures.

Revenue Type	FY20 Normal Conditions (Budgeted)	FY21 Projection	$, Variance FY21	%, Variance FY21
057-31212 TRANSIT SALES TAX	$5,455,896.35	$3,382,655.74	-$2,073,240.61	-38%
057-31214 RESORT TAX TRANSPOR	$3,218,494.43	$2,059,836.43	-$1,158,657.99	-36%
057-32111 BUSINESS LICENSES	$719,565.00	$575,652.00	-$143,913.00	-20%
057-33110 FEDERAL GRANTS	$6,281,051.00	$7,500,000.00	$1,218,949.00	19%
057-34230 REGIONAL TRANSIT REVENUE	$8,500,000.00	$5,250,000.00	-$3,250,000.00	-38%
OTHER FUNDING SOURCES	$1,216,595.00	$1,087,128.74	-$129,466.26	-11%
Totals	$25,391,601.78	$19,855,272.91	**-$5,536,328.87**	-22%

Staff will be looking at how to make up next year's shortfall through a variety of operating and capital reductions, as well as using some amount of Transportation Fund balance. The level of service needed to operate Transit will undoubtedly decrease next year, and staff plans to provide a funding strategy to reflect the decreased demands (lower levels of services, reductions in the number of special events, etc., etc.).

Water & Storm Water Funds

The Stormwater Fund remains financially viable even with the proposed short-term 50% fee reduction and temporary suspension of late fees. Staff is already recommending significant equipment and project delays to reduce the burden to ratepayers, including:

- Vactor truck;

- Street sweeper;
- Dump station; and
- Payday Drive stormwater improvements.

When Council authorized the recent water revenue bond and received a very favorable interest rate, staff recommended consolidating the FY2020 and FY2021 water revenue bond issuances into a single issuance. The City's financial advisor strongly recommends combing the FY2020 and FY2021 issuances, with a potential cost savings to ratepayers of approximately $250k/year, or ~$5M over a 20 year bond.

The Water Fund, on the other hand, also remains financially viable, even with a projected 10% revenue reduction in FY2020, and 23% reduction in FY2021, 2022, and 2023. Future rate increases are still anticipated at 3% per year.

Exhibits

A – FY21 List of Capital Improvement Projects to Delay/Defer

Projects - Recommended for Deferral - FY21

Project	Funding Source	Manager	Description	2020 YTD Actual	2020 Base + Carry Forward Post 2020 Deferrals	% of 2020 Base + Carry Forward Spent	2021 Budget	2021 Amount to Defer	CIP Process Score	Comments
CP0186 Energy Effeciency Study -City Facilities	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Cartin	Data management for all municipal utilities. This tool will expedite carbon foot printing and better identify energy and cost saving opportunities.	$0	$8,206	0%	$0	**$8,206**	20.53	Proposed to defer per balanced approach across department flexible funding sources.
CP0414 Timekeeping Software Upgrade	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Robertson	The City's time-keeping system requires an upgrade. This fund will go towards software-hardware and potentially in conjunction with any payroll or time system enhancements.	$0	$10,000	0%	$0	**$10,000**	21.44	Highlighted by project manager as a project that can be deferred with minimal to no impact. Strategy is to defer all project carry forward.
CP0329 Main Street Infrastructure Asset Managem	031499 CIP FUND * ADDITIONAL RESORT SALES TAX	Dayley	This Funding is dedicated for replacement and maintenance to the Main Street Improvement program	$31,365	$530,503	6%	$100,000	**$499,310**	21.66	This onetime deferral will not have long term impacts per project manager. Granite Main Street curbs that funds were originally designed to support are proving much more durable than originally planned. However, we have irrigation upgrades underway for many of the plazas, garages in Swede Alley and Main Street requiring a portion of the fund. An estimated 50-65K is needed to continue with immediate ongoing projects. If the funds are eliminated entirely, it will have long-term impacts on service levels to Main Street.
CP0385 Park Avenue Reconstruction	031499 CIP FUND * ADDITIONAL RESORT SALES TAX	Robertson, J.	Park Avenue utility infrastructure has deteriorated and is in need of replacement. By the time the utilities are replaced, the road will be non-existent and will need to be completely rebuilt. This project will take two summers to construct.	$0	$2,080,000	0%	$2,410,000	**$747,100**	21.78	Deferring a portion of project budget is feasible per project manager and will still allow project to go forward. Aligns with current project timelines more closely. Recommended plan is to continue with design work in 2021 and defer portion of budget into 2022.
CP0146 Asset Management/Replacement Program	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Dayley	Money is dedicated to this account for asset replacement. The replacement/repair schedule was created in FY 07 for Building replacement. Plan was updated in FY 13 and will be updated again in FY18.	$420,868	$1,789,331	22%	$552,709	**$221,084**	23.28	Proposal is to defer a portion of FY 2021 budget forward.
CP0036 Traffic Calming	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Robertson, J.	Over the last few years residents have expressed concerns with the speed and number of vehicles, safety of children and walkers. The interest of participation for traffic calming has come in from all areas of town. Funding covers traffic studies, signage, and speed control devices.	$489	$84,761	1%	$10,000	**$10,000**	23.53	This project is used to pay for items projects identified by the NTMP. There is no anticipated impact in delaying or not using these funds to increase the balance for FY21. The only potential impact would be if items/projects identified in the NTMP exceeded the current available balance. That is very unlikely to happen. There is enough fund balance to cover potential items in FY 2021 therefore manager proposes the deferral of $10,000 for FY21 budget.
CP0397 Vehicle and Equipment Replacement	031499 CIP FUND * ADDITIONAL RESORT SALES TAX	McAffee	Replacement for storm water equipment and vehicles.	$0	$50,000	0%	$0	**$25,000**	24.5	Project manager indicates no material impact if 50% of project carryforward is deffered into future fiscal years.
CP0075 Equipment Replacement - Computer	038476 EQUIP RPLCMNT FUND * TRANSFER FROM GENERAL FUND - EQUIPMENT	Robertson	The computer replacement fund supports replacement of computer equipment and support infrastructure including network, servers, and climate control systems. However, replacement decisions are driven by technological advancements, software requirements, and obsolescence. 2019+ Requests: Approximate $15k for: This additional funding request supports organizational growth and technology changes to address future asset replacement cycles. This includes computer, server and network assets.	$316,450	$783,460	40%	$320,600	**$125,462**	24.63	Highlighted by project manager as a potential project to defer. However, any deeper deferral amount has the potential to impact levels of service surrounding organizational computing capabilities, elevated levels of support needs and potential business disruptions.
CP0236 Triangle Property Environmental Remediat	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Robertson, J.	Cost associated with the assessment and closure of the property through the Utah Voluntary Clean-up program.	$0	$99,779	0%	$0	**$99,779**	24.96	The need for these dollars is no longer necessary this fiscal year or in the future per project manager. Recommendation from project manager is to roll into drain project in future if possible.
							Total	**$1,745,941**		

Projects - Recommended for Deferral - FY20

Project	Funding Source	Manager	Description	YTD Actual	2020 Base + Carry Forward	% of 2020 Base + Carry Forward Spent	2020 Amount to Defer	CIP Process Score	Comments
CP0378 Legal Software for Electronic Document M	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Robertson	During the past two years, legal staff has researched a few software storage companies to fit the needs of the department with eliminating hard files that can be effortlessly converted over to an efficient paperless system (electronically). The Legal Staff has decided to begin converting over with the Prosecution Program first and is anticipating moving in the same direction at a later time for all civil litigation files and project files.	$0	$35,000	0%	**$35,000**	17.59	Marked as option for deferral by Legal and Technology departments
CP0400 Guardrail Royal Street and DVD	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Robertson, J.	A recent slide off accident on the road bend nearest to Snow Park highlighted the concern that the road was not designed correctly. Additionally, a request has been made to install guardrail along the first bend in Royal Street above The Trees Condominiums	$61,025	$99,556	61%	**$38,531**	18.94	Project is completed. No further invoices will be paid on this project and we can utilize remainder.
CP0338 Council Chambers Advanced Technology Upg	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Robertson	This project provides for significant technology upgrades to the Council Chambers area to allow for public audio and video feeds. This supports flexibility and multipurpose use of the area. Also, this allows for the improved recording and zone acoustics. This project addresses the structural limitations of the room requiring concrete cuts and conduit.	$0	$16,000	0%	**$16,000**	19.11	Project complete, was paid for out of department operating budget and can utilize remainder
CP0292 Cemetery Improvements	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Fisher	City Council has an interest in developing a head stone replacement and restoration program for the cemetery. There is also an interest in using ground penetrating radar to see if the southwest corner of the cemetery can be reclaimed.	$0	$27,014	0%	**$27,014**	19.28	Non-essential per City Manager
CP0335 Engineering Small Projects Fund	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Robertson, J.	Small Project Funds – This project will address small projects around town which currently Hiding the transformer installed on 2nd street and engergize the overhead light at the intersection of Manor and Empire and energize the lights on the 8th Street stairs between Woodside and Park, and bridge evaluations. The purpose of completing these projects is to keep our image polished.	$375	$9,945	4%	**$9,570**	19.59	This project was set up to perform small projects identified by the Department throuought the year similar to project identified by the NTMP. The existing fund balance of $9,570 could be used to perform some of the work if needed.
CP0445 Add Uphill Marsac Gate Above Chambers Av	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Robertson, J.	The existing gates on Marsac have been closed numerous times over the last few years. This request is to add another gate southbound just south of Chambers Street so cars can turn around onto Chambers street instead of drivind 1/2 mile up to the existing gates. this project would also add a gate just north of Guardsman Connection so the Police no longer need to direct traffic when the gates are closed.	$0	$50,000	0%	**$50,000**	19.7	This project will relocate the gates located on Marsac further north to Chambers Avenue. The reason for this project was to stop cars in an area that they can safely and easily turnaround head back north if the gates were lowered due to excessive snowfall further up this steeper section of Marsac. The increase in delay of $1,500 to the project is assuming a 3% increase to labor and materials should the project be delayed for a year.
CP0332 Library Technology Equipment Replacement	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Robertson	***THIS REQUEST IS BEING COSIDERED FOR BEING COMBINED WITH THE COMPUTER REPLACMENT CIP. In 2014, Council approved a Library facility remodel that included operational enhancements and public space for a digital media and technology lab. This CIP servers as a fund to replace aging technology not eligible under the Computer Replacement Fund.	$15,368	$114,085	13%	**$98,717**	19.88	Indicated by Project Manager as option for deferral
CP0348 McPolin Barn Seismic Upgrade	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Twombly	The existing structure is currently inadequate to resist snow loads, wind loads and high seismic loads required by local building codes. There are several structural deficiencies with the general framing of the building that should be repaired. The connection of the floor beams to the exterior wood post needs to be strengthened, the gable walls need to be stiffened and the floor framing at the stairs need to be strengthened. The gable walls need to be stiffened and the floor framing at the stairs needs to be strengthened. Under design snow loads, the roof structure is highly over stressed. One of the 2014 top priorities for City Council is historic preservation. The McPolin farm is considered a historic icon in the entryway corridor to Park City. If it falls down we'll all be in trouble. Staff and the FOF Committee feel that the City should also make the barn available for small tours while they are in the process of the stabilization. The first $800,000 request was a guesstimate. We still do not have definitive cost but we have a better cost estimate at this time which puts the project at $1,023,972. A survey and project description will go to Council February 25, 2016. Definitive project costs will be determined by the Construction Manager by March 2016. Tenative project schedule April 2016 - August 2016.	$0	$4,970	0%	**$4,970**	20.28	Project is complete, we can utlize any remainder
CP0003 Old Town Stairs	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Twombly	An ongoing program to construct or reconstruct stairways in the Old Town Area. Stairways that are in a dilapidated condition beyond effective repair are replaced. Most of the stair projects include retaining walls, drainage improvements and lighting. Like trails, the priority depends on factors such as adjacent development, available easements, community priority and location. Funding comes largely from RDAs so most funding is restricted for use in a particular area. Tread replacements are planned beginning with the oldest in closest proximity to Main Street. New sets proposed include 9th St. with three new blocks at $300,000 (LPARDA);10th St. with 1 new block at $100,000 (LPARDA);possible improvements to Crescent Tram pending resolution of the current parcel discussions (no identified funding); Reconstruct 3rd St, 4th St, 5th St, others as prioritized (Main St RDA). See also Project #722.	$0	$21,276	0%	**$21,276**	20.53	Delay General Fund portion of stairs funding per Project Manager
CP0339 Fiber Connection to Quinn's Ice & Water	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Robertson	Recently a grant was approved by RAB (Recreation Advisory Board) to assist with the construction of a fiber network to be extended to the ICE arena. This will improve communication services and address performance issues with the existing radio network.	$0	$15,777	0%	**$15,777**	21.66	Delay per City Manager
CP0061 Economic Development	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Weidenhamer	The project was created to provide "seed money" towards public/private partnership ideas. These expenditures are a result of the beginning stages of economic development plan.	$0	$66,268	0%	**$66,268**	22.41	Delay per City Manager
CP0361 Land Acquisition/Banking Program	031499 CIP FUND * ADDITIONAL RESORT SALES TAX	Glidden	This request is for funding for feasibility and land acquisition for future development. Several potential sites have been identified. As the City begins an aggressive housing development program, it will be necessary to have a source of funding for future land acquisition to respond to new opportunities. Land acquisitions may be done in tandem with open space purchases.	$0	$274,845	0%	**$274,845**	25	Delay per City Manager
CP0432 Office 2016 Licenses	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Robertson	TITLE: Office 2016 The City's current Office software suite's end-of-support will occur in 2020 and will not meet security and software standards. This request supports the purchase of the latest Office versions.	$0	$116,488	0%	**$116,488**	25.42	Option to delay per Project Manager
CP0041 Trails Master Plan Implementation	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Twombly	Existing Funds will be utilized to construct the following trails and infrastructure: Prospector connection, April Mountain Plan, Historic trail signage and Daly Canyon connections. Additionally, Phase III trailheads at April Mountain and Meadows Dr. East. Requested funds for future FY include projects associated with continuation of trail connectivity as outlined in the Trails Master Plan and those identified in the PC Heights MPD, more specifically identified as Phase I and II of the Quinn's Park and Ride connections. Easements have been secured for these pathways. Staff will utilize local and state grants to off set costs associated with these connections.	$119,060	$150,541	79%	**$31,481**	25.5	Project Manager cited goal to use grant funding where available + input to delay per City Mannager
CP0020 City-wide Signs Phase I	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Weidenhamer	Funded in FY02 - Continue to coordinate and install way-finding and directional signs throughout the City.	$640	$41,153	2%	**$40,513**	25.53	Delay per City Manager
CP0146 Asset Management/Replacement Program	031475 CIP FUND * TRANSFER FROM GENERAL FUND	Dayley	Money is dedicated to this account for asset replacement. The replacement/repair schedule was created in FY 07 for Building replacement. Plan was updated in FY 13 and will be updated again in FY18.	$420,868	$1,941,383	22%	**$152,051**	26.53	Delaying 10% is feasible per Project Manager and City Manager
CP0401 Downtown Projects Plazas	031499 CIP FUND * ADDITIONAL RESORT SALES TAX	Twombly	This is for the Miner's and Brew Pub (Main Street) Plazas. It separates those 2 projects from the remainder of the Main Street Improvement projects.	$0	$60,605	0%	**$60,605**	27.53	Delay per City Manager
						Total	**$1,059,107**		

Agenda Item No:

Council Agenda Item Report

Meeting Date: April 30, 2020
Submitted by: Michelle Kellogg
Submitting Department: Executive
Item Type: Minutes
Agenda Section:

Subject:
Consideration to Approve the City Council Meeting Minutes from April 9 and 16, 2020

Suggested Action:

Attachments:
April 9, 2020 Minutes

April 16, 2020 Minutes

PARK CITY COUNCIL SPECIAL MEETING MINUTES - DRAFT
445 MARSAC AVENUE
PARK CITY, SUMMIT COUNTY, UTAH 84060

April 9, 2020

The Council of Park City, Summit County, Utah, met in open meeting on April 9, 2020, at 4:00 p.m. The meeting was a remote, electronic meeting due to the declared public health emergency.

Council Member Gerber moved to close the meeting to discuss property and litigation at 4:01 p.m. Council Member Worel seconded the motion.

