PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
MARCH 18, 2010

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building, City Council Chambers, 445 Marsac Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, March 18, 2010.

Closed Session
4:00 p.m. Personnel

Work Session
4:30 p.m. Council questions/comments
4:40 p.m. Renewable Energy Feasibility Study for Park City p. 5 - 25
5:40 p.m. Review of regular meeting
5:50 p.m. Break

Regular Meeting
6:00 p.m.

I ROLL CALL

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

III WORK SESSION NOTES AND MINUTES OF MEETING OF FEBRARY 25, 2010 AND MARCH 4, 2010 p. 26 - 47

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

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

1. Consideration of a Resolution supporting Google's request for information for a community 1000 gigabit fiber network in Park City, Utah p. 58 - 50

2. Consideration of a professional service provider contract for the construction materials testing and visual inspection of the Ironhorse Transit Facility construction in a form approved by the City Attorneys Office with Consolidated Engineering Laboratories in an amount not to exceed $55,263 p. 51 - 67

3. Consideration of grant of access, water service and sewer lateral easement across City property to benefit 2300 Meadows Drive in a form approved by the City Attorney. p. 68 - 76

4. Consideration of a Resolution authorizing the issuance and sale of up to $9,000,000 aggregate principal amount of general obligation bonds of the City; fixing certain maximum terms for the Bonds; and providing for related matters p. 77 - 99

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

Consideration of authorization to the Mayor to: 1) effectuate the dismissal of pending litigation between Park City Municipal Corporation and Iron Mountain Associates, LLC; 2) convey an open space easement on approximately 329 acres of open space; and 3) execute a restrictive covenant which limits activities on approximately 300 acres p. 100 - 108

VI ADDITIONAL DISCUSSION – AGENDA ITEMS

VII ADJOURNMENT

A majority of City Council members may meet socially after the meeting. If so, the location will be announced by the Mayor. City business will not be conducted.

Pursuant to the Americans with Disabilities Act, individuals needing special accommodations during the meeting should notify the City Recorder at 435-615-5007 at least 24 hours prior to the meeting.

Wireless internet service available in Marsac Building on Wednesdays and Thursdays – 4 p.m. to 9 p.m.

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
MARCH 25, 2010

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will **not** hold its regularly scheduled meeting on Thursday, March 25, 2010.

Posted: 03/15/10
See www.parkcity.org

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

April 2010

1 PC Heights update (45 min)
Transportation master plan contract - MC
Anti-discrimination ordinance (action)
Appointment to Planning Commission
Ordinance amending the Land Management Code of Park City, Utah,
Revising Sections 15-1, 15-2.3, 15-6, 15-10, 15-11, and 15-12 regarding development regulations and master planned developments in the HR-2 and HCB Districts, streamlining the Historic Design Review process for minor projects, and clarifying the appeals process for land within all zoning districts
Resolution approving a Memorandum of Understanding with the Park City School District for the SR248 Tunnel

8 **No meeting**

15 Carrying capacity – market analysis survey
Quarterly goal update
MFL and special event Code amendments
Ordinance – 100 Marsac Avenue one year extension

22 Sundance debrief

29 **Alex gone**
No meeting

May 2010

6 Presentation of budget – work

13 Budget - work

20 Budget - work

27 Budget – work

June 2010

3

10

17

24

July 2010

1

8 **No meeting**

15

22

29

Pending Items:

Open space maintenance
U S Postal Service gang boxes in Old Town - MC
Quinn's WTP Building Construction Contract – TT
Special event prioritization – work
Performance measures (work)
Resolution amending (or replacing) Resolution No. 20-07, adopting Affordable Housing Guidelines and Standards for Park City, Utah
Wild land interface issues

City Council
Staff Report

Subject: USU & Energy Dynamics Lab – Energy Feasibility Study
Author: Tyler Poulson, Environmental Sustainability Coordinator
Department: Sustainability
Date: March 18, 2010
Type of Item: Informational

Summary Recommendations:
This presentation is informational-only at this point. Council may wish to direct staff to amend the Environmental Strategic Plan (Exhibit A) if renewable energy options are a priority.

Topic/Description:
Students from Utah State University and personnel from the Energy Dynamics Laboratory will lead a presentation during City Council on various energy options, primarily renewable, for Park City Municipal as well as residents and businesses of Park City.

Background:
Staff members from the Environmental Sustainability team were approached by the Logan-based Energy Dynamics Lab and Utah State's Huntsman School of Business with their interest in providing an energy feasibility study to the City. This study is being provided free of charge and explores clean energy options for Park City Municipal as well as local residents and businesses. Technical and financial analysis is included in the study in addition to an overview of potential institutional barriers.

Analysis:
The feasibility study assesses the potential for solar, small-scale wind, micro-hydro, biogas digesters, and a natural gas bus fleet in Park City and provides recommendations to the City. In addition to this presentation, the group is preparing a study with more information than can be discussed in a one-hour meeting. Complete details of the study, once available, will be posted to the Sustainability section of ParkCity.org. Staff is also tracking state-level legislation and potential, future opportunities that policy measures may provide for an increased market penetration of renewable energy and energy efficiency in Park City.

