PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
April 9, 2020

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its special 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 9, 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

CLOSED MEETING - 4:00 p.m.

To Discuss Property, Personnel and Litigation

WORK SESSION - 4:45 p.m.

Park City COVID-19 Financial Recession Plan Update and Overview
FY2020 (COVID-19) Financial Recession Plan Staff Report
Exhibit A: FY2020-Financial Recession Plan Slide Presentation

SPECIAL MEETING - 5:30 p.m.

I. ROLL CALL

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

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
(A) Public Hearing (B) Action
Extension of Local Emergency Staff Report
Exhibit A: Park City Emergency Declaration-March 12, 2020
Exhibit B: Park City Emergency Proclamation No 2

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 9, 2020
Submitted by: Jed Briggs
Submitting Department: Budget, Debt & Grants
Item Type: Staff Report
Agenda Section:

Subject:
Park City COVID-19 Financial Recession Plan Update and Overview

Suggested Action:
The impacts of COVID-19 are akin to a natural disaster, leading to public health safety concerns with reverberating effects throughout the global economy. Similarly, business shutdowns due to prudent social distancing measures are being realized in Utah, Summit County, and Park City. While the City's operations have already changed in response to the coronavirus, implementation of the City's recession plan is needed due to a projected General Fund shortfall of $3.9M in fiscal year 2020, driven by sales tax losses. Staff recommends Council consider bridging the shortfall gap through diverse methods of operating expense delays, reallocating funding from the Capital Improvement Fund, and dipping into the General Fund balance.

Attachments:
FY2020 (COVID-19) Financial Recession Plan Staff Report

Exhibit A: FY2020-Financial Recession Plan Slide Presentation

City Council
Staff Report

Subject: COVID-19 Financial Impact & Update
Author: Jed Briggs & Erik Daenitz
Department: Budget
Date: April 9, 2020
Type of Item: Administrative

Recommendation

The impacts of COVID-19 are akin to a natural disaster, leading to public health safety concerns with reverberating effects throughout the global economy. Similarly, business shutdowns due to prudent social distancing measures are being realized in Utah, Summit County, and Park City.

While the City's operations have already changed in response to the coronavirus, further implementation of the City's recession plan is required to close a **projected General Fund revenue shortfall of $3.9M in fiscal year 2020.** This shortfall is driven by a combination of lost sales tax and program revenue. Staff recommends Council consider closing the revenue shortfall for FY2020 (2 mos. left) using a balanced approach of implementing rigorous operating expense control measures, deferring, delaying and cancelling non-essential Capital projects and equipment purchases, and utilizing a portion of our emergency reserves.

Going forward, in order to provide a thoughtful framework to evaluate what may prove to be a series of difficult financial decisions (both for the remainder of FY2020, and then FY2021), staff plans to utilize the following budgetary principles to help inform and guide our underlying approach:

- **Fiscal Responsibility:** Transparent local decision-making, conservative economic projections, and resist reactive short-term savings at the expense of long-term prosperity;

- **Commitment & Compassion:** Maintain core local government service commitments - public safety, health and wellbeing, economic opportunity;

- **Shared Sacrifice:** No one group shall bear a disproportionate burden.

Background

Sales Tax comprises approximately 38% of budgeted revenues for the City's General Fund in FY2020, which is the largest source of recurring revenue for the City. At the same time, direct exposure to consumer discretionary spending makes our largest source of revenue also the most vulnerable, particularly when compared to the relatively stable property tax.

Overall, Park City's General and Capital Funds are well positioned to help sustain and augment municipal operations during an economic downtown. In many respects, the City's financial strategy is closely aligned with industry best practices in terms of emergency and reserve funds, and should provide the ability to maintain core services, even in the most dire of circumstances. That being said, the sheer size of economic shock is daunting and the sacrifices will need to be shared across the organization.

Analysis

Concurrent with the Declaration of the City Emergency, the City Manager quickly initiated the City's Recession Plan throughout the organization and among departments. By taking this proactive step early, the Budget Department is prepared to recommend a three step approach that closes the projected FY2020 funding gap, yet preserves service levels and foregoes layoffs for at least the next two months:

1. **Operating - Reduce Expenditures ($1.25M)**
    a. Eliminate non-essential expenditures and seek immediate 5% budget reductions from each department (tuition, supplies, equipment, travel, hiring, merit pay, etc.).

2. **Capital - Delay & Defer Projects, Utilize Emergency Reserve ($2M)**
    a. Generate a minimum of 50% of savings by delaying or deferring capital projects and expenses; generate the other 50% through utilization of emergency CIP Fund balance.
    b. A list of potential projects to defer is forthcoming at the April 16, 2020, City Council Meeting.

3. **Emergency Reserves – Utilize Portion of Emergency Fund Balance ($750k)**
    a. General Fund balance provides an intentional source of funding relief under stressed financial conditions and has been strategically built up over the better part of the past decade.
    b. The limited use of this emergency reserve is designed to maintain a significant amount of the balance for future uncertainty that remains for the future fiscal year, or FY2021.

Staff will provide additional analysis and finalize recommendations at the April 16, 2020, City Council Meeting. In addition, on April 16th, staff will begin discussions and potential budgetary options and revenue projections necessary to support next year's budget, or the FY2021 budget.