RESULT:	**APPROVED**
AYES:	Council Members Doilney, Gerber, Henney, Joyce, and Worel

CLOSED SESSION

Council Member Joyce moved to adjourn from Closed Meeting at 4:45 p.m. Council Member Gerber seconded the motion.

RESULT:	**APPROVED**
AYES:	Council Members Doilney, Gerber, Henney, Joyce, and Worel

WORK SESSION

Park City COVID-19 Financial Recession Plan Update and Overview:
Jed Briggs and Erik Daenitz, Budget Department, presented this item. Briggs indicated the focus of the discussion would be on the budget for the remainder of Fiscal Year (FY) 2020. He stated the economy fell so fast due to the pandemic that the City needed to adjust the budget in order to remain stable. Decisions on budget adjustments would be made in a deliberate fashion and he recommended making budget adjustments from all areas. He stated each department had cut five percent from their budgets because of the projection that there would be a $3.9 million budget deficit by the end of the fiscal year. Briggs broke down sales tax revenue projects by industry sector.

Briggs reviewed different sources of funding, including the General Fund, Capital Improvements Fund, and the Five Year Capital Improvements Fund. He indicated there was a reserve equal to 25% of the annual budget, which could be used to help cover the funding gap. He displayed the recession plan in place, and stated the City was delaying expenses, monitoring department budgets, implementing a soft-freeze on hiring staff, and reprioritizing and/or rescheduling capital projects. Briggs noted there was currently $8.7 million in the reserve fund balance. He estimated the deficit could be closed by the following: $1.25 million in reduced expenditures, $2 million in delayed capital projects, and $750,000 in reserve funds.

This discussion continued in the special meeting.

SPECIAL MEETING

Park City COVID-19 Financial Recession Plan Update and Overview (Continued):
Mayor Beerman opened the meeting and Jed Briggs continued his presentation. He indicated that in spite of the recession, the bonding agencies gave the highest ratings to the City. He projected that a level of normalcy would return in FY2021, but expected that the FY2021 budget would be reduced in anticipation of a slow economic recovery.

Matt Dias, City Manager, stated capital restraints began one month ago. He indicated managers and employees were trying to maintain the same service levels with fewer resources. The next fiscal year would be painful if the pandemic continued. He asserted the City was in a sound financial position and was prepared for this downsized economy.

Mayor Beerman praised Dias for taking immediate action in cutting expenses. Council Member Joyce stated the County Health Department projected a slow emergence from the pandemic, and he asked that the City work closely with the County regarding recovery projections. He also requested that the special service contract RFPs be put on hold. The Council agreed. Council Member Joyce also noted federal stimulus funds could be available for entities, and he asked that staff look for opportunities to get those funds. Dias stated those stimulus projects had been anticipated, and money could be spent on getting some projects ready so they could qualify for Federal funding.

Council Member Henney asked what the timeline was for next year's budget. Briggs indicated a tentative budget needed to be adopted by May 14th and the final budget needed to be adopted by June 30th. Council Member Henney encouraged staff to project conservatively. He was grateful that the City had planned wisely and had a good reserve fund. Dias stated the reserve funds were strategic and intended for situations like the one the City was experiencing now. He stated a tentative budget would be presented with some cutbacks, with the knowledge it would be amended at a future date. Mayor Beerman indicated the budget was built to function during recessions.

Council Member Gerber stated the vulnerable portion of the community was very impacted by the economic downturn and she was glad to see this sector highlighted in the City's guiding principles. She hoped the City could find ways to help this demographic of the community now and looking into the future.

Council Member Doilney asked about the sales and use tax deferrals, and how they would impact the City. Briggs stated he hadn't looked into that yet.

Council Member Worel stated there were residents who were not currently in a vulnerable population category, but as time went on they could move into that category. She was happy the City was involved in helping that group. Council Member Henney indicated the City was well prepared to weather this crisis. Mayor Beerman agreed and expressed gratitude that the City was in a position to help its residents. He knew this downturn would be hard as cuts were implemented.

I) ROLL CALL

Attendee Name	Status
Mayor Andy Beerman Council Member Max Doilney Council Member Becca Gerber Council Member Tim Henney Council Member Steve Joyce Council Member Nann Worel Matt Dias, City Manager Margaret Plane, Special Counsel Michelle Kellogg, City Recorder	Present via technology
None	Excused

II) PUBLIC INPUT (ANY MATTER OF CITY BUSINESS NOT SCHEDULED ON THE AGENDA)

Mayor Beerman opened the meeting for any who wished to submit written comments to the Council on items not included on the agenda.

Linda Jager read the public comments that had been submitted:

<u>Diego Zegarra eComment:</u> Dear Mayor and City Council, as we learn more about the needs of those in crisis, one of the largest ones appears to be rent. There is a petition going around online encouraging landlords of large apartment complexes to consider reducing that cost for families. I recognize no law or ordinance could be passed to impact this, but a show of leadership in the form of a statement from our elected leaders would go a long way in highlighting the issue and applying healthy social pressure. Thank you!

Chris Mora eComment: Hello esteemed council members, I would like to ask for you all that you take a stand with me and other community leaders to significantly reduce rent in the apartments of Park City. I am well aware that your position does not allow you to lower rent yourself, I understand that ultimately it is up to the landlords. However, the pressure of your support and the voices of apartment residents might be able to get this done. Our immigrant community would thank any moral support.

Mayor Beerman stated efforts had been made in working with its tenants on rent abatements. The City would also be making donations to several nonprofits, including a $60,000 donation to the Park City Christian Center to help with their rent relief efforts. He was happy to see the Governor put a moratorium on rental evictions and the utility companies continuing service even in the event of lack of payment.

Mayor Beerman closed the public input portion of the meeting.

Council Questions and Comments:

Council Member Worel thanked those in the community for taking the pandemic seriously. Council Member Joyce agreed and noted how quickly people had adapted to social distancing. He appreciated everyone's efforts.

Council Member Henney responded to the public comments on pressuring the landlords by noting the landlords would charge what the market would bear. He indicated there were no visitors, just residents, and it was nice to see people around town. He asked if residents by the 3Kings Water Treatment Plant had their concerns addressed. There was also a question regarding a resident complaint about a noisy new air conditioning unit and discussion on those topics ensued. Dias indicated he would return for further discussion on noise levels.

Council Member Gerber agreed with the comments regarding the community response to the pandemic. She asked if Council wanted to discuss gang boxes in certain areas of town. Council Member Worel spoke with the same resident that Council Member Gerber spoke with, who had a health condition and who had concerns about this. Council Member Joyce stated there were so many people who wanted to help others, and he felt if a resident was worried about being out in the community, they could ask for help.

Council Member Doilney thanked the nonprofits in town that were helping so much, and reminded the public to donate to the other nonprofits that were currently being overlooked during this crisis. He also suggested that nightly rentals open up for long-term rentals until the economy rebounded.

Mayor Beerman asked that the community stay disciplined, patient, and calm. He complimented Council for all their virtual interactions with the community. He expressed gratitude for the Council's concern in helping the residents and nonprofits in spite of the $4 million deficit.

III) NEW BUSINESS

1. Consideration to Approve the Park City Municipal Corporation Emergency Proclamation No. 2 of 2020, an Extension of the Proclamation Declaring a Local Emergency:

Margaret Plane, Special Counsel, presented this item and indicated this amendment would extend the emergency proclamation to May 14th. She reviewed some other provisions in the proclamation that would grant the City Manager the authority to sign contracts and agreements, and more, without the consent of Council.

Council Member Worel wanted the City to be consistent with the County during this time, and noted the County's extension was only to May 1st. She also requested the $140,000 in the proclamation, dedicated to helping nonprofits in their relief efforts, to be increased to $150,000. Mayor Beerman asked if the emergency proclamation could be terminated early, if needed, to which Plane affirmed.

The Council agreed that the City should be in line with the County. Dias indicated staff also deregulated many of its processes and deadlines to accommodate the times. A taskforce was created with the County and Chamber. The City also abated rent on some City-owned business properties. He hoped the City was an example to the rest of the community. Dias indicated he received notice that the Community Foundation was matching the $50,000 donation from the City.

Council Member Worel moved to approve the Park City Municipal Corporation Emergency Proclamation No. 2 of 2020, an extension of the proclamation declaring a local emergency with the amendments of the extension concluding May 1st and financial assistance from the City to nonprofits in the amount of $150,000. Council Member Joyce seconded the motion.

RESULT:	**APPROVED**
AYES:	Council Members Doilney, Gerber, Henney, Joyce, and Worel

It was indicated there were no public comments submitted for this item.

IV) ADJOURNMENT

With no further business, the meeting was adjourned.

Michelle Kellogg, City Recorder

PARK CITY COUNCIL MEETING MINUTES - DRAFT
445 MARSAC AVENUE
PARK CITY, SUMMIT COUNTY, UTAH 84060

April 16, 2020

The Council of Park City, Summit County, Utah, met in open meeting on April 16, 2020, at 5:00 p.m. The meeting was a remote, electronic meeting due to the declared public health emergency.

WORK SESSION

Discuss Policy for Sale of Deed Restricted Properties:
Jason Glidden and Rhoda Stauffer, Housing Department, presented this item. Stauffer stated the City added 90 affordable units since 2018, resulting in a higher number of re-sales. Staff thought there needed to be a systemic, fair and transparent process to sell these units. She reviewed Council had agreed to establish a waitlist last year. Staff planned to assign numbers to individuals on the waitlist and then publish the waitlist so individuals could see where they were on the list.

Glidden stated the system needed to be fine-tuned to increase efficiency and speed up the process for each applicant. Stauffer indicated the waitlist would be used first for selling the units, unless there was an immediate family member of the current owner who was qualified and wanted to purchase the unit.

Council Member Worel asked if sellers would employ a realtor. Stauffer indicated that the current process was set up where the seller would inform Stauffer and she would send out a notice with instructions for interested parties to contact the seller. She would then help with the application process of the buyer. Glidden stated this process had some flaws, because some people on the waitlist didn't have personal connections and were not notified. Council Member Worel asked if the list could be separated into a list of those actively seeking housing and one for those who wanted affordable housing in the future. Glidden stated a prequalification letter was now required, which would help staff know who was ready to buy now.

Council Member Gerber thought the list should be divided by price levels. She asked if a notice could be sent out to all parties on the waitlist with the purchase amount and a request that individuals update their financial information. She asked what the difference was between an interest list and a waitlist. Stauffer indicated those on the interest list would receive notices on upcoming projects. The waitlist had individuals that had filled out the application.

Council Member Henney stated the current proposal for the waitlist and family amendment was great. Council Member Joyce stated affordable units were built for the workforce, and he didn't favor the family amendment. He supported using the waitlist as the only tool for re-sales of the affordable housing units. Council Member Henney thought there needed to be another filter to reduce the size of the waitlist.

The Council agreed to use the waitlist for affordable unit re-sales. The majority of the Council also agreed to the family amendment.

Quinn's Junction Park and Ride Update:

Alexis Verson, Transportation Planner, presented this item and indicated staff wanted to have the most impactful park and ride project possible. She updated Council that UDOT would resurface SR248 in 2021, and they would construct a wide shoulder to accommodate a Transit priority. The current Quinn's Junction park and ride project was awarded a Federal Transit Authority (FTA) grant of $2.34 million, but it would lapse in September if the project was not shovel ready. Staff recommended this project as an interim transit solution as other portions of Summit and Wasatch Counties continued to develop. She noted there was discussion on a parking structure in that area, but noted the cost for the project would be approximately $60 million, whereas the cost for the currently planned project was $3.6 million.

Council Member Joyce asked if this location was good enough, and was it right to do something quick if the City was left with it. He noted the other park and rides in the area weren't utilized as planned. He was concerned this wouldn't get used either due to all the stop lights and felt the traffic flow would be problematic. Another problem was that it would hold 500 parking spaces with nowhere to grow. That size lot could be full in a few years. He thought there were better locations for park and rides that could accommodate growth or other Transit alternatives, such as gondolas or light rail. He reviewed past discussions on park and rides that included amenities such as coffee shops, restrooms, etc., and noted this location could not accommodate any of the desired amenities. He thought having several small lots was not as good as having a proper lot that could start small and grow incrementally. He asked that other locations be aggressively sought and analyzed for what the City wanted.

Council Member Doilney stated the most vulnerable population who didn’t live in town would use this space until the ideal project was planned. He noted construction workers usually didn’t use park and rides, but this proposed lot was on the corridor that was travelled to get to construction and/or landscaping sites. These workers would congregate there and carpool into town for their jobs, and he could see this lot being used for a long time.

Council Member Worel asked about the timeline for appropriating the funds for this project. Verson stated it was possible to re-appropriate the funds, but the application was specifically for Quinn's Junction, so the FTA wouldn't have to approve a change of location. Council Member Joyce hoped another site could be found in the Quinn's Junction area.

Council Member Gerber liked the idea of finding a more suitable lot, and asked if the City could apply for another grant after the currently proposed lot was constructed, to which Verson affirmed. Council Member Gerber thought the proposed lot would be used, unlike the other park and rides, and thought the lot would not go to waste in the future. Council Member Henney agreed this lot would be used and favored proceeding with the project. Council Member Joyce requested that staff look at the other property at Quinn's Junction since they hadn't researched that yet, and indicated the same project could take place on a more suitable site. Council Member Henney stated he was told the other site could not be considered, so he didn't want to waste staff time. After further discussion, Council agreed to move forward on this project and continue looking at future options as well.

REGULAR MEETING

I) ROLL CALL

Attendee Name	Status
Mayor Andy Beerman Council Member Max Doilney Council Member Becca Gerber Council Member Tim Henney Council Member Steve Joyce Council Member Nann Worel Matt Dias, City Manager Margaret Plane, Special Counsel Michelle Kellogg, City Recorder	Present via technology
None	Excused

II) COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Council Questions and Comments
The Council members reviewed events and meetings they had attended virtually since the last meeting.

Staff Communications Reports

1. Small Wireless Facilities:
Council Member Henney stated there was a state statute that allowed these facilities in public rights-of-way. He noted there was concern in the community for detrimental health effects from having 5G in the area. He thought it would be helpful to get clarity on what the City could do regarding 5G, which was part of the small cell facility rollout.

Margaret Plane, Special Counsel, stated state and local governments had no authority to regulate the health impacts associated with small wireless facilities. That was regulated by the FCC. The authority the City had was in fees and design guidelines.

Council Member Doilney thought making it a little difficult for companies to get started through fees and other means might be in the City's favor. Council Member Worel asked if the local health department had authority to regulate health impacts. Plane stated it did not. Robertson stated he would come back at a future meeting with an ordinance and discuss this more in depth. Council Member Joyce asked for limitations on tower sharing to whatever extent the City was allowed.

2. COVID-19 Response:
Mayor Beerman commended staff for the impressive response and for the report. Council Member Joyce asked about waivers for utility bill late fees. Dias stated that was the plan and it would return to Council for approval.

III) PUBLIC INPUT (ANY MATTER OF CITY BUSINESS NOT SCHEDULED ON THE AGENDA)

Mayor Beerman opened the meeting for anyone who wished to submit written comments to the Council on items not included on the agenda. The comments were read later on the agenda. Mayor Beerman closed the public input portion of the meeting.

IV) CONSIDERATION OF MINUTES

Consideration to Approve the City Council Meeting Minutes from March 19, 2020:

Council Member Worel moved to approve the City Council meeting minutes from March 19, 2020. Council Member Gerber seconded the motion.

RESULT:	**APPROVED**
AYES:	Council Members Doilney, Gerber, Henney, Joyce, and Worel

V) CONSENT AGENDA

1. Request to Authorize the City Manager to Execute Contracts for an Exclusive Beverage Agreement for the Ice Arena, Golf Course, PC MARC and City Park, in a Form Approved by the City Attorney, with Swire Coca-Cola with an Estimated Value for the City of $134,410 over a Five-Year Term:
2. Request to Approve the Placement of Donated Benches along the Bloods Lake Trail, in the City-Owned Bonanza Flat Open Space Parcel:

3. Request to Authorize the City Manager to Enter into a Concessionaire Agreement, in a Form Approved by the City Attorney, with Jans Ltd. dba "White Pine Touring", to Operate the Nordic Center at the Park City Municipal Corporation Golf Course and Provide Cross Country Grooming Services on City-Owned Property:

Council Member Joyce moved to approve the Consent Agenda. Council Member Doilney seconded the motion.