Department Review:
The Sustainability, Legal departments and the City Manager have reviewed this Staff Report and their commentary has been included.

Significant Impacts:
The current workplan was presented to Council during the Council Visioning session in January 2010 (Exhibit B). The conclusion of this feasibility study may help guide the future priorities of City Council and provide a technical basis from which to assess the

feasibility of renewable energy options along with opportunities and challenges for local implementation. Additionally, Council may want to provide direction to staff to determine resource requirements for further investigation of one or more of the technologies discussed.

Recommendation:
This presentation is informational-only at this point. Council may wish to direct staff to amend the Environmental Strategic Plan (Exhibit A) if renewable energy options are a priority.

Attachments:
Exhibit A: Environmental Sustainability Strategic Plan
Exhibit B: Environmental Sustainability Update – Visioning 2010

ENVIRONMENTAL SUSTAINABILITY STRATEGIC PLAN - *update January 2010*

Environmental Goals

1. Preserve and enhance the ecological diversity of the City and the Region.
2. Encourage the efficient use of all resources in order to ensure a future with a secure and sustainable energy supply, safe/reliable water, and clean air.
3. Encourage environmental stewardship and protection of Park City's natural environment through sharing of information and collaboration with the community, community groups, as well as local, state and federal agencies.
4. Incorporate environmental considerations as an integral part in assessing growth management options, land use plans, transportation strategies and development proposals, and overall sustainable community design.
5. Continue to review and investigate best practices that have the potential of substantially improving the environment.
6. Continue to monitor the environment with representative air, water, and soil sampling protocol.

Environmental Vision

PCMC views the environment as air, surface/ground/culinary water, land, soil, native vegetation, etc. Park City will provide long-term environmental health for the region through efficient use of resources, protection of the quality and diversity of the local environment upon which the community depends. As a guiding principle, the City will consistently strive to sustain its vibrant multi-seasonal destination resort community in a manner that protects and enhances its natural environment.

Environmental Policies

>Comply with the U.S. Mayors Climate Protection Agreement signed on May 19, 2005
>Mitigate historic mining impacts
>Promote implementation of conservation programs that assist in maintaining wildlife habitat and wildlife corridors.
>Pursue open space protection opportunities
>Improving surface water quality to the East Canyon Creek watershed and Silver Creek watershed
>Encourage best available green building practices for city and private development
>Look to increase the amount of clean and renewable energy purchased and utilized
>Encourage year-round community water conservation programs
>Pursue model environmental sustainability projects that are working symbols of the city's commitment
>Increase recycling levels in City operations and in the community
>Continue the City's strong leadership example through participation on boards, groups and working together with other organizations
>Direct and comment on environmental regulatory policy that has the potential of impacting Park City, citizens and other stakeholders.
>Reduce sprawl, preserve open space, and create compact, walkable urban communities
>Promote Alternative Transportation
>Promote "reasonable accommodation"/"complete streets" practices in City's annexation, MPD and CUP processes.

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Action Plan

Key

An **Objective** is something that Council may want to accomplish. It is the outcome or end result.
A **Project** is something that support the Objective. It is how the Objective is achieved.

GOAL 1. Preserve and enhance the ecological systems and diversity of the City and, in turn, the Region

Status	ID	Action #	Description
	Objective	**1.0**	**Reduce Municipal carbon & greenhouse gas emissions.**
Completed -2007	*Project*	*1.0a*	*Join ICLEI - Local Governments for Sustainability. Through the membership ICLEI will provide the City tools to inventory global warming emissions of municipal operations and community emissions.*
Completed -2008	*Project*	1.0b	*Inventory CO2 emissions from City operations*
In Process	Project	1.0c	Establish municipal CO2 emission reduction goal
In Process	Project	1.0d	Adopt a Resolution outlining the process to measure progress in meeting the target of reducing the municipal operation's climate pollution.
Completed-2009	*Project*	*1.0e*	*Implement needed efficiency upgrades (Johnson Controls project) (same as 2.0d)*
Completed-2009	*Project*	*1.0f*	*Complete municipal CO2 emissions inventory section of ICLEI Milestone 1*
Completed-2009	*Project*	*1.0g*	*Work with municipal departments to create department-level CO2 emission reduction goals*
New	Project	1.0h	Create monthly reporting system for measurement against department goals
New	Project	1.0i	Implementation and technical support for this Municipal Action Plan including convening an interdepartmental Climate Team that will coordinate, track and report on implementation progress and develop climate protection performance measures to be integrated into departments' existing performance measures

Status	ID	Action #	Description
	Objective	**1.1**	**Reduce Municipal water consumption.**
Completed-2009	*Project*	*1.1a*	*Inventory water consumption of City operations*
new	Project	1.1b	Establish municipal water consumption reduction goal
new	Project	1.1c	Work with municipal departments to set department-level water consumption reduction goals
new	Project	1.1d	Create monthly reporting system for measurement against department goals