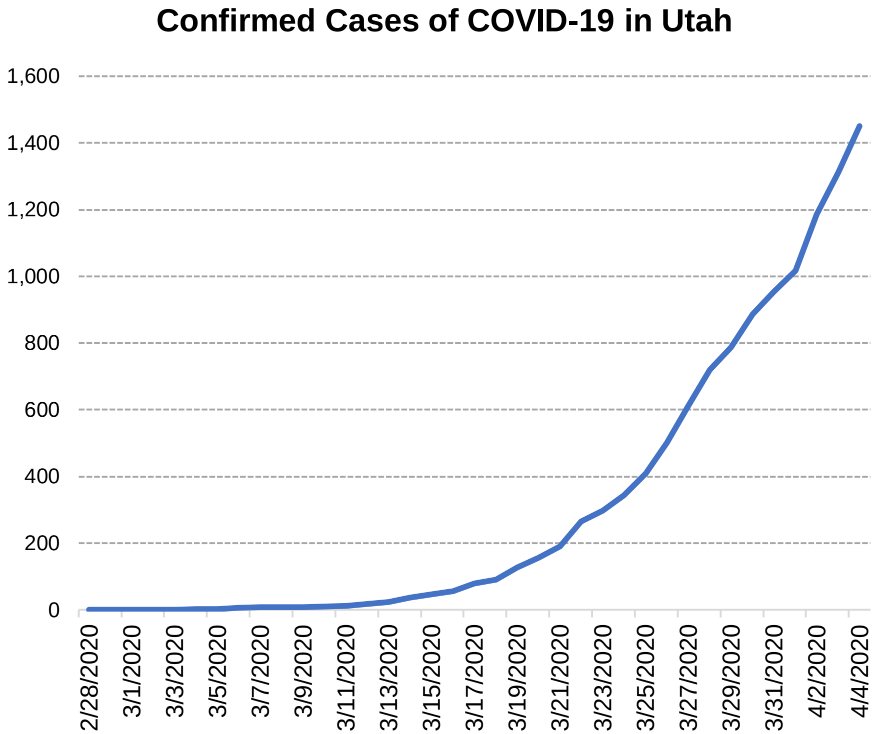
Exhibits

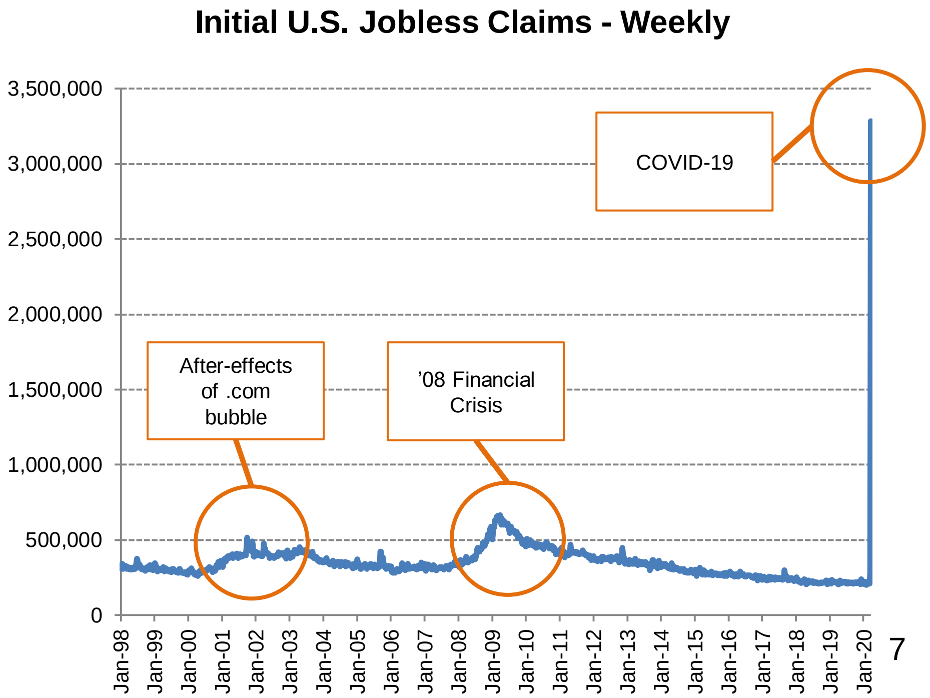
A – FY2020 (COVID-19) Financial Recession Plan Presentation - PowerPoint

Fiscal Year 2020 Financial Update

COVID-19 Is Here

- The growth of COVID-19 is in Utah is here and its effects on the US economy are real