RESULT:	**APPROVED**
AYES:	Council Members Doilney, Gerber, Henney, Joyce, and Worel

VI) NEW BUSINESS

1. Consideration to Approve Ordinance 2020-19, an Ordinance Amending the Land Management Code (LMC) of Park City, Utah, Chapter 15-5-5, Architectural Design Guidelines:
Liz Jackson, Planning Department, presented this item and reviewed some LMC amendments regarding solar panels on rooftops.

Mayor Beerman opened the public hearing. No comments were submitted. Mayor Beerman closed the public hearing.

Mayor Beerman stated this was a great amendment and asked how an edge to edge solar panel could be addressed with this code amendment. He noted the technology would be coming soon. Jackson stated she would look into that.

Council Member Joyce moved to approve Ordinance 2020-19, an ordinance amending the Land Management Code of Park City, Utah, Chapter 15-5-5, Architectural Design Guidelines. Council Member Gerber seconded the motion.

RESULT:	**APPROVED**
AYES:	Council Members Doilney, Gerber, Henney, Joyce, and Worel

2. Consideration to Approve Ordinance No. 2020-20, an Ordinance Approving the 962 Woodside Avenue Plat Amendment Located at 962 Woodside Avenue and 968 Woodside Avenue, Park City, Utah:

Laura Kuhrmeyer, Planning Department, presented this item and indicated this plat would combine two lots. She noted part of the lot was in the public right of way and that part would be dedicated to the City.

Mayor Beerman opened the public hearing. No comments were submitted. Mayor Beerman closed the public hearing.

Council Member Worel moved to approve Ordinance No. 2020-20, an ordinance approving the 962 Woodside Avenue Plat Amendment located at 962 Woodside Avenue and 968 Woodside Avenue, Park City, Utah. Council Member Henney seconded the motion.

RESULT:	**APPROVED**
AYES:	Council Members Doilney, Gerber, Henney, Joyce, and Worel

Public Input

Margaret Plane read general public comments from the following individuals:

Ryan Sternagel: I had written recently on the 5G installation issue recently, and Tim I greatly appreciate you taking the time to provide me with a thoughtful response. While I am well aware of all the issues surrounding federal mandates, who has jurisdiction over what, etc. what I am hoping to find out is if the council has reviewed the public health implications, which in my and many others' opinion show unequivocally a clear danger, and if so, if you share in my deep concern for the safety of all families in Park City.

I'd really like to at least know your VIEWS on the matter, independent of who technically has jurisdiction. Bear with me for an extreme example. Picture a mandate federally in which thousands of rabid Pitbulls were to be released in the streets of Park City every day, affecting both commercial and residential zones. If I were to write in about this mandate, the response I would likely get would be something to the effect of "Yes, we're aware of this and highly concerned that these rabid Pitbulls are going to be a safety issue to our citizens. We're going to do everything in our power to prevent it." That's of course not the response I got, which I do completely understand. And again, yes, that could be considered an extreme example, but knowing what I know I believe it to be a fair one. That said I do want to put this in as simplest terms possible terms to fully understand where you STAND on this issue.

And lastly on that note, I would like to add that there ARE cities actively opposing this. Santa Barbara for instance just voted to take more time to review the health effects before approving any installation. The council members acknowledged it would be an uphill battle, but one they were up for because they cared more about the safety of their citizens than what obstacles they may encounter. This is a “what side of history are you going to be on” type of issue. All that said please know I’m not trying to put any of you on the spot or anything of that nature, but simply putting an issue of grave importance in the terms I believe it necessitates.

Nicole Kennedy: We want to thank each of you on City Council for all you do. The concern you show for our community, now and always, is genuine and we truly admire your leadership! As part of Park City Leadership 26, one of the projects we are focusing on is implementing a Kindness initiative throughout our community. Our goal is to spread individual and community kindness while adopting a local “program” to foster kindness throughout our community, as well as in our personal lives. All too often the world remembers a day or event because of how bad things became. Why not be different? We are a group of Summit County residents who want to make a positive difference in other people’s lives on a daily basis. We invite you to join us. By making an active choice to be a positive influence upon others, we can focus on the positive rather than the negative. Mahatma Gandhi once said that “the best way to find yourself is to lose yourself in the service of others.” Let’s be different, by understanding the value of service and kindness, and through social media, highlight these efforts.

We are working to encourage acts of kindness in Park City, give greater visibility to the many acts of kindness that are already taking place, engaging in more conversations about kindness, and celebrating accomplishments of kindness in our community. We plan to work with governmental agencies, businesses, non-profits, neighborhood associations, and schools to spread kindness across our community and be recognized as an official World Kindness City. Later this year, we would like to ask City Council to officially recognize World Kindness Day on November 13 and discuss our work to become a designated City of Kindness. We welcome any comments or advice, and hope that you will agree that our initiative aligns with Council’s values and goals. Thank you! Please see more at parkcityofkindness.org and feel free to reach out to parkcityofkindness@gmail.com . Leadership Class 26 Kindness team: Nicole Kennedy, Ryann Hatz, David Paskoski, Carol Haselton, Kathleen Nichols, Willa Flemming, Leslie Chavez, Celia Peterson, Khaki Howe, Allison Bowman, Evelyn Cervantes, Meredith Riley, Andrea Terwillegar, Kelly Simons, Sophia Adrian, Teague Cowley, Steve Pushka, Kevin Stickelman, Gabe Bielma. Community Help: Windsor Holland PC Leadership Alumna: Elizabeth Dosher

3. Consideration to Approve Resolution 06-2020, a Resolution Authorizing the Reimbursement of Certain Capital Expenditures Including Acquisition, Construction and Completion of Improvements to the Water System of the City through Future Anticipated Water Revenue Bonds to be Issued by the City in the Current Fiscal Year as well as FY 2021, FY 2022, and FY 2023, along with the Authorization to Refund (Refinance) the Series 2009C and 2010 Bonds:

Clint McAffee, Public Utilities Manager, and Jed Briggs, Budget Manager, presented this item. McAffee reviewed that these bonds had been anticipated and planned for the past several years and reviewed the projects the bonds would fund. Briggs stated the $160 million maximum bond would cover $30 million-$40 million bonds issued each year over the next four to five years. There would be a public hearing at the May 14th Council meeting and then the bonds would be issued each spring. McAffee explained that some current bonds would be refinanced and he displayed a graph of the debt service on the bonds over the next 23 years. He also reviewed revenue projections and indicated rates were set to insure the debt could be paid in times of economic downturn.

Mayor Beerman asked how long the water bonding and revenue scenarios would hold up in a continuous economic downturn. McAffee stated the models would hold for three years.

Council Member Gerber asked if the City would be hurt financially if water users reduced their water usage through conservation efforts. McAffee stated the community responded well to conservation efforts, but if there was a drastic reduction, then bonding adjustments would have to be made. Council Member Gerber asked what the bonding rate had been historically. Briggs stated water bond rates were higher, from two to three and a half percent interest rates, whereas general obligation bonds had lower interest rates. He stated water bonds had a really low rate now and he hoped to take advantage of that by bonding for a little more in this first year.

Council Member Joyce hoped that the City could maximize the bonding with the low rates. Council Member Doilney agreed.

Mayor Beerman opened the public hearing. No comments were submitted. Mayor Beerman closed the public hearing.

Council Member Henney moved to approve Resolution 06-2020, a resolution authorizing the reimbursement of certain capital expenditures including acquisition, construction and completion of improvements to the water system of the City through future anticipated water revenue bonds to be issued by the City in the current fiscal year as well as FY 2021, FY 2022, and FY 2023, along with the authorization to refund (refinance) the Series 2009C and 2010 Bonds with the amendment of maximizing the bonding amount for this year. Council Member Doilney seconded the motion.

RESULT:	**APPROVED**
AYES:	Council Members Doilney, Gerber, Henney, Joyce, and Worel

4. COVID-19 Capital Budget Impact Update:

Jed Briggs, Budget Manager, presented this item and indicated he would discuss capital projects that would be delayed in order to reduce the budget deficit brought on by

COVID-19. He explained that these projects funded through the General Fund could be pushed out to future years. He also indicated there were several factors including manager feedback that were taken into account in determining which projects would be delayed. He displayed a list of delayed projects for Council to consider.

Mayor Beerman asked about the walkability projects on the list, and indicated there were record numbers of residents walking around the community. He was unsure these projects should be cut. Briggs confirmed the projects could be funded by different sources and they could be preserved.

Briggs reviewed the timeline for presenting and adopting the FY2021 budget and stated the final budget would be provisional and he expected it to be amended after a couple months into that year.

Mayor Beerman opened the meeting for public input. No submissions were received. Mayor Beerman closed the public input portion of the meeting.

Council Member Joyce asked if a couple Council members could work with the Budget Department on the FY2021 budget. Mayor Beerman stated there were several budget sessions scheduled because it was important to all of Council and everyone wanted to be involved. Council Member Joyce stated the meetings were constrained right now, so it could be helpful to have Council input in the budget process.

Council Member Doilney appreciated Mayor Beerman and Dias alerting the Council on issues, and he asked that the communication continue. Council Member Joyce asked to receive budget information earlier than the Monday before the Council meeting. Mayor Beerman stated Council would get a tentative budget the end of April, which gave them a few weeks to develop questions and understand the information. Dias stated the projections were very unstable at the moment. He thought the City would have a provisional budget that met core commitments, and then an amended budget would be presented when the projections were more accurate. He asserted there would be maximum transparency through the entire process, and the communication would continue between staff and Council.

VII) ADJOURNMENT

With no further business, the meeting was adjourned.

____
Michelle Kellogg, City Recorder

Council Agenda Item Report

Meeting Date: April 30, 2020
Submitted by: Jessica Nelson
Submitting Department: Planning
Item Type: Staff Report
Agenda Section:

Subject:
Consideration to Extend the Street Dining on Main Program for Another Term, Authorizing the Mayor to Sign Updated Leases of City Property/Rights-of-Way with Eight (8) Main Street Restaurants; and Consider Charging no Rental Fees and Removing the Requirement that the Dining Decks are Utilized for Both Lunch and Dinner for the 2020 Program Participants
(A) Public Hearing (B) Action

Suggested Action:

Attachments:
2020 Street Dining on Main Program Staff Report

Exhibit A: Updated 2020 Draft Lease Agreements

Exhibit B: Street Dining Operational Restrictions

Exhibit C: 2020 Street Dining on Main Map

Exhibit D: Historic Park City Alliance Economic Recovery Plan Letter dated April 24, 2020

City Council Staff Report

Subject:	**2020 Street Dining on Main**
Author:	**Jessica Nelson, Planning Analyst**
	Liz Jackson, Planner
Project Number:	**GI-20-00435**
Date:	**April 30, 2020**
Type of Item:	**Administrative- Lease Approvals**

Summary Recommendation

Staff recommends that City Council hold a public hearing and consider the following:

(1) extend the Street Dining on Main program for another term, and authorize the Mayor to sign updated leases of City property / Right-of-Way with eight (8) Main Street restaurants, in a form approved by the City Attorney; and

(2) because the coronavirus has had unforeseen impacts on the Main Street business community and the community at large, staff is recommending the following for the 2020 Street Dining on Main program:

> (a) consider no rental fees (ranging from $2,160 to $7,200 per parking space). No market rate (previously based upon a percentage of lost paid parking revenue) rental fee may be determined based upon the uncertainty of businesses operation dates under emergency health orders and continued near zero paid parking revenue; and
> (b) consider removing the requirement that program participants activate the dining decks during both lunch and dinner.

Executive Summary

The program extension includes the renewal of deck leases of City property / Right-of-Way for seven (7) restaurants located on Main Street, and one (1) outdoor dining area located on Swede Alley, to allow outdoor dining on City property from May 4th - October 30th, 2020.

Reason for Review

Beginning in 2010, the Planning Department issued Administrative Conditional Use Permits (ACUP) for the restaurants listed below. The City Council approves annual leases for the Main street program. A term of the leases notes that "*an annual review by the City Council, with input from the Planning Department will be conducted each year. City Council may terminate or change the terms of this lease at that time*."

These restaurants would like to continue placing the temporary street dining decks on Main Street:

- 501 on Main St

- Crystal Park Cantina (formerly Bistro 412)
- The Eating Establishment
- Flanagan's on Main
- Main Street Pizza & Noodle
- Shabu
- Fletcher's (on Swede Alley at the rear entrance instead)
- Bangkok Thai

Bangkok Thai, located at 605 Main Street had previously participated in the Street Dining on Main program, from 2011 to 2014, and would like to resume this year, as they are under new ownership. There is an existing Administrative Conditional Use Permit for and Outdoor Dining Deck at this Site.

Background

Land Management Code (LMC) § 15-2.6-12(B) allows outdoor dining on leased public property as an Administrative Conditional Use Permit. The Planning Department has issued ACUPs for the restaurants proposing to participate in the 2020 program. Street Dining was first explored and used in 2010 when three (3) restaurants on Main Street participated. It was determined at this time that up to twelve (12) restaurants would be able to participate in the program. Seven (7) restaurants received approval in 2019.

Summit County Health Department Orders

While the Street Dining on Main program, and associated lease, allows the restaurants to place and utilize a dining deck in the City Right-of-Way from May 4th – October 30th, the actual activation of the deck will be dependent on the Summit County coronavirus regulations in effect at that time. For example, if social distancing requirements are still in place, the restaurants will need to abide by any requirements of the Summit County Health Department.

Historic Park City Alliance (HPCA) Economic Recovery Plan Letter

On April 24, 2020, the HPCA submitted a letter to the City outlining possible tactics to revitalize Main Street businesses, in response to the economic impacts of coronavirus. The HPCA requested the items below, regarding the Street Dining on Main 2020 program. See Exhibit D.

1) Allow dining decks be placed on the street prior to intended use by restaurants;
2) Waive the requirement of seven (7) day a week service of both lunch and dinner;
3) Waive use of public parking fees for dining decks.

Analysis

Rental Rate

Since its commencement parking rental fees have varied:

Table 1 – Street Dining Rental Rates over Time

Year	Number	Fee per	Note

	of Decks:	Parking Space	
2010	3	$0	Free
2011	9	$300	Approx. 10% of estimated lost revenue.
2012 - 2014	9	$550	Approx. 20% of estimated lost revenue.
2015	7	$915	60% of $1,525 (2014 estimated lost revenue).
2016	8	$1,067.50	70% of $1,525 (2014 estimated lost revenue).
2017	7	$1,220	80% of $1,525 (2014 estimated lost revenue).
2018	6	$1,678	90% of $1,809 (2017 estimated lost revenue).
2019	7	$2,160	30% of $7,200 (2018 potential parking revenue).

In 2019, Council charged $2,160 per parking space, which was calculated based on 30% of the maximum lost revenue per parking space. This was based on the adopted parking rate of 2018. This new dining deck pricing structure was adopted by City Council at the May 2, 2019, meeting (staff report linked here and minutes here, beginning on page 10) in order to provide a standard cost for the dining deck fee, as opposed to the costs changing each year.

However, as described in Option A of the Program Alternatives below, **staff recommends that Council consider no additional rental fees for the 2020 program** as the risk of operational uncertainty, reduced revenue, and implementation requirements of change yet to be issued health orders outweigh any nominal forgone paid parking revenue which the City also cannot reasonably project at this time. Therefore, to facilitate and aid the orderly re-opening of restaurants consistent with health mandates, encourage lower risk outdoor seating, and support Main Street business owners and the community at large, staff recommends no fee for this year only. Typically, the fee paid by the program participants goes to the Transportation and Parking Department fund.

Program Alternatives

A. **Option A (waive the parking space fee for the 2020 program).** The Planning Department, Economic Development Department, and Parking Department have determined that charging no rental fees for 2020 – and reconsidering the fees in 2021 – is fair and reasonable due to operational costs, decreased revenue, and risks which outweigh the greatly reduced, if any, loss of parking revenue. Additionally, the outdoor seating alone reaffirms and advertises that business is open the Main Street, and helps revitalize Main Street for the benefit of the entire community. The Historic Park City Alliance (HPCA) confirmed that this would be a benefit to the businesses, per Exhibit D.