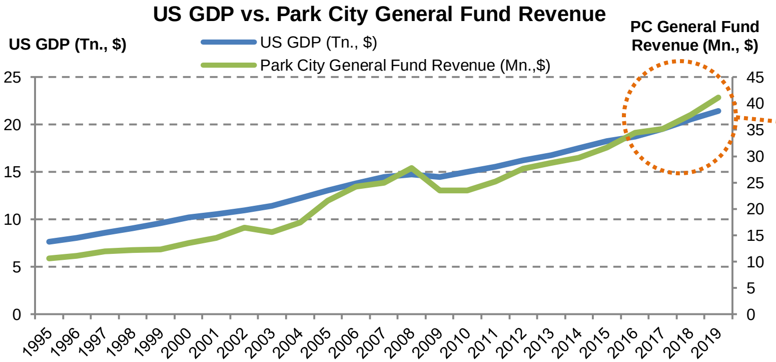


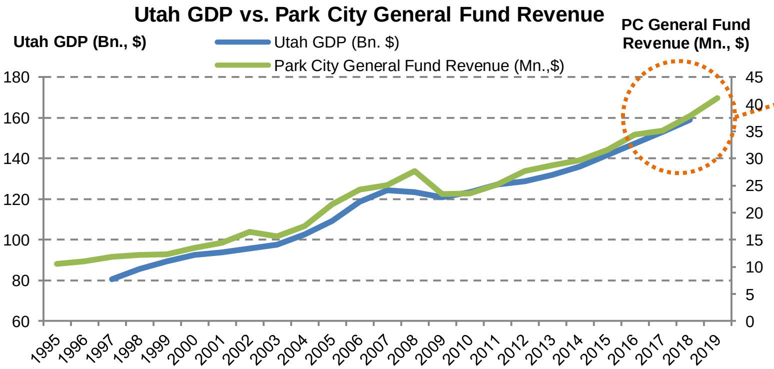


Sources: Utah Department of Health & St. Louis Federal Reserve

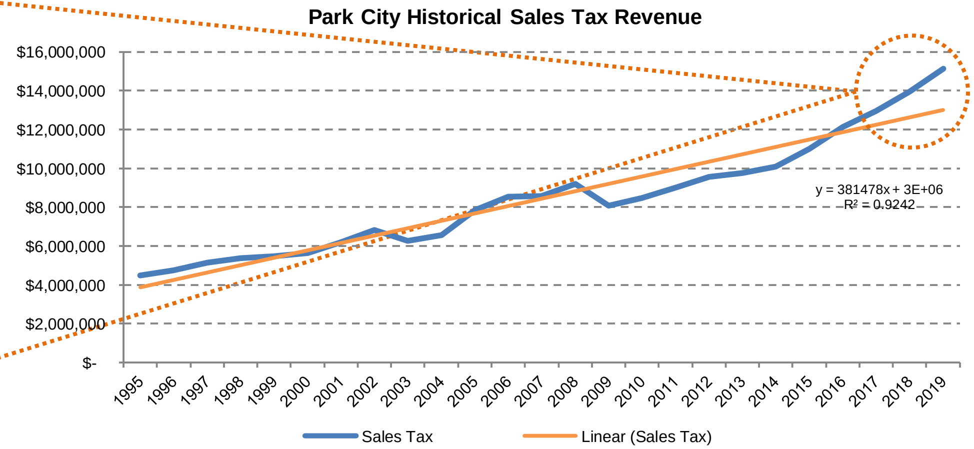
Broad Economic Growth and Park City

- Park City maintains unique drivers of growth, yet its revenues are highly correlated to the growth of Utah and the U.S.
- Fortunately, Property Tax remains relatively stable, and most of our instability is found within our Sales Tax





Sales Tax revenue is geared toward consumer expenditures, which is revenue positive during booms….



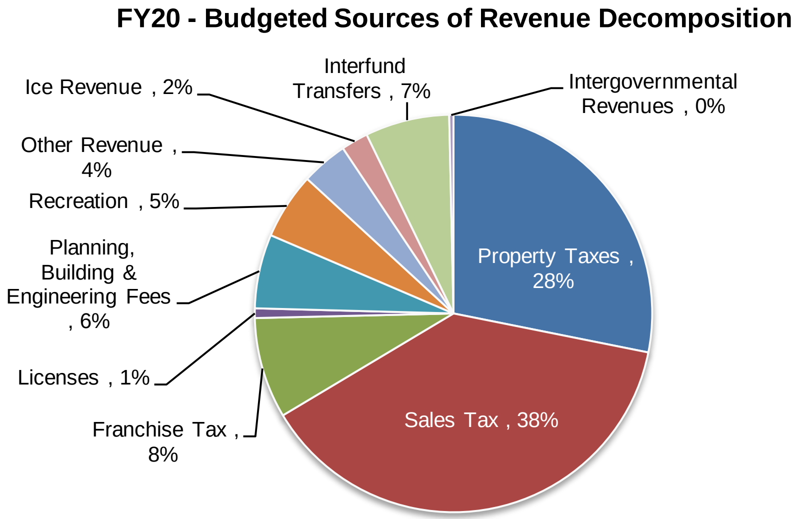
… yet, volatility associated with consumer spending in economic downturns presents additional considerations with respect to sales tax and budgeting.

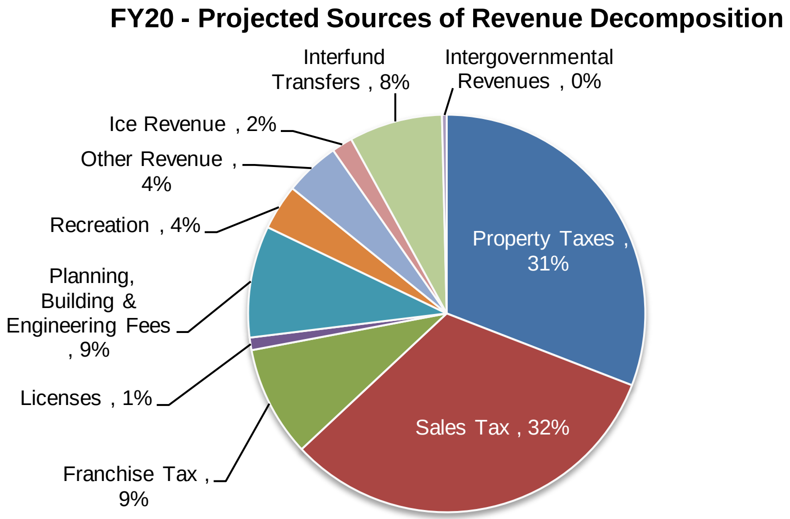
Fiscal Year 2020

Guiding Principles

- Natural Disaster Vs. Economic Recession
- A Principled and Balanced Approach:
  1. **Fiscal Responsibility:** Transparent local decision-making, conservative economic projections, and resist reactive short-term savings at the expense of long-term prosperity.
  2. **Commitment & Compassion:** Maintain core local government commitments - public safety, health and wellbeing, economic opportunity.
  3. **Shared Sacrifice:** No one group shall bear a disproportionate burden.