B. **Option B ($7,200 per parking space).** Based on the total maximum (potential) revenue per parking space, the City Council may approve the 2020 Street Dining on Main program, with the updated pricing structure utilizing the maximum (potential) revenue per parking space; or

C. **Option C ($2,160 per parking space). This was the rate applied to the 2019 program.** Based on 30% of the total maximum (potential) revenue per parking space ($7,200 x 30%). The City Council may approve the 2020 Street Dining on Main program, with the pricing structure utilizing 30% of the maximum (potential) revenue per parking space; or

D. **Option D (95% rebate for participants that activate their dining decks this season).** This would be based on the fee schedule in Option C that was approved for the 2019 Dining Deck program, and would allow for participants that maintain a deck – activated according to the terms of the lease – to be refunded 95% of the participation fee after October 30, 2020. This alternative is similar to Option A, in that it is almost free for the restaurants, although they would need to pay the participation fee up front.

E. **Modify.** The City Council may provide direction to City Staff regarding the 2020 Street Dining on Main program by modifying the program and/or the leases;

Table 2: Proposed Fee Options

2020 Restaurant / Linear Parking Space (20')	**Option A** No fees for the 2020 program	**Option B** Maximum (potential) revenue **$7,200**	**Option C** 30% of maximum revenue **$2,160**	**Option D** 95% rebate (based on Option C fees) given back to participant
501 on Main / 1.0	$0	$7,200	$2,160	$108
Crystal Park Cantina / 1.0	$0	$7,200	$2,160	$108
Eating Establishment / 1.09	$0	$7,848	$2,354.40	$117.72
Flanagan's on Main / 1.13	$0	$8,136	$2,440.80	$122.04
Fletcher's* / 1.35	$0	$9,720	$2,916	$145.80
Main St. Pizza & Noodle / 1.56	$0	$11,232	$3,369.60	$168.48
Bangkok Thai 1.90	$0	$13,680	$4,104	$205.20
Shabu / 1.15	$0	$8,280	$2,484	$124.20
Totals	**$0**	**$73,296**	**$21,988.80**	**$1,099.44**

The calculated fees shown above assume that each deck would be in operation from May 4 – October 30, 2020. Amounts would be prorated based on when each restaurant starts using their deck after a building permit is secured.

*Fletcher's

The previously approved outdoor dining area for Fletcher's is 231 sf. area of City property. While that specific area behind Fletcher's is not typically used for parking purposes, Council has directed the same rental fee calculation as on-street dining decks. Hypothetically, if Fletcher's placed a standard dining deck on Main Street, its maximum length would equal to the width of the front façade of the building at 27 feet, which equates to 1.35 parking spaces. This would equate to $2,916 of revenue, based on the fees charged to 2019 Street Dining on Main participants.

Kimball Art Center – Arts Fest
The City has a contract with the Kimball Art Center during the annual Arts Festival and includes language in the leases that requires all of the decks to be removed each year **unless Kimball Art Center indicates that they may stay during the festival**. The Kimball Art Center works with Street Dining on Main program participants directly. Staff has notified the Kimball Art Center of the participants listed in this report. No issues have been brought up at this time.

Department Review
The Planning, Parking Services, Economic Development, Special Events, Legal, and Executive Departments have reviewed this staff report.

Public Input
The HPCA submitted input regarding the 2020 Street Dining on Main program, which is included as Exhibit D.

Summary Recommendation
Staff recommends that City Council hold a public hearing and consider the following:

(1) extend the Street Dining on Main program for another term, and authorize the Mayor to sign updated leases of City property / Right-of-Way with eight (8) Main Street restaurants, in a form approved by the City Attorney; and

(2) because the coronavirus has had unforeseen impacts on the Main Street business community and the community at large, staff is recommending the following for the 2020 Street Dining on Main program:

> (a) consider no rental fees (ranging from $2,160 to $7,200 per parking space). No market rate (previously based upon a percentage of lost paid parking revenue) rental fee may be determined based upon the uncertainty of businesses operation dates under emergency health orders and continued near zero paid parking revenue; and
> (b) consider removing the requirement that program participants activate the dining decks during both lunch and dinner.

Exhibits
Exhibit A – Updated 2020 Draft Lease Agreements
Exhibit B – Street Dining Operational Restrictions
Exhibit C – Proposed 2020 Street Dining on Main Map
Exhibit D – Historic Park City Alliance Economic Recovery Plan Letter dated April 24, 2020

Exhibit A – Updated 2020 DRAFT Lease Agreements

STREET DINING ON MAIN
OUTDOOR DINING LEASE 2020

This Street Dining on Main Outdoor Dining Lease 2020 (the "Lease" or "Agreement") is made and executed this ____day of ______________, 2020, by and between Park City Municipal Corporation, a Utah municipal corporation, (the "City", "Park City", or "Landlord") and ____, (the "Tenant") located at ______________, Park City, Utah.

RECITALS

WHEREAS, the City wishes to enable opportunities for restaurants on Main Street to be able to provide additional outdoor dining opportunities; and

WHEREAS, the City's goals include the establishment of new and creative opportunities to facilitate the Main Street experience for residents and visitors alike during the shoulder and summer seasons; and

WHEREAS, the City's goals include the preservation and enhancement of Park City's character regarding Old Town and the desire to strengthen the pedestrian experience along Main Street; and

WHEREAS, the City recognizes the desire of many visitors and residents to dine outdoors along historic Main Street; and

WHEREAS, the City's General Plan recommends utilizing street design techniques to encourage slower traffic speeds and a more intimate pedestrian-oriented scale; and

WHEREAS, the City's goals include maintaining and furthering the resort community's economic opportunities, as well as enhancing the economic viability of Park City's Main Street Business District;

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

TERMS & CONDITIONS OF LEASE

Based upon good and valuable mutual consideration, the Parties agree as follows:

1. PROPERTY. The property affected by this Lease is generally described as the street area directly fronting Tenant's building located at ______________, which

has a length of _____________ feet, and more specifically described in site plan **Exhibit A**, attached hereto and incorporated herein by this reference, (the "Premises"). The length of the outdoor dining deck per restaurant may not exceed forty feet (40').

2. RENT. Annual rent is for the use of the street for the deck is _____________dollars ($_____________) per parking space of a linear length of _____________ feet. This rent may be prorated based upon initial installation and final removal dates; however the rent reduction shall not exceed one (1) month. If deck must be removed for construction related to Main Street Improvements, the period of time the deck is removed shall also be prorated. Payment is due prior to installation and any prorated amount due upon removal shall be refunded by the City. If a deck covers a fraction of a parking space (20') the rent will be calculated by the percentage of the deck on the parking space. Tenant shall be solely responsible for payment of any and all costs associated with Tenant's performance under this lease, including but not limited to City rent, additional business licensing fees, insurance, sales taxes and other expenses.

Comment [EJ1]: Highlighted sections in Exhibits A and B will need to be adjusted based on Council's direction.

3. TERM. Unless otherwise delayed, suspended or terminated by Summit County health order(s), the term of this Agreement shall commence on _________, 2020, and shall terminate on October 30, 2020 ("Term") unless terminated earlier as provided herein. The Premises may only be utilized for a six (6) month period commencing on ____________, 2020, and terminating on October 30, 2020 except the Premises may not be used during the 2020 Kimball Arts Festival (July 31, 2020 to August 2, 2020) unless Kimball Art Center consents in writing to allow Tenant to use the Premises. Additional term restrictions are attached hereto and incorporated herein by this reference in **Exhibit B** (Street Dining Operational Restrictions). This Agreement may be terminated by Park City upon a finding of non-compliance of this Agreement or the attached operational restrictions.

   The use of the Premises shall not conflict with any previously existing Master Festival License ("MFL") recipients on Main Street, specifically the Arts Fest ("Kimball Art Center"). The Kimball Art Center has been leased exclusive use of Main Street in August. The Premises must be vacated (i.e., removal of decks) no later than 10:00 a.m. MT on Thursday, August 30, 2020 for the duration of Arts Fest (including set-up and breakdown) unless the Kimball Art Center consents in writing to allow Tenant's use of the Premises. If the outdoor dining structure is not removed as required, the Landlord will remove the structure at Tenant's cost. The dates of the 2020 Kimball Arts Festival are subject to change, and as such the vacating of the Premises shall occur at 10:00 a.m. the Thursday prior to the Arts Fest.

4. MAIN STREET IMPROVEMENTS. If at any time the street dining deck needs to be removed due to construction related to Main Street improvements, the City will give each affected street dining business owner a minimum of seventy two

(72) hours to have their decks removed. The City will not be responsible for any associated costs involving deck removal/placement or potential lost revenue.

5. USE OF PREMISES. Tenant may use the Premises only for outdoor dining services in a manner consistent with Section 15-2.6-12(B)(1) of the Park City Land Management Code and the terms of this Agreement. From installation until removal, the street dining decks shall be utilized for street dining that will serve lunch and dinner seven (7) days a week. Additional operational restrictions which must be complied with as part of the conditions of this Lease are attached hereto and incorporated herein in **Exhibit B**. Park City makes no representations regarding the Premises and Tenant accepts the Premises "AS IS."

6. IMPROVEMENTS TO THE PREMISES. Tenant shall not make any improvements to the Premises without first obtaining Park City's written consent. Any improvements approved by Park City shall be completed at Tenant's sole expense and removed at Tenant's sole expense upon expiration of this Agreement. No permanent alterations to the City's property are permitted.

7. SIGNS. No signs shall be permitted on the Premises except as specifically approved by the Park City Municipal Corporation Planning Department pursuant to the Park City Sign Code and/or Tenant's Master Sign Plan.

8. INSURANCE. Tenant shall, at Tenant's sole expense, carry a policy of general liability insurance in an amount of at least Two Million Dollars ($2,000,000) per combined single limit per occurrence and Three Million Dollars ($3,000,000) per aggregate for personal injury, bodily injury and property damage. Park City shall be named as an additional insured by endorsement on each policy. Tenant's insurance is to be primary to Park City's and Park City's insurance shall be non-contributory. A certificate of insurance with a thirty (30) day cancellation notice provision shall be provided to Park City on or before the Lease commencement date, and maintained continuously during the term of the Lease. Tenant may carry whatever other insurance Tenant deems appropriate. The parties agree that Tenant's sole remedy in the event of business interruptions, fire, windstorm, or other loss from hazard shall be its own insurance and Tenant will have no action against Park City. Park City is protected by the Utah Governmental Immunity Act, and nothing herein is intended to waive or limit the protection of the Act on behalf of either entity, but to the extent it is consistent with this intent, it is the purpose of this provision to protect Park City for liability or allegations arising out of the Tenant's use of the Premises.

9. HOLD HARMLESS. Tenant covenants and agrees to defend, indemnify, and hold Park City harmless from all claims, loss, damage, injury or liability (hereafter "Liability") resulting from Tenant' use and occupancy of the Premises to the full extent permitted by law and/or the Utah Governmental Immunity Act, including reasonable attorney's fees, but excluding any liability resulting from acts or

omissions of Park City, its officers, employees or agents. Nothing herein shall be construed as a waiver of any of the rights or defenses under the Utah Governmental Immunity Act (Utah Code Ann. Sections 63-30-1, et seq.), as amended. The obligations hereunder shall be determined under principles of tort law including, but not limited to, the Governmental Immunity Act. In case of an emergency including but not limited to a flood, storm drain, or utility, the structure may be removed or damaged by response teams at the cost of the Tenant.

Tenant shall indemnify, protect and hold the Landlord harmless from and defend (by counsel reasonably acceptable to Landlord) the Landlord against any and all claims, causes of action, liability, damage, loss or expense (including reasonable attorneys' fees and costs and court costs), statutory or otherwise arising out of or incurred in connection with (i) the use, operation, occupancy or existence of the Premises or the presence of visitors, or any other person, at the Premises during the Term, (ii) any activity, work or thing done or permitted or suffered by Tenant in or about the Premises, (iii) any acts, omissions or negligence of Tenant, any person claiming through Tenant, or the contractors, agents, employees, members of the public, invitees, or visitors of Tenant or any other such person ("Tenant Party" or "Tenant Parties"), (iv) any breach, violation or nonperformance by any Tenant Party of any provision of this Lease or of any law of any kind, or (v) except to the extent resulting from any negligence or intentional torts of Landlord.

10. ASSIGNABILITY. Tenant shall not assign or transfer any interest in this Agreement without the prior written consent of Park City. Any assignment or transfer without written approval is void.

11. PROFESSIONAL PERFORMANCE. Tenant agrees to perform services under this Agreement at the highest professional standards, and to the satisfaction of Park City.

12. APPLICABLE LAW. This Agreement shall be governed by the laws of the state of Utah.

13. ENTIRE AGREEMENT. This Agreement constitutes the entire and only agreement between the parties and it cannot be altered or amended except by written instrument, signed by both parties.

Executed the day and year first above written.

Tenant:

____

By: ___________________________________
Its:

ACKNOWLEDGMENT

STATE OF UTAH)
) ss.
COUNTY OF SUMMIT)

On this_________ day of ________________, 2020, personally appeared before me _______________, who being duly sworn, did say that he is the _______________ of ____________________________, and acknowledged to me that the preceding Agreement was signed on behalf of _________________________________, and he acknowledged that the company did execute the same for its stated purpose.

____
Notary Public

PARK CITY MUNICIPAL CORPORATION,
a Utah municipal corporation

By: __________________________
Andy Beerman, Mayor

Attest:

____
Michelle Kellogg, City Recorder

Approved as to form:

____
City Attorney's Office

Exhibit B – Street Dining Operational Restrictions

Street dining may be allowed by the Planning Department upon issuance of an Outdoor Dining Administrative Conditional Use Permit. Street dining is permitted beginning in May and shall terminate on October 30th of each year. A total of twelve (12) street dining decks may be accommodated on Main Street based on the layout of the proposed decks. The Applicant must submit an application, pay an application fee, and provide all required materials and plans. Ongoing monitoring will be provided to ensure compliance with these parameters. The Administrative Conditional Use Permit or the Lease may be revoked for failure to comply with these restrictions.

Required Submittals:

- Dining Site Plan – This plan shall be to scale and indicate: the Applicant's building as it relates to the exact proximity of the street dining deck. The plan shall include accurate locations of proposed chairs, tables, umbrellas, planters, and any other existing public improvements (light fixtures, fire department connections, parking meters, etc.).

- Details/specifications sheets – Shall be submitted for each piece of equipment proposed with the street dining is application. This will include all tables, chairs, umbrellas, etc.

Design Standards:

1. <u>Size.</u> Street dining area shall be limited to the linear frontage a building has on Main Street and shall not exceed nine feet (9') in width. The encroachment of the proposed decks into street will not exceed seven feet, nine inches (7'-9") in width from the curb, as the encroachment of the proposed decks into the sidewalk will not exceed one foot three inches (1'-3"), unless approved by City Council. With the written permission of the adjacent property owner submitted to the City, they may extend into the neighbor's street frontage. Forty-four inches (44") of clear sidewalk width shall be available at all times where the street dining deck is being constructed. Each outdoor dining deck shall not exceed forty (40') feet in length.

2. <u>Location/Proximity/Spacing.</u> The City reserves the right to reject an application for an outdoor dining deck:

    - If the proposed deck is too close to a previously existing deck and would eliminate needed parallel parking along Main Street thus creating a concentrated parking issue.
    - If the proposed deck is for a restaurant that does not have direct access at street level.
    - If the proposed deck is for a business with existing outdoor dining space and the expansion of such is deemed excessive.

- If the proposed deck creates too much private use of the public right-of-way that may be deemed detrimental to the health, safety, welfare of the area.
- The Building, Planning, and Engineering Departments will review the location, proximity, and spacing of each street dining deck as well as impacts of traffic and public safety concerns. A recommendation will be given to the City Council for final review and approval.

3. Hours of Operation. The street dining decks shall be utilized for street dining and shall serve lunch and dinner seven (7) days a week for the duration that the decks are in the Right of Way. Lunch service shall start no later than 12 p.m. (noon).

Comment [EJ1]: Subject to City Council's approval.

4. Material. Street dining decks may be built of wood platforms and shall have a solid base. The design of the base shall complement the style of the building. The railing shall be painted solid to also complement the building. While outdoor dining deck is not subject to a complete Historic District Design Review (HDDR), the guidelines are applicable to the project.