Revenue Sources Overview





Bridging the Gap

($3,945,925)

1. Operational Expense Constraints ($1.25M)

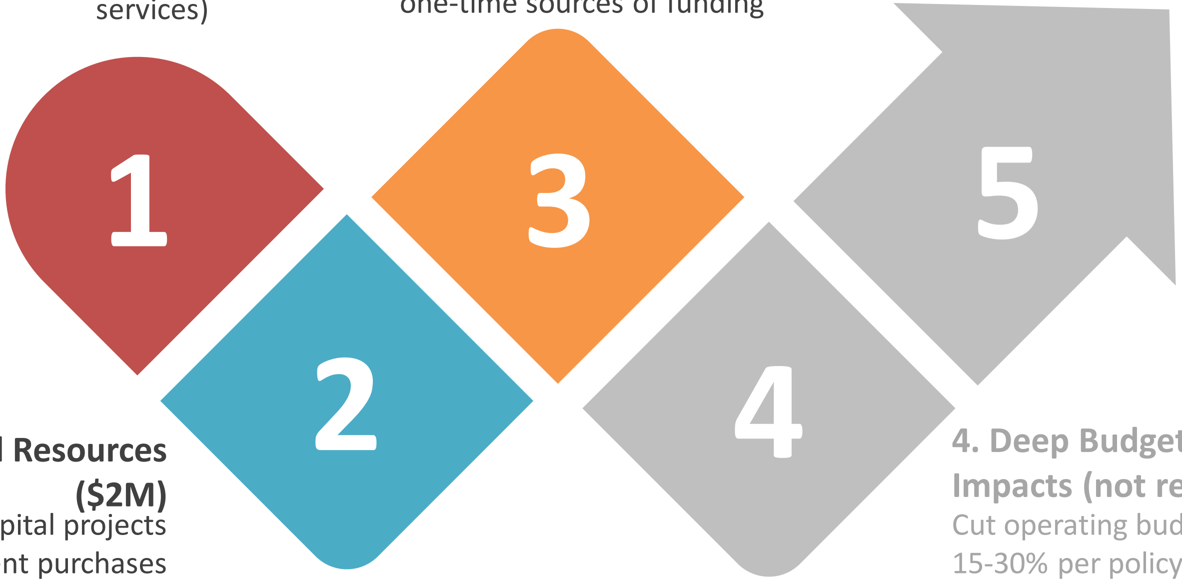
Non-essential expenditure reductions (maintain services)

3. Spend from General Fund Balances ($750k)

Utilize General Fund balance as a one-time sources of funding

5. CIP Emergency Reserve (not recommended)

Additional one-time source of funding that would materially alter the City’s credit rating



2. Capital Fund Resources ($2M)

Delay Non-essential Capital projects & equipment purchases

4. Deep Budgets / Serious Service Impacts (not recommended)

Cut operating budgets between 15-30% per policy

Recommended Actions

($3,945,925) – Estimated Shortfall

1. Operating - Reduce Expenditures ($1.25M)
   – Eliminate non-essential expenditures and 5% Dep.t budget reductions (tuition, supplies, equipment, travel, hiring, merit pay, etc.)
2. Capital – Delay & Defer ($2M)
   – 50% Delay Expenses, 50% CIP Fund Balance (Revs)
3. Utilize General Fund Reserve Surplus Balance ($750k)
4. Deep Budget Cuts / Serious Impacts – Not Recommended
5. Spend from Capital Reserves – Not Recommended yet

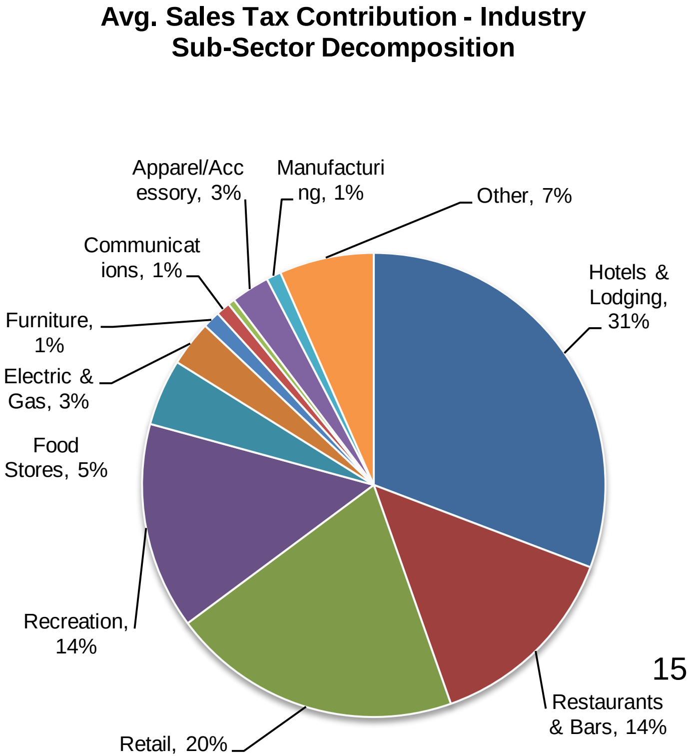
General Fund Revenue Projections FY20

Revenue Type	YTD Actual Revenue	Budget	Current Projection	$, Variance from Budget	More Optimistic than Projection Sales Tax 10% Decline $, Projection	More Optimistic than Projection Sales Tax 10% Decline $, Variance from Budget	More Pessimistic than Projection Sales Tax 30% Decline $, Projection	More Pessimistic than Projection Sales Tax 30% Decline $, Variance from Budget
Property Taxes	$10,566,778	$11,196,658	$11,066,778	($129,880)	$11,066,778	($129,880)	$11,066,778	($129,880)
Sales Tax	$7,020,853	$15,231,123	$11,523,077	($3,708,046)	$13,708,011	($1,523,112)	$10,661,786	($4,569,337)
Franchise Tax	$1,781,893	$3,262,000	$3,226,807	($35,193)	$3,226,807	($35,193)	$3,226,807	($35,193)
Licenses	$364,051	$312,000	$364,051	$52,051	$364,051	$52,051	$364,051	$52,051
Planning, Building & Engineering Fees	$2,775,802	$2,397,000	$3,254,572	$857,572	$3,254,572	$857,572	$3,254,572	$857,572
Recreation	$1,325,233	$2,145,000	$1,325,233	($819,767)	$1,325,233	($819,767)	$1,325,233	($819,767)
Other Revenue	$946,984	$1,504,724	$1,606,492	$101,768	$1,606,492	$101,768	$1,606,492	$101,768
Ice Revenue	$607,570	$872,000	$607,570	($264,430)	$607,570	($264,430)	$607,570	($264,430)
Interfund Transfers	$1,507,383	$2,724,847	$2,724,847	$0	$2,724,847	$0	$2,724,847	$0
Intergovernmental Revenues	$63,251	$138,000	$138,000	$0	$138,000	$0	$138,000	$0
	Total	**$39,783,352**	**$35,837,428**	**$ (3,945,925)**	**$37,794,185**	**($1,989,168)**	**$33,815,849**	**($5,967,503)**

1. *Current Projection Estimates Assume:*
   1. *Property Taxes: Actual property taxes collected in FY2020 as of March 2020 + $500,000 for remaining delinquent payments, as most property taxes are collected between November and January, this number is not likely to deviate much further from actual collections for the remainder of FY2020*
   2. *Sales Tax: Incorporate FY20 sales tax collection data through January 2020, then sales taxes are modeled assuming 60% loss of sales tax revenue in March, 87% loss of sales tax revenue in April, 87% loss of sales tax revenue in May , 82% loss of sales tax revenue in June, and a return to historical averages in July of 2020 (start of FY21).*
   3. *Franchise Tax: Modeled as a log transformed function of time, this model was selected as we assume tapering demand for telecommunications services as new demand and new telecom services may hit saturation points.*
   4. *Licenses: Assumes actual license revenue YT for FY2020.*
   5. *BP&E Fees: Assumes an additional $500,000 of revenue on top of YTD actual revenues.*
   6. *Recreation: Assumes budgeted revenue for PCMarc, Tennis and Recreation programs less 1 month loss of revenue for each program due to closures associated with COVID-19.*
   7. *Other Revenue: Modeled as a linear regression with 25 years of annual data from other revenue sources associated with the Park City Municipal General Fund.*
   8. *Ice: Assumes budgeted revenue for Ice programs less 1 month loss of revenue due to closures associated with COVID-19.*
   9. *Interfund Transfers, Intergovernmental Revenues, Court Fees: Assumes revenue equal to budgeted values.*

General Fund Sales Tax Projections FY20

Industry Sector	Average Industry Contribution to Sales Tax Revenue Under Normal Conditions	Assumed Percent of Industry Revenue Collected in Shutdown Conditions	Expected Industry Contribution to Sales Tax Revenues Under Shutdown Conditions
Hotels & Lodging	31%	0%	0%
Restaurants & Bars	14%	10%	1%
Retail	20%	0%	0%
Ski Resorts	14%	0%	0%
Food Stores	5%	80%	4%
Electric & Gas	3%	100%	3%
Furniture	1%	0%	0%
Communications	1%	100%	1%
Auto	0%	25%	0%
Apparel/Accessory	3%	0%	0%
Manufacturing	1%	100%	1%
Other	7%	38%	3%
		Total	**13%**



Note: The model above measures the average contribution of each industry sub-sector to sales tax revenue and then assumes shocks to each industry's revenues under COVID-19 closures. This generates an implied monthly total sales tax collection percent per month. This rate is an expected percentage collection of budgeted sales tax revenues. E.g. 13% means 13% of a month's expected sales taxes would be collected under full shutdown conditions.