5. Height. The maximum height of the deck shall not exceed thirty-six inches (36") measured from existing grade to the base/floor of the deck at any given point. The layout of the deck may include a step to meet the maximum height allowed.

6. Advertising. Additional signing or advertising beyond what is allowed by the Park City Sign Code is prohibited.

7. Furniture. All tables and chairs shall be metal, wood, or other comparable material. Plastic furniture shall not be allowed. All furniture must be approved by the Planning Department per the historic district design review.

8. Umbrellas. Umbrellas must be free standing and are prohibited from extending beyond the dining area. Any umbrellas shall be affixed permanently to the deck as required by the International Building Code requirements (including fire standards) and shall not create any public hazard.

9. Lighting. No additional electric lighting is permitted, including exterior building lighting.

10. Planters. Any proposed landscaping or atmosphere pieces shall be reviewed at the time of initial application, and shall not create any public hazard or unnecessary clutter. All plant material must be maintained in a manner that ensures their viability throughout the summer outdoor dining season.

11. Use. The terms and scheduling of the use of the outdoor dining decks must not conflict with any previously existing Master Festival License (MFL) recipients on Main Street, specifically the Arts Fest (Kimball Arts Center), held in 2018 the

second Friday, Saturday and Sunday of August. Existing MFL recipients must be consulted with if the outdoor dining decks are to remain during their event. If no agreement is reached, the outdoor dining structure must be removed in full for the duration (including set-up and breakdown) of the MFL event. If the outdoor dining structure is not removed as required, PCMC will remove the structure at cost to compensate for the employees and equipment needed to complete the task.

12. Licensing. The additional square footage of the dining area must be added to the existing licensed area for the restaurant. The Applicant shall also adhere to other applicable City and State licensing ordinances, including the Department of Alcoholic Beverage Control. It is the responsibility of the Applicant to ensure that all licenses are properly obtained and adhered to.

13. Duration. Street dining is permitted beginning in May and shall terminate on October 30th, each year.

14. Health & Safety. The Use shall not violate the Summit County Health Code, the Fire Code, or International Building Code.

15. Music. The use of outdoor speakers and music is prohibited.

16. Maintenance. The dining area shall be clean and maintained in a neat and orderly fashion.

17. Storage. All equipment and other associated materials must be removed and stored on private property during prohibited times (off season). No material associated with the outdoor dining decks may be stored outdoors on-site during the off-season.

18. Removal. Decks must be completely removed from the Right-of-Way prior to the end of business day October 30. If the outdoor dining structure is not removed as required, the City will remove the structure at cost to compensate for the employees and equipment needed to complete the task.

19. Drainage. Design of the deck and its skirting shall not interfere with the existing street drainage. Deck plans shall be reviewed by the City for drainage and may be modified so as to not interfere with the existing drainage patterns of the street.

20. Utilities. Access to utilities shall not be hindered by the structures. No outdoor dining decks will be approved if located in an area that blocks access to fire hydrants, etc. No new utility lines shall be installed as a result of the proposed outdoor dining.

21. Insurance Requirement. The tenant shall carry a policy of liability insurance in an amount of at least $2 million per combined single limit per occurrence and $3

million per aggregate for personal injury, bodily injury and property damage. Park City Municipal Corporation shall be named as additional insured by endorsement of each policy.

22. Main Street Improvements. Due to the possible conflicts with scheduled Main Street improvements the City may postpone approving leases until the construction schedule is finalized to be able to determine appropriate dates.

    If at any time the street dining deck needs to be removed the City will give each affected street dining business owner a minimum of 72 hours to have their decks removed. The City will not be responsible for any associated costs involving deck removal/placement or potential lost revenue.

23. Aesthetics. Due to the Park City environment and storage of the decks over the years, the decks shall be maintained in a safe and high quality manner. Prior to final installation and occupancy of each deck, the applicant shall make sure that the structural members can adequately meet their original design and each deck shall look aesthetically pleasing.

24. Violations. The decks shall be in compliance with Municipal Code § 11-19-3(H) regarding Prohibition Against Issuance of Municipal Permits. From the time that any Notice of Violation is given, the City may withhold permits for any alteration, repair or construction, which pertains to any existing or new structures or signs on the property or any permits pertaining to the use and development of the real property or the structure where a violation is located. The City may withhold permits until a Notice of Compliance has been issued by the enforcement official. The City may not withhold permits that are necessary to obtain a Notice of Compliance or that are necessary to correct serious health and safety violations.

EXHIBIT C

Proposed 2020 Street Dining on Main Decks
605 Main Street
Bangkok Thain on Main
38' long
1.9 parking spaces
562 Main Street
Fletcher's
Swede Alley Side
530 Main Street
Main Street Pizza & Noodle
31'-2" long
1.56 parking spaces
501 Main Street
501 on Main
17' long
1 parking space
442 Main Street
Shabu
23' long
1.15 parking spaces
438 on Main
Flanagan's on Main
25' long
1.25 parking spaces
412 Main Street
Crystal Park Cantina
24' long
1 parking space
317 Main Street
The Eating Establishment
21'-10.5" long
1.09 parking spaces
Heber Ave
Deer Valley Dr
Marsac Ave
Ontario Ave
Swede Aly
5th St
4th St
Park Ave
Woodside Ave
Main St
0
200
400
Feet
PCMC

EXHIBIT D

April 24, 2020

Matt Dias
Park City Municipal Corporation
PO Box 1480
Park City, UT 84060

RE: Historic Park City Economic Recovery Plan

Dear Matt:

The Historic Park City Alliance (HPCA) developed an Economic Recovery Plan to identify efforts and needs to help get businesses operational and ensure their success in the coming months as we stabilize and recover from COVID-19.

The Historic Park City small business community is not only critical to the charm of Park City, but also at the forefront of economic activity within the area. The Historic Park City Alliance encourages customers to support locals first as we work to support the small business economy.

The efforts outlined focus on a slow recovery plan allowing for the relaxing of health orders while still maintaining measure to reduce the spread of the virus. It is important to the Historic Park City community to slowly return to normal business operations with the hopes that the 2020/21 winter tourism season is protected from a reoccurrence of the virus.

The Economic Recovery Plan outlines ways the HPCA and Park City Municipal (PCMC) can coordinate and make changes to City operations. This letter provides an outline of those areas. Please note the plan was drafted following the Utah Leads Together Plan launched on March 24, 2020. The HPCA plan will revise the plan in the coming week to align with the most recent additional of the Governor's plan.

Marketing
The HPCA acknowledges the first customers to return to Main Street are locals. Locals comprise 20% of primary residents within City limits. We want to welcome back second-homeowners with open arms (6-feet apart). The HPCA follows this with efforts to market to those within a five-hour drive market.

The HPCA's Economic Recovery Plan outlines marketing messages and plans for each phase and is included as an attachment to this letter.

Use of Public Right of Ways
The HPCA is aware the PCMC Vision 2020 highlighted an idea to close Main Street to vehicular traffic. The City has not outlined a process to explore this idea, and the HPCA respectfully requests the City postpone the discussion until we understand further the new "normal" for economics of the area after recovery COVID-19.

The HPCA is exploring ways to expand business operations outside during this time as well as looking at ways to ensure visitors can comfortably stroll while maintaining required distancing measures. The HPCA formed a working group to brainstorm ideas. We believe ideas generated by the businesses have a greater chance of success since they know the street and their customers better than anyone. These ideas will become more solid once the new regulations are released by Summit County. From that point the HPCA will refine ideas, receive feedback from members and then approach PCMC with requests. It is our intention to have plans developed and actions ready to be taken once the weather turns warm and customers start to return.

Business Promotion versus Special Events

Main Street hosts several Special Events throughout the year. Due to the health emergency and uncertainty of regulations many are cancelling. The HPCA encourages the annual events that can take place, do take place. However, the HPCA is not supportive of adding additional events to the calendar. Many events include third party vendors selling wares and food. The HPCA would like all efforts to be placed on utilization of existing businesses to provide services for special events.

Stabilization Phase

This phase focuses on developing best practices guidelines, as the Health Department slowly allows businesses to reopen. reducing expenses for businesses, providing essential communication to members and marketing. Continuing to lobby for cost reductions for businesses as well as keep HPCA expenses in check.

<u>Health and Safety Measures</u>

The HPCA is awaiting the release of regulations for each industry sector. Once those are known the HPCA and businesses will evaluate any additional physical changes and/or modifications to regulations needed to allow those businesses to open.

The HPCA requests the following from PCMC.

- Assistance in procurement of PPE (gloves, masks, etc.)
- Standard language for health and safety notices that are required to be posted at each business
- Hand sanitization stations along Main Street
- High frequency of cleaning of all public restrooms in the District.
- Additional signs indicating locations of public restrooms and hand sanitization stations.

<u>Dining Decks</u>

Current regulations allow Dining Decks to be placed on the street as soon as May 1st. The placement of dining decks will show a start to return to business even if the decks are not used for some time. Once business regulations lessen, the HPCA requests the decks be "dressed" with flowers and tables, even if dining cannot yet begin.

The HPCA requests the following from PCMC.

- Allow dining decks be placed on the street prior to intended use by restaurants.
- Waive the requirement of seven (7) day a week service of both lunch and dinner. This waiver is requested for 2020.
- Waive use of public parking fees for dining decks

<u>Parking</u>

The HPCA is anticipating a significant reduction in summer traffic to Main Street and many shoppers will be budget conscious. Any way the HPCA can eliminate burdens for customers will be pursued.

The HPCA requests the following from PCMC.

- The HPCA requests the City acknowledge the DLS program tried through the winter of 2019/20 was a trial and that no public input and discussion has been undertaken to determine the continuation of the program.
- Coordinated development of curb-side pickup areas for restaurants.
- Free parking for surface lots, China Bridge and Main Street. Time duration to remain for surface lots and Main Street. Transit service will need expansion prior to the ability for employees to park elsewhere.
- Installation of hanging flower baskets, as usual
- Provide greenery for merchants to plant their own flower boxes and planters on the street.
- Waive business related fees such as business licenses, sign permits, inspections, etc.

Recovery Phase
This phase focuses on increasing business to the area while not reinvigorating the virus. This phase will be the longest phase.

The HPCA requests PCMC retain the additional physical changes and/or modifications to regulations as outlined above. Knowing that the regulations and community needs are unpredictable and will constantly change the HPCA will return to PCMC with additional formal requests.

Next Steps
As mentioned, a few times in this document once the updated regulations for business operations are released more can be added to the Economic Recovery Plan. The HPCA appreciates the assistance and willingness to understand we are in unprecedented times and current plans; practices and procedures need to be modified to support the economy as we recover.

The HPCA is united with the City and County to make our beloved Park City the safest City in America.

Best regards,

Alison Kuhlow
Executive Director

Historic Park City Economic Recovery Plan

The draft plan follows the formatting and public health directives outlined within Governor Herbert's economic recovery plan, Utah Leads Together (March 24, 2020, Version 1)[1].

Background

The Historic Park City small business community is not only critical to the charm of Park City, but also at the forefront of economic activity within the area. The Historic Park City Alliance encourages customers to support locals first as we work to support the small business economy.

The efforts outlined within focus on a slow recovery plan allowing for the relaxing of health orders while still maintaining measure to reduce the spread of the virus. It is important to the Historic Park City community to slowly return to normal business operations with the hopes that the 2020/21 winter tourism season is protected from a reoccurrence of the virus.

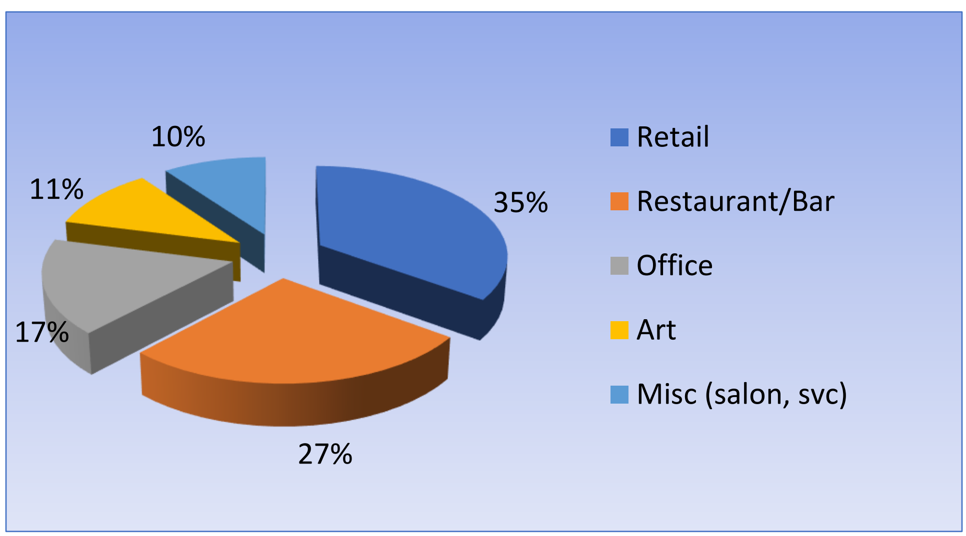
Estimated Taxable Sales		
Rank	GEO	FY 2019
1	Deer Valley	$ 302,082,170
2	Main Street	$ 192,422,190
4	Entryway	$ 138,976,991
3	Treasure Mountain	$ 153,021,888
5	Prospector	$ 76,795,951
6	Rest of City	$ 55,215,707
7	Park Meadows	$ 21,187,827
8	Thaynes	$ 14,987,068

Historic Park City generates the largest sales tax revenues (not including lodging) in Park City proper and account for a sizable amount of Summit County's overall sales tax revenues. Historic Park City will leverage the importance of the area in the overall economic health of the community.

Table 1 FY19 Geographical Estimated Sales within Park City proper.

Historic Park City Business Mix

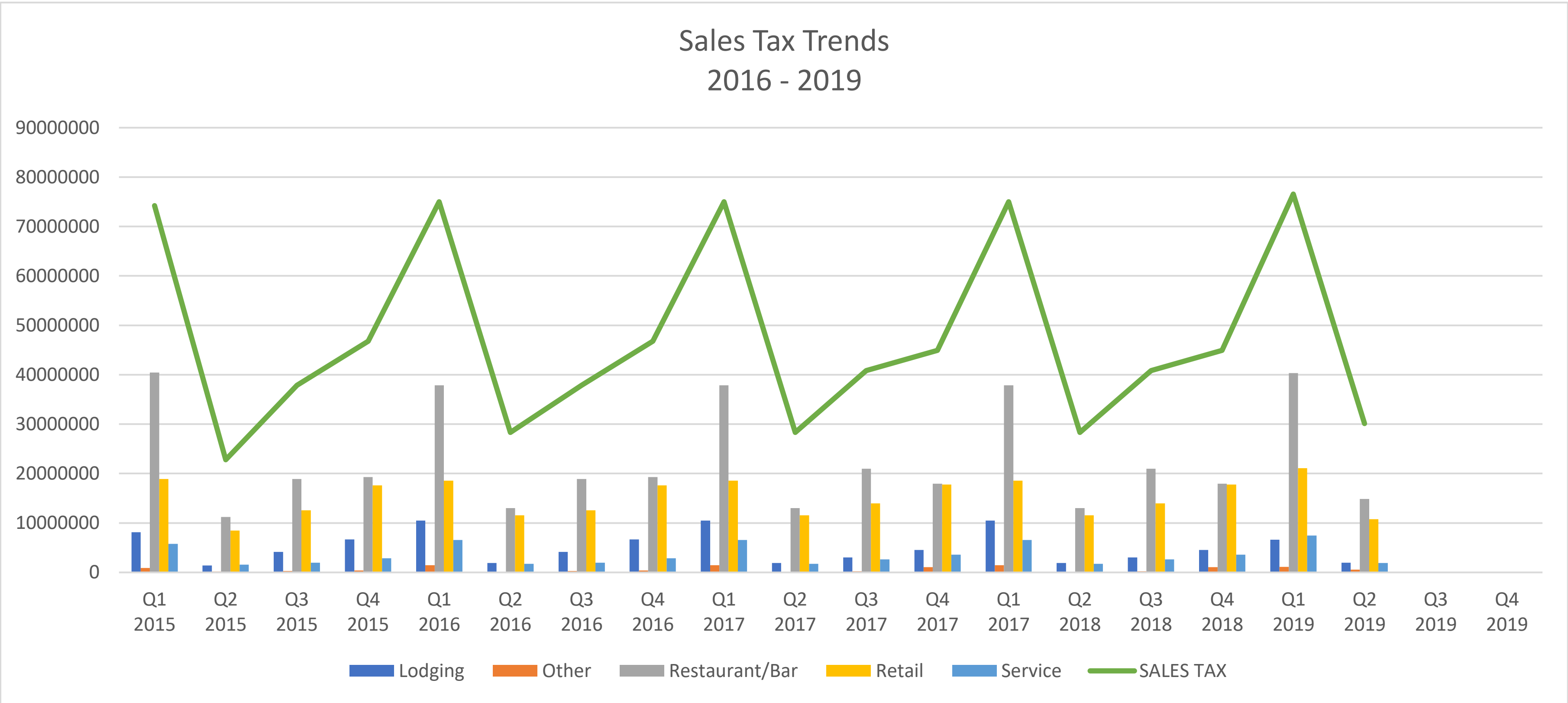
The HPCA developed the following action plan with the intent that no business will be left behind. Retaining, strengthening, and innovating are keys to a successful outcome. Understanding that there will be phases where relaxed regulations benefit certain sectors are taken into consideration along with industry types that look to rebound and see customer traffic.