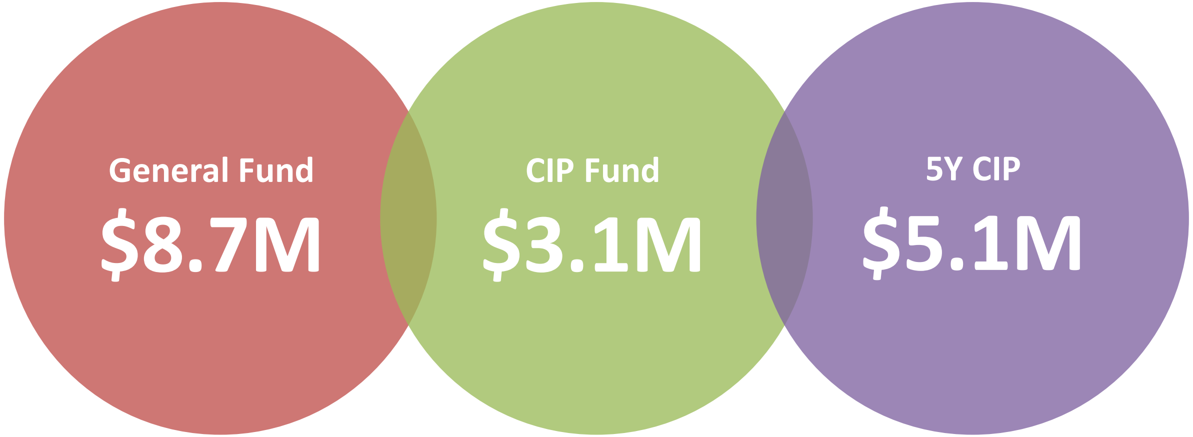
General Fund Sales Tax Projections FY20

Month	YTD/Proj	Budget	Cumulative Variance	% of Projection
July	$890,546	$838,352	$52,194	
August	$839,320	$841,361	$50,153	
September	$912,173	$951,043	$11,283	
October	$715,887	$675,718	$51,452	
November	$820,365	$775,911	$95,906	
December	$1,877,541	$2,099,578	($126,131)	
January	$2,167,579	$2,094,201	($52,753)	
February	$2,020,291	$2,052,907	($85,369)	100%
March	$926,264	$2,370,038	($1,529,144)	40%
April	$117,143	$944,330	($2,356,331)	13%
May	$76,661	$611,785	($2,891,454)	13%
June	$159,307	$975,900	($3,708,047)	18%
	$11,523,077	**$15,231,124**	**($3,708,047)**	

Note: Sales tax collection modeling methodologies for the months February through June are below:

- *February – Assumes 100% collection of February historical average*
- *March*
  - *Assumes 100% collection from 6 days of business prior to COVID-19 closures = 19% of the month*
  - *Adds in 10% collection from incidence of quarterly tax filers*
  - *Adds in 13% shutdown rate x 81% for rest of month of March = 11%*
  - *19%+10%+11% = 40%*
- *April – Assumes shutdown rate of 13% collection of historical average*
- *May – Assumes shutdown rate of 13% collection of historical average*
- *June – Assumes marginal 5% improvement over shutdown rate to generate 18% collection rate of historical average*

Fund Balance Overview

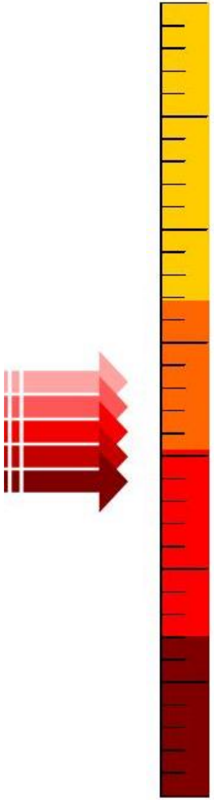


- General Fund Reserve - 25% of annual revenue and maximized in recent fiscal years ($8.7M at FY19 year-end), it was created to prepare for a downturn and improve PCMC's credit rating.
- CIP Fund Reserve - created to prepare for a downturn and improve PCMC's credit rating ($3.2M projected for FY20).
- The 5Year CIP Reserve Fund - created as a strategic tool to help cover unanticipated capital cost increases, economic downturns, and to improve PCMC's credit rating.

Recession Plan

Projected Net Revenue Shortfall Plan

($1.25M due to proactive measures)



Alert Level (1%-5%):
- Delaying expenditures where reasonably possible
- Same level of service
- Tighter Budget Monitoring

Minor Level (5%-15%):
- Still same level of service
- Intensify review process for large expenditures
- Soft Freeze

Moderate Level (15%-30%):
- Begin cutting service levels
- Defer capital expenses
- Reduce CIP appropriations

Major (30%-50%):
- Major service cuts
- Hiring Freeze
- Reduce PT/Seasonal workforce
- Defer wage increases
- Reduce capital expenses

Crisis (50%+):
- Reduction in force
- Eliminate Programs
- Eliminate Capital Expenses

Recommended Actions for remainder of FY

- **Delay Expenses:** Delay expenditures where possible, while maintaining the "Same Level" of service. Each department will be responsible for monitoring its individual budgets to ensure only essential expenditures are made.
- **Tightly Monitor Budgets:** Intensify the review process for large items such as contract services, consulting services, and capital expenditures, including capital improvements. Previously approved capital project expenditures which rely on General Fund surplus for funding should be subject to review by the Budget Department.
- **Soft Freeze:** Closely scrutinize hiring for vacant positions, delaying the recruitment process, and using temporary help to fill in where possible. City Manager will review all personnel action with heightened scrutiny, including career development and interim reorganizations, to ensure consistency and equitable application of the freeze.
- **Reduce Expenses:** Closely monitor and reduce expenditures for travel, seminars, retreats, and bonuses.
- **Identify 5% Cuts:** Identify expenditures that would result in a 5% cut to departmental operating budgets while still maintaining the same level of service where possible.
- **Reprioritize CIP Budgets:** Reprioritize capital projects with the intent to de-obligate non-critical capital projects.

Recommended Actions

($1M from delaying capital project expense)

Reprioritize and reschedule capital projects and equipment purchases

- Projects closely tied to the General Fund with flexible funding (General Fund Transfer and Sales Tax)

*Impact: Projects or purchases will be pushed back to later dates. Undetermined when funding would be restored to original level.

Recommended Actions

($1M from capital fund balance/revenues)

1. Budget dept estimates that the capital fund will have about $3.1M in fund balance by the end of FY20
2. This funding can be re-allocated back to the General Fund to bridge the funding gap

*Impact: Less flexibility to backup over $100M in capital project budgets.

Recommended Actions

($750K from General Fund Balance)

1. There is currently $8.7M in the General Fund Balance (FY19 year-end)
2. Fund balances are meant to offset declines in revenue during times of economic distress & increase PCMC's credit rating.

*Impacts: Less flexibility in General Fund. City should maintain a healthy fund balance for next fiscal year due to uncertain revenue projections.

Recommended Actions

($3,945,925) – Estimated Shortfall

1. Operating - Reduce Expenditures ($1.25M)
   - Eliminate non-essential expenditures and 5% Dep.t budget reductions (tuition, supplies, equipment, travel, hiring, merit pay, etc.)
2. Capital – Delay & Defer ($2M)
   - 50% Delay Expenses, 50% CIP Fund Balance (Revs)
3. Utilize General Fund Reserve Balance ($750k)
4. Deep Budget Cuts / Serious Impacts – Not Recommended
5. Spend from Capital Reserves – Not Recommended

Fiscal Year 2021

PARK CITY 1884

An Updated Budget Process In Times of Uncertainty

FY 2020 Activities	FY 2021 Activities

Immediate move to Minor/Moderate Recession Plan

March 2020

Implementation of measures to bridge projected General Fund funding gap

March – June 2020

FY 2021 budgeting assumes non-discretionary expenses only

May 2020

FY 2021 budget adopted

June 2020

Consider re-adopting a new budget with enhanced levels of service once economy begins to turn around, continue monitoring of revenues, capital projects, and operational expenses

FY 2021

FY 2021 Assessment

1. Sales tax revenues are difficult to predict
2. Budgeting during a time of fiscal ambiguity requires caution
3. Non-discretionary budget increases (healthcare, state pensions) are likely to exacerbate anticipated revenue shortfalls

Recommended Actions for FY 21

1. Implement preferred budget reduction scenario – analysis on potential reduction sizes underway
2. Include non-discretionary and critical adjustments
3. Minimalist budget document for approval with desired scenario
4. Recession Plan implementation until economy improves
5. Present amended budget with enhanced service levels when/if revenues rebound

Council Agenda Item Report

Meeting Date: April 9, 2020
Submitted by: Margaret Plane
Submitting Department: Legal
Item Type: Resolution
Agenda Section:

Subject:
Consideration to Approve the Park City Municipal Corporation Emergency Proclamation No. 2 of 2020, an Extension of the Proclamation Declaring a Local Emergency
(A) Public Hearing (B) Action

Suggested Action:

Attachments:
Extension of Local Emergency Staff Report

Exhibit A: Park City Emergency Declaration-March 12, 2020

Exhibit B: Park City Emergency Proclamation No 2

City Council
Staff Report

Subject: Resolution extending the Proclamation of Local Emergency
Author: Matt Dias, City Manager & Margaret Plane, Special Counsel
Department: Executive & City Attorney's Office
Date: April 9, 2020
Type of Item: Legislative

Recommendation

Approve a Resolution extending the Proclamation Declaring a Local Emergency due to the COVID-19 outbreak, signed by the City Manager on March 12, 2020. Without an extension by the City Council, the proclamation expires on April 11, 2020.

Background

On March 12, 2020, the City Manager declared a local emergency due to the COVID-19 outbreak. Under Utah Code section 53-2a-208(1)(a) and Park City Code 2-4-3L, the City Manager may declare a local emergency by a proclamation which may be in effect for up to 30 days. Utah Code section 53-2a-208(1)(b) requires the consent of the City Council to extend the local emergency.

An extension is recommended because the COIVD-19 emergency is ongoing. Although modeling the progress of COVID-19 varies, the Joint Stay-at-Home Public Health Order issued by Summit County and the Summit County Health Department extends until at least May 1. Extending the emergency allows the Mayor and the City Manager to continue exercising necessary emergency powers. The proposed extension is through May 14, 2020, allowing the Council to revisit this item after Summit County reviews the Stay-at-Home Order.

Specifically, the proposed Resolution continues the emergency and ratifies the City Manager's actions, which were authorized by the Mayor:

1. Temporary licenses for Intermountain Healthcare and University of Utah Health to use the Park City Ice Arena for COVID-19 testing.
2. Suspension of the requirement that all contracts over $25,000 be approved by City Council. The City Manager's authority has been increased to $250,000 if the contracts provide for the continuation of necessary operations.
3. The City Manager is in the process of identifying funds that can be allocated to organizations providing basic needs—food, housing, healthcare—to vulnerable local communities. The Council will hold a public hearing on April 30, 2020.
4. An extension of approved building permits and plat amendments with expiration dates between April 1, 2020 and September 30, 2020, will be extended until October 1, 2020. The Planning and Building Departments will reevaluate the extension date on September 1, 2020.