[1] The Utah Leads Together Plan. (2020, March 24). Retrieved April 14, 2020, from https://coronavirus.utah.gov/the-utah-leads-together-plan/

Sales Tax Trends

The sales tax trends for Historic Park City show strong sales in Q1 of each year which comprises the bulk of the Winter ski season.



The Plan[2]

The Utah Leads Together plan recognizes that markets correct, recessions end, and prosperity returns. We anticipate three phases with a specific strategy:

Urgent Phase

This is the phase we are in right now and is expected to last 8–12 weeks (with a focus on eight) beginning March 16, 2020. The objective is clear: Mitigate the spread of COVID-19 through strict social distancing measures. The strategy is to identify, mitigate, and reduce the virus' impact before Utah reaches a hospital-bed crisis. A detailed work plan is in place. This phase involves a coordinated public health response, large-scale testing, and a historic economic stimulus. We adapt and we innovate. *Adherence to this phase will shorten other phases and accelerate economic recovery.*

Stabilization Phase

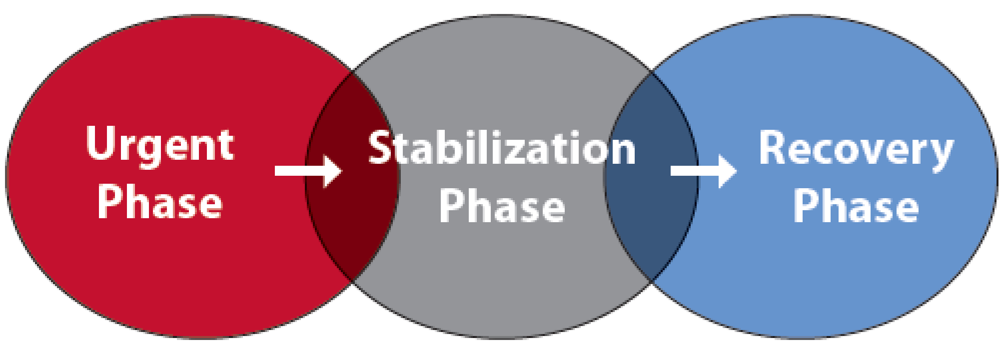
This phase is expected to last 10–14 weeks (with a focus on 10) and is expected to be the longest phase. The objectives are to make sure there is no backtracking on the progress made during the urgent phase, provide promising medical treatments, and continue to lay the groundwork for a complete economic recovery. In this phase we innovate. A detailed work plan is under development. It is during this phase that private and public sector policies will aid with the economic recovery. *Adherence to this phase will hasten economic recovery.*

Recovery Phase

This phase is expected to last 8–10 weeks (with a focus on eight). The objectives are to provide promising medical treatments and continue the hard work of restoring economic confidence. In this phase we overcome. A detailed work plan is under development. *Adherence to this phase will ensure Utah's economic recovery comes more quickly and in a more sustained way.*

These phases, including the major objectives and detailed work plans, create a path for Utah's economic recovery.

The Path to Recovery



[2] The Utah Leads Together Plan. (2020, March 24). Retrieved April 14, 2020, from https://coronavirus.utah.gov/the-utah-leads-together-plan/

<table>
<tr><td><h1>Urgent Phase</h1></td><td colspan="2">Measure = COVID-19 transmission rate of 1.5 at the beginning and 1.0 at the end
(This phase will be extended until transmission rate is consistently below 1.0.)</td></tr>
<tr><td colspan="3">Coordinated public health response coupled with historic economic stimulus
Adherence to this phase will shorten other phases and accelerate recovery. ADAPT and INNOVATE</td></tr>
<tr><td>Goal: 8-12 weeks beginning March 16, 2020</td><td colspan="2">Measure of Challenge: Infections increasing and jobs declining</td></tr>
<tr><td>Public Health Characteristics and Practices</td><td>Marketing Plan</td><td>Operations, Physical Improvements and Practices</td></tr>
<tr><td>

Urgent public health practices
Testing increases
Contact tracing and active monitoring
Extensive social distancing
High-risk populations stay at home
Urgent medical research and planning
Group gathering limitations (10 or fewer)
No on-premise dining to limit crowds
Significant K-12 school disruptions
College and universities switch to online learning
Significant travel restrictions
Focused support for health care system and professionals
Monitor health indicators, including mental health
Monitor need for additional public health measures. Act quickly if warranted.

ADHERENCE TO THIS PHASE WILL SHORTEN OTHER PHASES AND ACCELERATE RECOVERY.
</td><td>
Goal: Communicate Historic Park City's offerings during the urgent phase of recovery.

Message:

Historic Park City businesses remain open through innovative business practices.

Distribute press release to local and regional media.
Localized advertising buy

Park Record
KPCW
Local paid search and social
Programmatic Digital

Salt Lake City advertising buy

Programmatic Digital
Regional paid search and social

Incorporate business operations adhering to safety precautions as advised by the Health Department into messaging.

Target Audiences

Local // Park City Area to include greater Summit & Wasatch Counties
Wasatch Front
Park City 2nd Homeowners

</td><td>

Reduce trash service on common trash containers in Swede Alley, allow all businesses to utilize and HPCA to cover costs through June 2020.
Provide updates to members on business resources available.
Consolidate messaging with Park City Area Restaurant Association (PCARA) and Park City Area Lodging Association (PCALA).
Reducing organization expenses where possible.

</td></tr>
</table>

Urgent Phase Strategy

This phase focuses on reducing expenses for businesses, providing essential communication to members and marketing.

Marketing

Example of marketing message.

<table>
<tr><td><h1>Stabilization Phase</h1></td><td colspan="2">Measure = COVID-19 transfer rate less than one and declining.
(The state will return to the Urgent Phase if transmission rates increase.)</td></tr>
<tr><td colspan="3">Public health measures and economic interventions begin to take hold
ADAPT and INNOVATE</td></tr>
<tr><td>Goal: 10-14 weeks (after stay-at-home order is lifted)</td><td colspan="2">Measure of Challenge: Transmission of COVID-19 and job losses slow</td></tr>
<tr><td>Public Health Characteristics and Practices</td><td>Marketing Plan</td><td>Operations, Physical Improvements and Practices</td></tr>
<tr>
<td>
Public health practices continue
Testing becomes broad based
Contact tracing and active monitoring continue
Social distancing continues, but in a more targeted and careful way
High-risk populations continue to stay home
Medical research and planning intensify
Group gathering limitations softened
Travel restrictions lessen
Continued support for health care system and professionals
</td>
<td>Goal: Drive increased foot traffic to the street.

Message:

Think Local / Small Business First
Press Release: Local Business Offerings – Main Street businesses product offerings / everyday brands.
Local Direct Mail Distribution
Continued presence in local media
Continued presence in regional media

Incorporate safety / sanitization practices into communication efforts.
Continued presence in regional media

Target Audiences

Local // Park City Area to include greater Summit & Wasatch Counties
Expanded presence in Wasatch Front
Regional Visitors (with caution)

</td>
<td>
Monitor reopening of businesses and adjust trash pick-up accordingly
Provide updates to members on business resources available
Consolidate messaging with Park City Area Restaurant Association (PCARA) and Park City Area Lodging Association (PCALA).
Reducing organization expenses where possible.
Dining deck installation can begin May 1 (dining restrictions subject to heath orders).
Continue free parking on Main Street and in other parking areas. Time limits enforced.
Coordinate with PCMC on curbside delivery pick-ups
Installation of hanging flower baskets.
Encourage businesses to plant flowers.
Coordinate the same 3 days a week that all businesses who can open, are open, per health orders. “Vibrancy Days”
Advocate for business fees to be waived (licenses, dining decks, inspections, etc.)
Develop best practices for the different types of operations on Main Street to ensure a high level of sanitation as businesses reopen.
Installation of additional sanitization stations.
</td>
</tr>
</table>

		• Enhance and increase number of signs directing towards public restrooms. • Request cleaning frequency of public restrooms.

Stabilization Phase Strategy

This phase focuses on developing best practices guidelines, as the Health Department slowly allows businesses to reopen. reducing expenses for businesses, providing essential communication to members and marketing. Continuing to lobby for cost reductions for businesses as well as keep HPCA expenses in check.

Dining Decks

Dining Decks can be placed on the street as of May 1, like previous years. The placement of dining decks will show a start to return to business even if the decks are not used for some time. As part of this, the HPCA will send a letter to City Hall requesting the decks be placed prior to intended use.

Once business regulations lessen, the HPCA requests the decks be "dressed" with flowers and tables, even if dining cannot yet begin. When dining begins, the HPCA supports the elimination of the requirement to serve lunch. This waiver is requested for 2020.

Parking

The HPCA will submit a request to City Hall requesting that there is no charge for parking during the Stabilization Phase. Customer traffic to Main Street will be reduced and many shoppers will be budget conscious. Any way the HPCA can eliminate burdens for customers will be pursued.

Recovery Phase

Measure = COVID-19 transfer rate of near zero.

Return to stability and positive growth
ADAPT, INNOVATE, and OVERCOME

Goal: 8-10 weeks

Measure of Success: Virus under control and job growth

Public Health Characteristics and Practices	Marketing Plan	Operations, Physical Improvements and Practices

• Public health practices result in improved hygiene
• Testing becomes mainstream
• Contact tracing and active monitoring continue
• Social distancing changes to smart public health practices
• High-risk populations continue to take extreme precautions
• Medical research and planning pays dividends
• Work towards a vaccine intensifies
• Group gathering limitations eased
• Travel restrictions eliminated
• Broad improvements in health care system efficiency and appreciation for professionals
	Goal: Maintain market awareness as a small business / local economy.
	• Messaging: Continued messaging stressing the importance of supporting the small business economy.
	  ○ Continued regional advertising
	  ○ Increased brand presence in regional print publications.
	  ○ Increased public relations outreach highlighting the importance of the small business economy.
	• Target Audiences
	  ○ Local // Park City Area to include greater Summit & Wasatch Counties
	  ○ Wasatch Front
	  ○ Park City 2nd Homeowners
	  ○ Regional Drive Markets
		• Monitor reopening of businesses and adjust trash pick-up accordingly
		• Provide updates to members on business resources available
		• Reducing organization expenses where possible.
		• Coordinate to ensure "Vibrancy Days" when all open businesses are operating. Assists with marketing messaging.
		• Continue free parking on Main Street and in other parking areas. Time limits enforced.
		• Eliminate use of DLS zones
		• Advocate for business fees to be waived (business license, dining decks, inspections, etc.)
		• Refine best practices for the different types of operations on Main Street to ensure a high level of sanitation as businesses begin to reopen.
		• Installation of additional sanitization stations in area.
		• Enhance and increase number of signs directing towards public restrooms.
		• Focus on business promotion versus special events

Recovery Phase Strategy

This phase focuses on increasing business to the area while not reinvigorating the virus. This phase will be the longest phase.

Business Promotion versus Special Events

Main Street hosts several Special Events throughout the year. Due to the health emergency and uncertainty of regulations many are cancelling. The HPCA encourages the annual events that can take place, do take place. However, the HPCA is not supportive of adding additional events to the calendar. Many events include third party vendors selling wares and food. The HPCA would like all efforts to be placed on utilization of existing businesses to provide services for special events.

Council Agenda Item Report

Meeting Date: April 30, 2020
Submitted by: Michelle Downard
Submitting Department: Executive
Item Type: Resolution
Agenda Section:

Subject:
Consideration to Adopt Resolution 07-2020, a Resolution Recognizing May 2020 as Mental Health Awareness Month in Park City
(A) Public Hearing (B) Action

Suggested Action:

Attachments:
Mental Health Awareness Month Staff Report

Exhibit A: Mental Health Awareness Month Resolution

City Council
Staff Report

Subject:	**Mental Health Awareness Month**
Author:	**Michelle Downard, Resident Advocate**
Department:	**Executive**
Date:	**April 30, 2020**
Type of Item:	**Administrative**

Summary Recommendation
Approve the proposed resolution proclaiming May 2020 as Mental Health Awareness Month in Park City.

Analysis
Mental health awareness and support requires community partnership. Supporting Mental Health Awareness Month further reinforces the City's support for the mental health of our community and an interest to de-stigmatize mental illness. Additionally, a resolution increases awareness of existing behavioral health services and community programming.

Park City is no exception to the worldwide impacts the COVID-19 pandemic has caused. Unemployment, school closures and social distancing practices have caused economic impacts and stress for many of our community members. Park City is fortunate to have numerous local mental health resources available including the Summit County Mental Wellness Alliance which is a community coalition of government entities, nonprofits, private businesses and citizens working to enhance the quality of life for all Summit County residents by improving community awareness of mental health & substance abuse, increasing access to effective treatment, and increasing effective prevention efforts.

CONNECT Summit County, a founding member of the Summit County Mental Wellness Alliance, is a nonprofit organization that was formed to bring together Summit County residents who are concerned about mental health issues facing our community. Their mission is to create a well-informed, stigma-free community with access to mental health resources for all. In support of that mission, CONNECT has compiled a list of local mental health resources (Exhibit A).

Department Review
Legal and Executive Departments

Attachment
Local Mental Health Resources

Exhibits
A: Mental Health Month Resolution

Local Mental Health Resources

CONNECT Summit County, a founding member of the Summit County Mental Wellness Alliance, is a nonprofit organization that was formed to bring together Summit County residents who are concerned about mental health issues facing our community. Their mission is to create a well-informed, stigma-free community with access to mental health resources for all. During the COVID-19 pandemic, CONNECT Summit County is providing free virtual support groups, peer navigation services and a mental health tool kit with potentially lifesaving and altering resources for all residents which include:

Crisis:

- **Call 911 IMMEDIATELY** during an emergency.
- **Call Summit County Crisis Hotline (833) 995-1295** if the person experiencing the crisis is NOT at immediate risk of harming themselves or another person but you are not sure what to do to help them and/or if they are clearly in need of some type of intervention to remain safe.
- **Call the National Suicide Lifeline (800) 273-TALK (8255)** if you or someone you know is experiencing suicidal thoughts.

Other options to help someone in a mental health crisis:

- **IHC Park City Hospital Emergency Room**. If the person is willing, you can take them to any local ER where they will receive a mental health assessment by a trained mental health crisis worker. They will determine the best way to stabilize the current crisis.
- **IHC Park City Psychiatry and Counseling/Round Valley Clinic.** Offering same-day and next-day crisis appointments. Video conferencing and phone appointments only. No walk-ins. Serving adults and teens over 15 years old. Medication management available. Call (435) 940-5670. Open Tuesday – Friday 8:30 a.m.-5 p.m. 720 Round Valley Drive Suite 202, Park City.
- **UNI Park City Clinic**. Call for crisis assessment, more information and counseling; no walk-ins. Medicaid provider. Open Monday through Friday 8 a.m. to 5 p.m. Call (435) 658-9998. 1820 Sidewinder Drive, Park City.
- **SafeUT Crisis Chat and Tip Line** is an app for youth (and those who care about them)**.** Youth under age 18 and/or still enrolled in school, may download the SafeUT App. This statewide service provides real-time crisis intervention to youth through live chat and a confidential tip program with licensed clinicians– right from your smartphone. They can help youth experiencing any type of emotional crisis, including bullying, relationship problems, mental health or suicide-related issues.

Resources and Support Provided by Local Nonprofits

- **Christian Center of Park City** offers counseling and wellness services while providing critically important basic needs services. Through June 1, they are offering two free counseling sessions to new clients who are struggling with anxiety and stress-related to COVID-19.
- **Communities That Care** coordinates important youth mental health and substance abuse prevention programs and education within Summit County.

- **Holy Cross Ministries** responds to the underserved community's need for mental health and well-being.
- **Jewish Family Service** assists families in crisis and provides food, financial assistance, care management and employment support.
- **Peace House** provides resources to end domestic violence, which has risen during the COVID-19 pandemic.
- **People's Health Clinic** provides high-quality healthcare to the uninsured residents of Summit County.
- **Summit County Clubhouse** has created a Clubhouse without walls and are conducting three web meetings a week, allowing members to continue to have a safe environment to support each other, creatively continue to focus on the important work of the Clubhouse while at home, provide opportunities for online learning and most importantly be reminded that no one is alone.
- **Summit County Recovery** is dedicated to the recovery efforts of participants in the Summit County Drug Court.

Resources and Support for Spanish Speakers

- **Christian Center of Park City**. This community resource center offers Counseling and Wellness Services available in Spanish. Existing patients should contact their therapist directly. For new patients and those with questions regarding appointments, please call (435) 649-2260, ext. 1, Monday – Friday, 8 a.m. to 4 p.m. or via email counseling@ccofpc.org.
- **Jewish Family Service**. Mental health counseling with a Spanish-speaking therapist. Call (801) 746-4334.
- **Holy Cross Ministries**. Mental health counseling with a Spanish-speaking therapist. Call (385) 257-2421.
- **National Alliance on Mental Illness (NAMI) Wasatch-Summit Counties.** NAMI has a Spanish-speaking Certified Peer Support Specialist and a Mentor Support Line in Spanish (435) 631-0173.
- **People's Health Clinic**. If you are a resident of Summit or Wasatch Counties and do not have insurance, they can help with a non-crisis mental health assessment and referral. Full services available for Spanish-speaking individuals. Patients are seen by appointment only; no walk-ins. To make an appointment, call (435) 333-1850.
- **Peace House.** If you or someone you know is experiencing distress due to domestic violence, please call the Peace House and talk to a trained advocate. 24-Hour Helpline (800) 647-9161**.**
- **Spanish Speaking Suicide Hotline.** If you or someone you know is at risk, call (888) 628-9454.

Resolution 07-2020

A Resolution Recognizing May 2020 as Mental Health Awareness Month in Park City

WHEREAS, the COVID-19 pandemic has caused unprecedented levels of stress, anxiety and grief for Park City residents and mental health resources are critically important to support our community;

WHEREAS, one out of every five American adults experiences a mental health disorder during their lifetime;

WHEREAS, one out of every ten American children has a mental illness serious enough to impair how they function at home, at school and with peers;

WHEREAS, the impact of mental illness reaches families, neighborhoods, schools and the workplace;

WHEREAS, CONNECT Summit County, with the support of many other community organizations, is providing free virtual support groups, peer navigation services, and mental health tool kit with potentially life-saving and altering resources for all residents;

WHEREAS, May has been recognized as national Mental Health Awareness Month since 1949; and

NOW THEREFORE, be it resolved by the Park City Council that:

(1) May 2020 is recognized as Mental Health Awareness Month in Park City;

(2) the people of Park City are encouraged to come together to recognize that mental health is universal and applies to everyone; and

(4) we encourage individuals to take care of their mental health, by recognizing when they need help and seeking treatment.

PASSED AND ADOPTED this 30th day of April, 2020.

PARK CITY MUNICIPAL CORPORATION

Mayor Andy Beerman

ATTEST:

Michelle Kellogg, City Recorder

APPROVED TO FORM:

Mark D. Harrington, City Attorney

Council Agenda Item Report

Meeting Date: April 30, 2020
Submitted by: Sarah Pearce
Submitting Department: Executive
Item Type: Staff Report
Agenda Section:

Subject:
Consideration to Adopt Resolution 08-2020, a Resolution Authorizing the Allocation of Emergency Funds to Local Nonprofit Entities Providing Essential Services to the Most Vulnerable in Park City, Utah
(A) Public Hearing (B) Action

Suggested Action:

Attachments:
Relief Funding for Essential Services Staff Report

Exhibit A: Resolution Authorizing Relief Funds

Exhibit B: Proposed Category Special Services Committee List

City Council
Staff Report

Subject: Relief Funding for Essential Services
Author: Sarah Pearce and Jed Briggs
Department: Executive
Date: April 30, 2020
Type of Item: Legislative

Recommendation

Provide relief funding to local nonprofit organizations that have Special Services Contracts (SSC) with the City and are focused on basic needs, such as food, housing, and healthcare in order to increase the resiliency of Park City and support the most vulnerable to the economic impacts of COVID-19:

- Approve $150,000 from contingency funds from FY20, after holding a public hearing and approve the proposed resolution.
- Reserve $250,000 in FY21 from the scheduled SSC RFP for additional relief funding.

Background

Directing additional financial support is consistent with the State of Utah's recovery plan, Utah Leads Together, and confirms Park City's commitment to helping those most vulnerable to the economic impacts of COVID-19. Directing funds to local organizations with deep roots and a demonstrated history of delivering services in the Park City area, is key to ensuring a more cohesive recovery.

Funding

Fiscal Year 2020

Provide $150,000 in FY20 to the below organizations in the listed amounts. Funds would come from contingency and the FY20 budget would be adjusted in May, as part of the tentative budget.

Christian Center	$60,000
Jewish Family Services	$10,000
Park City Community Foundation	$50,000
People's Health Clinic	$20,000
Peace House	$10,000

Fiscal Year 2021

Over the last year and a half, the SSC process was revised to better achieve Council and community objectives. As part of the revision, Council and the SSC Committee separated regular services from special services. Regular services more specifically detail the outcomes desired by Council and delivered by the organization. Some of these regular service contracts will now be handled exclusively by the department associated with that service, while special services will remain with the SSC Committee and Budget department. It is also recommended that regular service contracts move to four year terms, rather than two. *(See Exhibit B)*

Previously, Council dedicated a portion of special services funding to the Community Social Equity Strategic Plan, recently completed by the Park City Community Foundation.

Budgets have not been set for the regular services next year, but based on the current fiscal year, staff estimates approximately $250,000 in SSC funding for special services next year. Typically, the special service contracts RFP is released in March and awards are distributed in July along with the adopted budget. The SSC Committee recommends moving forward with the regular service contracts through an RFP in early May, but holding off on special services in order to reassess community needs.

Analysis

As discussed at the April 9, 2020, City Council meeting, the outbreak has caused undue hardship to our community and Council has requested identifying funds to provide financial support to those most vulnerable.

All of the organizations identified above for funding have Special Services Contracts with the City during this fiscal year. The contracts were awarded after a competitive process, and all of the organizations have successfully delivered the requested services. Further, the organizations are all delivering essential services, such as food, housing, and health care.

Notably, the funds directed to the Park City Community Foundation were specifically calculated to ensure that the Foundation received a dollar-for-dollar match of the City's grant, doubling the City's grant. The Foundation is offering flexible resources to organizations in our area working with communities who are disproportionately impacted by coronavirus and the economic consequences of this outbreak.

Supporting vulnerable individuals now provides immediate value to the City and long term value during the recovery phase. These organizations are best suited to provide these services, and they are accountable to the City. The benefits to the City are clear: keeping people in their homes, with adequate food and health care, is a public purpose that accomplishes the City's goals of evolving and sustaining a complete community.

An analysis was prepared following Utah Code section 10-8-2, which allows municipalities to appropriate funds for corporate purposes only. Notice of the public hearing was published in the Park Record on April 15, 2020. The City Council determines corporate purposes, which must provide for the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the City's residents. In considering the net value received for any money appropriated, the Council must weigh the value over the life of the project and the Council may consider intangible benefits in determining the value received. Finally, the Council considers factors including whether the appropriation will accomplish the reasonable goals of the City in economic development, job creation, affordable housing, blight elimination, job preservation, the preservation of historic structures and property, and other public purposes.

Exhibits
A - Resolution authorizing allocating emergency funds to local nonprofit organizations
B - Proposed Category SSC List

Resolution No. 08-2020

A RESOLUTION AUTHORIZING THE ALLOCATION OF EMERGENCY FUNDS TO LOCAL NONPROFIT ENTITIES PROVIDING ESSENTIAL SERVICES TO THE MOST VULNERABLE IN PARK CITY, UTAH

BE IT RESOLVED by the City Council of Park City:

On April 9, 2020, the Mayor and City Council determined that the COVID-19 outbreak continues worldwide and in Park City, and extended the duration of the local emergency because doing so is in the best interest of the health, safety, and welfare of Park City's residents;

The City Council adopted Park City Emergency Proclamation No. 2 and requested the City Manager identify $150,000 of funds that the Council will consider allocating to service providers that have Special Services Contracts with the City and are focused on basic needs such as food, housing, and healthcare;

The City Manager has identified the requested funds and preformed an analysis outlining the public benefits of directing the funds as requested; and,

The City Council has given not less than fourteen days public notice, conducted a public hearing related to the foregoing, and reviewed the analysis and considered the comments made during the public hearing;

Now, therefore, be it resolved by the City Council of Park City, Utah, that the City Council hereby adopts the conclusions set forth in the analysis and finds that the allocation is appropriate under these circumstances.

PASSED AND ADOPTED April 30, 2020.

PARK CITY MUNICIPAL CORPORATION

____

Mayor Andy Beerman

ATTEST:

____

Michelle Kellogg, City Recorder

Approved as to form:

____

City Attorney's Office

PROPOSED CATEGORY SPECIAL SERVICES COMMITTEE LIST as of 4.30.2020

Type	RFP		Term	Service	Description	Delay
	Issued by:	Reviewed by:				
Regular	Economy	Economy	4 Years	Park City History Services	Support operation of Historical Museum on Main Street including the research library for property owners, visitors and City staff conducting historic research on Park City.	N
Regular	Executive	Executive	4 Years	Sister City Administration	Support for administering and facilitating programs tied to fostering the City's relationship with our Sister City, Courchevel, France.	N
Regular	Economy	Economy	4 Years	Trails Management	Support for the preparation and grooming of public, multi-use, non-motorized winter trails.	N
Regular	Env Sust	Env Sust	4 Years	Waste/Recycling Management	Supplement the county's recycling program with collections for glass, building materials, electronics and hazardous materials. This may include community collection events and education.	N
Regular	Housing	Housing	4 Years	Housing	Provide housing website and maintain a free listing of available affordable rental properties, forms, roommate requests and valuable assistance in locating affordable rentals. Maintain a central database that pulls from all regional sources to provide information on affordable for-sale units, waitlists, and the qualification and application process for people in need of housing.	N
Regular	City Attorney's Office	City Attorney's Office	4 Years	Legal Mediation	Provide mediation for small claims cases, and free or low cost mediation in other cases to enable parties to settle disputes in an effective collaborative manner.	N
Regular	Budget	SSC Committee	4 Years	Safe Haven	Provide a safe haven for individuals and families seeking shelter. Work to ensure safety, comfort, and resources for each person in need of help. Through prevention, awareness, and outreach strive to bring knowledge and resources to community including domestic violence shelter and therapy.	N
Regular	Budget	SSC Committee	4 Years	Education	Support affordable education or daycare services for the City's workforce families. There is great demand from working families in Park City for quality, affordable educational opportunities for children. For after school education operating hours should take place directly after school ends and run consistently and regularly.	N

Regular	Budget	SSC Committee	4 Years	Food Pantry	In Park City there are many individuals and families who go hungry on a daily basis. Thus a food pantry service that provides free food has been identified as a core need to the community.	N
Regular	Budget	SSC Committee	4 Years	Medical Treatment	Support the medical health needs of those in Park City who are uninsured, this would include services such as diagnosis, treatment, screening, referrals to specialist and social agencies, educational programs, physical therapy, and women's health programs. In addition, connect those in need to other health care resources in the area.	N
Regular	Budget	SSC Committee	4 Years	Emergency Assistance	There is a compelling need in Park City for serving the emergency needs of low-income individuals and families, particularly among the Latinx community. Programs may coordinate services for those looking to improve their economic status and/or experiencing unemployment, (e.g., legal aid, immigration, workforce services, etc.).	N
Special	Budget	SSC Committee	2 Years	Housing Outreach & Education	Provide program to mentor and educate Park City individuals and families in process to secure housing as well as assist seasonal employees to find temporary housing.	Y
Special	Budget	SSC Committee	2 Years	After School Education	Provide students with learning and enrichment opportunities outside of the regular school day to help overcome disparities. Operate an after school extended learning service, activity, or program that benefits lower to middle income children. Demonstrated capacity to help working families.	Y
Special	Budget	SSC Committee	2 Years	Inclusion	Strive for cultivating a community that engages diverse perspectives, differing ideas, and individuals from different backgrounds to help shape culture and reduces disparities. Increase the community's capacity to create inclusive and diverse cultural, arts, and/or entertainment experiences that seek to reduce inequities in the community. Enhance communication and outreach methods that improve diverse voices and perspectives of underserved or underrepresented groups in the community. Advance adult education and entrepreneurship programs to promote career mobility.	Y

Council Agenda Item Report

Meeting Date: April 30, 2020
Submitted by: Clint Mcaffee
Submitting Department: Public Utilities
Item Type: Resolution
Agenda Section:

Subject:
Consideration to Adopt Emergency Proclamation No. 3 of 2020, for the Purpose of Ratifying Additional Emergency Powers Related to Reducing the Financial Impact of Public Utilities Bills as a Response to COVID-19
(A) Public Hearing (B) Action

Suggested Action:

Attachments:
City Utility Bill Relief Staff Report

Exhibit A: Emergency Proclamation No. 3

City Council
Staff Report

Subject: Resolution Temporarily Reducing Financial Obligations from City Utility Bills
Author: Clint McAffee
Department: Public Utilities
Date: April 30, 2020
Type of Item: Legislative

Recommendation

Approve a Resolution adopting Emergency Proclamation No. 3, thereby ratifying additional emergency powers related to reducing the financial impact of Public Utilities bills on ratepayers as a response to COVID-19.

Background

On March 12, 2020, the City Manager declared a City emergency due to the COVID-19 outbreak. City Council approved a resolution on April 9 extending the local emergency to May 1, 2020.

The Mayor has subsequently authorized the City Manager to exercise certain additional powers. Specifically:

1. Set Interest Rate on Utility Bills to 0%;
   a. The City Manager suspended interest on the May 1st billing; and under the Resolution this would continue for the June, July, and August statements.
2. Suspension of Standard Collection Practices:
   a. The City Manager has suspended standard bill collection practices, such as water disconnects, until the September statement.
3. Stormwater Equivalent Surface Unit "ESU" Fee Reduction:
   a. The City Manager reduced by half the ESU charge on the May billing statement from $6.28 per ESU to $3.14 per ESU. Under the Resolution, this would continue for the June, July, and August statements.

In the short term, the loss of revenue from interest charges will not have a material impact on the water fund's financial position, assuming that the majority of customers continue to pay their bill. The interest fee is primarily an incentive for timely bill payment rather than revenue source. If COVID-19 results in a marked increase in customers unable to pay their bills, there could be a material impact on the water funds financial position.

The stormwater fund is prepared to accept reduced revenues as a result of COVID-19 by deferring planned capital projects and reducing fund balances, while continuing to support current operational budgets. The stormwater fund remains viable with the planned reductions for the proposed 4 month time period.

Projects that could be deferred include vactor truck and street sweeper dump station improvements and Payday Drive stormwater improvements. The dump station improvements project was scheduled to happen this year and the Payday Drive improvement project was scheduled in the next 3 to 5 years. Both of these projects can be deferred, if needed, without significant impact.

The average residential account is 3 ESU's and will move from $18.84 per month to $9.42 per month. The largest commercial accounts will see a reduction of about $1,000 a month. The 50% fee reduction will reduce the stormwater enterprise fund revenue approximately $280,000 over the four month period.