5. An ongoing commitment from the City Manager to consult with the Mayor before exercising his administrative authority where the decisions impact the budget.

Department Review

Executive and Legal

Funding Source

Funding aspects of this proposal will be addressed at a future meeting.

Attachments

Exhibit A: March 12, 2020 Proclamation Declaring a Local Emergency
Exhibit B: Proposed Resolution Extending the Proclamation Declaring a Local Emergency

PARK CITY MUNICIPAL CORPORATION EMERGENCY PROCLAMATION
No. 1 of 2020

PROCLAMATION DECLARING A LOCAL EMERGENCY

Under Utah Code §53-2a-208(1)(a) and §53-2a-209(1) and Park City Code 2-4-3L the City Manager of Park City hereby declares a local emergency.

Governor Gary Herbert signed an Executive Order on March 6, 2020, declaring a state of emergency in Utah due to the global outbreak of COVID-19.

Summit County signed an Emergency Declaration on March 12, 2020, declaring a state of emergency in Summit County due to the outbreak of COVID-19.

Due to the identification of COVID-19 in the Park City area, COVID-19 has created conditions that are likely to be beyond the control of local resources and require the combined forces of other political subdivisions to combat. Therefore, the outbreak of COVID-19 creates a state of local emergency under Utah Code §53-2a-208(3) and Park City Code 2-4-3L.

Accordingly, the Park City Manager makes the following proclamation declaring a local emergency:

1. **Nature, Area, and Conditions of Local Emergency.** A local emergency exists for the entirety of the Park City area due to the COVID-19 pandemic, which could result in a loss of life.

2. **Term.** Pursuant to Utah Code §53-2a-208(1)(b), this proclamation shall take effect immediately and will be ongoing for thirty (30) days unless an extension is authorized by the Park City Council.

3. **Emergency Powers.** The emergency powers and operations of Park City are hereby invoked and Park City's personnel and resources are ordered and authorized to perform all functions authorized by federal, state, and local law to address this local emergency.

4. **Assistance.** Park City is authorized to request all assistance available with respect to this local emergency from all federal, state, and local sources and is authorized to activate all applicable mutual aid agreements.

Dated this 12th day of March, 2020 at 6:00pm

City Manager

Approved as to form

City Attorney

ATTEST

City Recorder, Deputy

PARK CITY SUMMIT COUNTY UTAH CORPORATE Seal MARCH 1, 1884

PARK CITY MUNICIPAL CORPORATION EMERGENCY PROCLAMATION
No. 2 of 2020

Extension of Proclamation Declaring a Local Emergency

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. Under Utah Code section 53-2a-208(1)(b) an extension of the local emergency must be with the consent of the City Council.

Governor Gary Herbert signed an Executive Order on March 6, 2020, declaring a state of emergency in Utah due to the global outbreak of COVID-19.

Summit County signed an Emergency Proclamation on March 12, 2020, declaring a state of emergency in Summit County due to the outbreak of COVID-19. Subsequently, Summit County and the Summit County Health Department issued Joint Public Health Orders, including the March 25, 2020 Stay-at-Home Order.

On March 12, 2020, the Park City Manager issued Emergency Proclamation No. 1 of 2020 in response to the identification of COVID-19 in the Park City area. The COVID-19 outbreak continues worldwide and in Park City, and the City Council has determined that extending the duration of the local emergency is in the best interest of 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. The Council extends the Term of Emergency Proclamation No. 1, declaring a local emergency for the entirety of the Park City area due to the COVID-19 pandemic. This extension is effective immediately and continues until May 14, 2020, unless later extended or terminated by the City Council.

2. Authority. The Mayor has authorized the City Manager to exercise certain emergency powers under Emergency Proclamation No. 1 and Utah Code sections 53-2a-209(1) and 205. The Council ratifies and approves the continued exercise of those powers. Specifically:

   a. License Agreement. In order to facilitate a temporary COVID-19 testing clinic on City property, the City Manager executed temporary licenses for Intermountain Healthcare and University of Utah Health to use the Park City Ice Arena during the local emergency.

   b. City Manager Contract Authority. In order to facilitate the prompt and efficient processing of contracts during the local emergency, the City Manager's contract approval authority in the Contracting and Purchasing Policy is increased. The City Manager is authorized to approve all contracts with a cumulative total up to $250,000, if the contracts provide for the continuation of necessary operations. The City Manager is also authorized to approve contract amendments or change orders which would increase a previously approved contract by the lesser of 35% or $250,000.

c. Funds for Services. In order to increase the resiliency of Park City and support the most vulnerable local communities for whom the economic impacts of COVID-19 are the most devastating, the Mayor and City Council requested the City Manager identify $140,000 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.

d. Development Activity Extensions. In order to facilitate development activity, approved building permits and plat amendments with expiration dates between April 1, 2020 and September 30, 2020, will be extended until October 1, 2020. The Planning and Building Departments will reevaluate the extension date on September 1, 2020.

e. City Manager to Consult with Mayor. In order to provide for the health, safety, and welfare of residents and businesses in Park City, the City Manager will continue to consult with the Mayor about decisions to suspend the administration or enforcement of certain provisions of the Municipal Code of Park City where the decisions impact the budget.

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 9th day of April, 2020.

Park City Municipal Corporation

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Andy Beerman, Mayor

ATTEST:

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City Recorder

Approved as to form:

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City Attorney