Department Review
Executive and Legal

Attachments
Exhibit A: April 30, 2020 Proclamation Declaring a Local Emergency

PARK CITY MUNICIPAL CORPORATION EMERGENCY PROCLAMATION
No. 3 of 2020

Under Utah Code section 53-2a-208(1)(a) and Park City Code 2-4-3L the City Manager of Park City may declare a local emergency by a proclamation which may be in effect for up to 30 days. On April 16, 2020, the City Council approved Emergency Proclamation No. 2, extending the local emergency and ratifying the exercise of emergency powers by the Mayor City Manager.

In continued response to the ongoing COVID-19 outbreak, the Mayor and City Manager have determined that additional emergency powers should be exercised to address the local emergency. Emergency Proclamation No. 2 remains in effect and the City Council hereby ratifies these additional actions to protect the health, safety, and welfare of Park City's residents.

Accordingly, be it resolved by the City Council of Park City, Utah, that:

1. Term. This Emergency Proclamation No. 3 runs concurrently with Emergency Proclamation No. 2, which continues until May 1, 2020, except as otherwise stated herein.

2. Authority. The Mayor has authorized the City Manager to exercise certain emergency powers under Emergency Proclamation Nos. 1 and 2, as well as Utah Code sections 53-2a-209(1) and 205. The Council ratifies and approves the exercise of additional powers. Specifically:

   a. Set Interest Rate on Utility Bills to 0%. In recognition of the financial impact that COVID-19 is having on the community, the City Manager suspended the interest rate specified in Park City Code 13-1-8, setting the interest rate charged on utility bills to 0% for the May 2020 billing statement. The 0% interest rate will continue for the June, July, and August billing statements.

   b. Suspension of Standard Collection Practices. The City Manager will resume standard collection practices for water and stormwater billing, including past due notices and disconnects, in September, unless otherwise extended.

   c. Stormwater ESU Fee Reduction. In recognition of the financial impact that COVID-19 is having on the community, the City Manager temporarily modified the Stormwater ESU Fee, in Park City Fee Schedule 2.12, from $6.28 per ESU to $3.14 per ESU for the May billing statement. This modification will continue for the June, July, and August billing statements.

3. Severability. A determination that any provision of this Resolution is invalid will not affect the enforceability of any other provision of the Resolution. Rather, the invalid provision will be modified to the extent necessary so that it is enforceable.

4. Filing. This Resolution will be filed with the Park City Recorder and will be delivered to the Summit County Clerk.

5. Effective Date. This Resolution is effective immediately upon passage.

Dated this 30th day of April, 2020.

PARK CITY MUNICIPAL CORPORATION

____
Mayor Andy Beerman

ATTEST:

____
Michelle Kellogg, City Recorder

Approved as to form:

____
City Attorney's Office

Council Agenda Item Report

Meeting Date: April 30, 2020
Submitted by: Clint Mcaffee
Submitting Department: Public Utilities
Item Type: Staff Report
Agenda Section:

Subject:
Consideration to Authorize the Mayor to Execute a Memorandum of Agreement, in a Form Approved by the City Attorney, to Continue Leasing Surplus Water to Weber Basin through Provisions in the Western Summit County Project Master Agreement
(A) Public Input (B) Action

Suggested Action:

Attachments:
Surplus Water Lease Staff Report

Exhibit A: Surplus Water Memorandum of Agreement

Exhibit C: Excess Capacity, Surplus Water and Demand Schedule (Exhibit D)

City Council Staff Report

Subject:	**Western Summit County Project**
Author:	**Clint McAffee**
Department:	**Public Utilities**
Date:	**April 30, 2020**
Type of Item:	**Administrative**

Recommendation

Staff recommends Council authorize the Mayor to execute a Memorandum of Agreement "MOA" (Exhibit A), in a form approved by the City Attorney, to continue leasing surplus water to Weber Basin through provisions in the Western Summit County Project Master Agreement "MA".

The two main benefits of leasing surplus water are: 1) it delays a large regional water importation and/or storage project, and 2) it provides a new source of revenue to reduce future water rate increases for Park City Water's customers.

The price set for surplus water reflects the cost of delivery and ensures the cost is similar to what Park City's water customers are paying. For 2020, the estimated surplus water charge will be $8.85 per 1,000 gallons which is similar to Park City's commercial rate. For comparison to Park City water rates, see Park City's current rate structure at the following link.

https://www.parkcity.org/departments/public-utilities/customer-service/water-services/rates

Background

Council approved a MOA in 2019 for the lease of surplus water to Weber Basin through provisions in the MA. Each year, the MOA will be updated to update the price of surplus water and extend the term by one year until Park City elects to stop leasing surplus water to Weber Basin. This is the first proposed extension of the 2019 MOA.

Park City is a party to the MA, which was developed and executed in 2013 to ensure a safe and reliable water supply to the residents of Snyderville Basin and Park City by regionalizing water supply and infrastructure between parties. Links to the MA are provided below in Exhibit B.

As a party to the MA, Park City has the opportunity to continue leasing surplus water to Weber Basin, which Weber Basin leases to other parties to meet growing water demands. As existing platted land is developed, water demand is projected to increase beyond local and existing water source capacity. Once existing water surplus in the Snyderville Basin is exhausted, Weber Basin is obligated to provide supplemental water up to 5,000 acre-feet. Providing supplemental water supply will require Weber Basin to construct a large water importation and/or storage project, which in 2017, was estimated to cost between $70M and $100M and would provide water capacity for significant growth in the Basin. If Park City stops leasing surplus water, a large regional project would likely happen sooner than if Park City continues to lease its surplus water, and water rates would need to be increased more than currently planned.

On an annual basis, each party to the MA is required to provide its 10 year rolling water surplus or water deficiency, whichever is applicable, to Weber Basin, in the form of Exhibit D (Exhibit C below). If an entity declares a water deficiency in years 1 – 5 on Exhibit D, that entity must enter into a perpetual water purchase agreement with Weber Basin. If an entity declares a water surplus in years 1 – 5 on Exhibit D, that entity must enter into a 5 year water sales contract with Weber Basin. Years 6 – 10 are non-binding and intended to provide an indication of longer term water supply and demand in order to determine when a new water source is needed. The MOA is the water sales agreement between Park City and Weber Basin.

Currently, Summit Water is the only party that is under a perpetual purchase contract with Weber Basin, which is being fulfilled by Weber Basin with surplus water purchased from Mountain Regional. Beginning in 2020, Summit Water's demand exceeds Mountain Regional's surplus and Weber Basin needs to secure additional water. Park City is projected to have adequate surplus to continue leasing water to Weber Basin to fulfill the deficiency. If Park City does not continue leasing its surplus water, Weber Basin will begin planning for the construction of a large water importation project to meet the water supply deficit.

Over the past few years, significant improvements in the Park Meadows Well and Quinns Junction WTP have been made in order to increase their capacity and reliability. These investments were primarily driven by the need to supply water in 2020, 2021, and 2022, while the existing Spiro WTP is being reconstructed.

Park City's total treated water capacity in 2020, 2021, and 2022 is 7,500 gpm. Average peak day treated water demand in the last 5 years is approximately 5,800 gpm. Staff reserves 1,000 gpm of capacity for redundancy in case of water source loss. Accounting for reserved redundant capacity, up to 700 gpm could be leased to Weber Basin in 2020, 2021, and 2022. Once the new 3Kings WTP starts up in 2022 and 2023, Park City's drinking water surplus will significantly increase.

Funding

Revenue generated by the sale of surplus water will be used to offset future water rate increases.

Exhibits

Exhibit A: Memorandum of Agreement

- Memorandum of Agreement

Exhibit B: Links to Western Summit County Project Master Agreement

- 1 master agreement executed

- 2 master agreement exhibits a-d
- 3 master agreement exhibits e-j & exhibits (3)
- exhibit list

Exhibit C: Exhibit D – with Park City Surplus Lease

- Exhibit D

2020 MEMORANDUM OF AGREEMENT

This Memorandum of Agreement ("**MOA**") is made and entered into this ______ day of _______________, 2020, by and between Park City Water Service District, a special service district organized and existing pursuant to the provisions of Utah Code Annotated §17A-2-1301 et seq., 1953, as amended, (the "District"), and Weber Basin Water Conservancy District, a water conservancy district organized and existing pursuant to the provisions of §17B-2a-1001 *et* seq., Utah Code Annotated, 1953, as amended ("**Weber Basin**"). The District and Weber Basin each is a "**Party**" and collectively they are referred to as the "**Parties**."

RECITALS

WHEREAS, The District and Weber Basin, along with other parties, entered into the Western Summit County Project Master Agreement dated June 26, 2013 ("**Master Agreement**"). This Master Agreement provides Weber Basin with the right to use, wheel and comingle all Surplus Water of the District, Mountain Regional, and Summit Water. [*See* Master Agreement ¶2.4].

WHEREAS, The Master Agreement provides Weber Basin with the right to determine, in its sole discretion, which Parties to which it will deliver and sell that Surplus Water. The Master Agreement allows each entity, at its sole discretion, to set the price per acre-foot for which its Surplus Water may be sold. Weber Basin then is authorized to sell that Surplus Water to any Party of the Master Agreement, as determined by Weber Basin in its discretion, for the price established by the Party supplying the Surplus Water. [*See* Master Agreement ¶2.4].

WHEREAS, Weber Basin is then directed to credit the Party whose Surplus Water is delivered at the rate applicable to that water so delivered.

WHEREAS, As outlined in Paragraph 2.4 of the Master Agreement, this process was established in order to allow Weber Basin "to operate the Western Summit County Project in such manner as Weber Basin deems necessary and proper." [*See* Master Agreement ¶2.4].

WHEREAS, under the Master Agreement, Weber Basin is required to construct an interconnect vault and associated facilities in the Quinns Junction area, which will be funded one-third each by Mountain Regional, Summit Water Distribution Company, and the District ("**Interconnect Facilities**"); and,

WHEREAS, pursuant to the Master Agreement, the District agrees to provide surplus water to Weber Basin through the Interconnect Facilities ("**Surplus Water**").

WHEREAS, on or about April 22, 2019, the Parties entered into a Memorandum of Agreement pertaining to the Surplus Water (the "2019 Agreement").

WHEREAS, by executing this 2020 Agreement, the Parties desire to amend and restate the terms of their agreement relating to the Surplus Water, and to supersede the 2019 Agreement, and to replace that 2019 Agreement with this 2020 Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Water Lease.

   A. **Surplus Water. The District** agrees to deliver to Weber Basin the Surplus Water identified in **Error! Reference source not found.** through the Interconnect Facilities in accordance with the Master Agreement. Pursuant to the terms of the Master Agreement, Weber Basin agrees to make the Surplus Water available for sale and delivery to another party to the Master Agreement (either Mountain Regional or Summit Water) (a “Purchasing Party”), as selected in Weber Basin’s sole discretion; such water to be marketed and sold at a price equal to the total annual take or pay amount in Figure 1 below. The cost per acre foot shall be adjusted annually based, in part, upon Operation and Maintenance costs, per the Master Agreement [See Master Agreement ¶2.4].

Figure 1
Annual Surplus Water Take or Pay Volumes and Pricing Schedule

	2020	2021	2022	2023	2024
Annual Volume (acre feet)	50	50	450	450	550
Peaking Factor	2	2	2	2	2
Maximum Flow Rate (gallons per minute)	62	62	558	558	682
Delivery Location	Park City Interconnect - Quinns Area				
Surplus Water Cost per Acre Foot	$2,882.84	$2,969.32	TBD	TBD	TBD
Treatment Redundancy Upgrades - Take or Pay	$200,000.00	$200,000.00	$200,000.00		
Total Annual Take or Pay Amount	$344,141.77	$348,466.03			
Estimated Cost per Acre Foot			*$3,058.40*	*$3,150.15*	*$3,244.66*
Estimated Total Annual Take or Pay Amount			*$1,576,280.07*	*$1,417,568.47*	*$1,784,561.20*

   B. **Terms of Delivery.** The total annualized cost for which the Surplus water shall be marketed, sold, and delivered, by Weber Basin to a Purchasing Party, and the total annualized cost to be paid by the Purchasing Party (and credited by Weber Basin to the District) shall be take-or-pay for the full annual water volume in Figure 1.

2. Term. The term of this MOA shall commence on May 1, 2020 and continue for a term of five (5) years, ending December 31, 2024 (“**Term**”). This MOA supersedes

the previously signed MOA that was dated April 22, 2019.

3. Binding Effect. The provisions of this MOA shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

Assignment Limited. No assignment or other transfer of this MOA or any part thereof or interest therein shall be valid unless and until approved by all Parties hereto.

4. Attorney's Fees. In the event that this MOA or any provision hereof shall be enforced by an attorney retained by a Party hereto, whether by suit or otherwise, the fees and costs of such attorney shall be paid by the Party who breaches or defaults hereunder, including fees and costs incurred upon appeal or in bankruptcy court.

5. Severability. If any term or provision of this MOA shall, to any extent, be determined by a court of competent jurisdiction to be void, voidable, or unenforceable, such void, voidable or unenforceable term or provision shall not affect the enforceability of any other term or provision of this MOA.

6. Captions. The section and paragraph headings contained in this MOA are for the purposes of reference only and shall not limit, expand or otherwise affect the construction of any provisions hereof.

7. Construction. As used herein, all words in any gender shall be deemed to include the masculine, feminine, or neuter gender, all singular words shall include the plural, and all plural words shall include the singular, as the context may require.

8. Further Action. The Parties hereby agree to execute and deliver such additional documents and to take further action as may become necessary or desirable to fully carry out the provisions and intent of this MOA.

9. Inducement. The making and execution of this MOA has not been induced by any representation, statement, warranty or agreement other than those herein expressed.

10. Force Majeure. Performance by any Party hereunder shall not be deemed to be in default where delays or defaults are due to war, insurrections, strikes, lock-outs, floods, earthquakes, fires, casualties, acts of God, epidemics, quarantine, restrictions, inability (when the responsible Party is faultless) to secure necessary labor, materials, tools, acts or failure to act of any public or governmental agency or entity, or by any other reason not the fault of the Party delayed in performing work or doing acts required under the terms of this MOA, and in such event, the performance of such work or the doing of such act shall be excused for the period of the delay and the period of performance for any such work or the doing of any such act shall be extended for a period equivalent to the period of such delay.

11. No Third Party Beneficiaries. This MOA shall not be deemed to create any right in

any person who is not a Party (other than the permitted successors and assigns of a Party) and shall not be construed in any respect to be a contract, in whole or in part, for the benefit of any third party (other than permitted successors and assigns of a Party hereto).

12. Warranty of Authority. The individuals executing this MOA on behalf of the Parties hereby warrant that they have the requisite authority to execute this MOA on behalf of the respective Parties and that the respective Parties have agreed to be and are bound hereby.

IN WITNESS WHEREOF, the Parties have executed this MOA as of the day and year first above written.

PARK CITY WATER SERVICE DISTRICT

By: ____________________________

Its: President

APPROVED AS TO FORM:

____
The District Water Attorney

WEBER BASIN WATER CONSERVANCY DISTRICT

By: ____________________________
Dee Alan Waldron, Chairman, Board of Trustees

ATTEST:

____
Tage I. Flint, General Manager

APPROVED AS TO FORM:

____
Weber Basin Attorney

Exhibit D
Excess Capacity, Surplus Water and Demand Schedule
Park City Water Service District

	Binding Commitments					Non-Binding Projections				
Rolling Year	1	2	3	4	5	6	7	8	9	10
Calendar Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Excess Capacity										
Peaking Factor*	0	0	0	0	0	0	0	0	0	0
Surplus Water										
Raw Water	0	0	0	0	0	0	0	0	0	0
Point of Delivery										
Charge										
Finished Water (acre feet)	50	50	450	450	550	750	750	750	750	750
Charge and Delivery	Per Memorandum of Agreement									
Demand										
Raw Water										
Annual Volume										
Peak Day (gpm)	0	0	0	0	0	0	0	0	0	0
Capacity Needs										
Point of Delivery										
Finished Water										
Annual Volume										
Peak Day Demand	0	0	0	0	0	0	0	0	0	0
Capacity Needs										
Point of Delivery										