Status	ID	Action #	Description
	Objective	**1.2**	**Reduce Park City's *community* CO2 emissions.**
Completed-2009	*Project*	*1.2a*	*Inventory community-wide CO2 emissions*
new	Project	1.2b	Complete community CO2 emissions inventory section of ICLEI Milestone 1
In Process	Project	1.2c	Establish community CO2 emission reduction goal
new	Project	1.2d	Establish sector-level CO2 emission reduction goals
new	Project	1.2e	Create monthly reporting system for measurement against goals
new	Project	1.2f	Implementation and technical support for a Community Action Plan *(this is a huge task)*

Status	ID	Action #	Description
	Objective	**1.3**	**Reduce Park City's *community* water consumption.**
Completed-2009	*Project*	*1.3a*	*Inventory water consumption of entire community*
In Process	Project	1.3b	Establish community-wide water consumption reduction goal
	Project	1.3c	Make water conservation a priority through funding and supporting water conserving landscape enforcement through code enforcement.

	Building Department Objectives & Projects within Environmental Plan (Jeff Schoenbacher)		
	Objective	**1.4**	**Minimize liability and proactively address potential environmental issues**
Not approved by Council-Jan 2009		1.4a	Embark upon a comprehensive air quality monitoring program
2008 monitoring results show significant improvement		1.4b	Improve City input to watersheds
Air quality monitoring project not approved by Council-Jan 2009		1.4c	Review, identify and prioritize available Control Technology that minimizes air and water pollution for City use.
	Objective	**1.5**	**Complete environmental regulatory commitments**
Only one property remains non-compliant within the original soils ordinance area. 100% compliance is anticipated for 2010.		1.5a	Fund and administer the Environmental Management System
To date TSAP has paid out $31,167.00 to property owners as a cost share program for capping property.		1.5b	Increase property owner use of the top soil assistance program
		1.5c	Fund the Environmental Management System (EMS) as approved by UDEQ and USEPA and as obligated for delisting Prospector Development.
		1.5a	Fund City's Storm Water Management Plan as approved by UDEQ and USEPA and required under the Phase II Rule of the Clean Water Act.
		1.5b	Meet regulatory the requirements for the Comprehensive Environmental Response, Clean Air Act, Clean Water Act, Comprehensive Environmental Response, Compensation, and Liability Act, Resource Conservation and Recovery Act, and the Conservation Reserve Program
		1.5c	Comply with State and Federal Environmental Laws that are applicable to City Departments.
		1.5a	Enforce institutional controls that are designed to protect human health and the environment from historic impacts (i.e. soils ordinance, EMS Program).
Completed-October 2008		*1.5b*	*Construction of the Biocell for the Prospector Drain*
	Objective	**1.6**	**Mitigate Historic Mining Impacts**
In Process		1.6a	Comply with Planning Commissions Action 8/2008 that requires a complete inventory of mine hazards and a subsequent reclamation plan for UPCM.

10

Status	ID	Action #	Description
GOAL 2. Encourage the efficient use of all resources in order to ensure a future with a secure and sustainable energy supply			
	Objective	**2.0**	**Develop General Municipal Building Efficiency Measures**
Completed-2008	*Project*	*2.0a*	*Adopt a Green Building Policy for Capital Projects*
Completed-2007	*Project*	*2.0b*	*Perform building efficiency audits to identify upgrades for all types of building systems*
Completed-2008	*Project*	*2.0c*	*Prioritize needed efficiency upgrades*
Completed-2009	*Project*	*2.0d*	*Implement needed efficiency upgrades (Johnson Controls project)*
	Objective	**2.1**	**Develop Internal Municipal Policies that encourage conservation**
Completed-2007	*Project*	*2.1a*	*Develop and Implement Citywide green purchasing policy*
In Process	Objective	2.1b	Improve the efficiency of all city vehicles
Not in process	Project	2.1c	Continue with quarterly energy use challenges among all city facilities
In Process	Objective	2.1d	Increase recycling rates in City operations
Completed - 2008 & 2009	*Project*	*2.1e*	*Contract for municipal recycling services for Main Street and City Parks*
	Objective	**2.2**	**Increase Park City's community-wide recycling rates.**
Not in process	Project	2.2a	Investigate single stream collection of recyclables
In Process	Project	2.2b	Establish a municipal green waste and construction waste recycling program
In Process	Project	2.2c	Work with Summit County on the revision to the Solid Waste Master Plan to ensure Park City's recycling goals are supported in the plan
Completed-2009	*Project*	*2.2d*	*Work with HMBA to improve the recycling rates of Main Street Businesses*
	Objective	**2.3**	**Increase utilization and visibility of renewable energy in Park City**
Completed-2009	*Project*	*2.3a*	*Test the wind resource potential next to the Ice Rink at Quinn's and create high quality educational displays*
Completed-2009	*Project*	*2.3b*	*Install Solar panels and a high quality educational display on the Ice Rink at Quinn's*
In Process	Project	2.3c	Work with partner organizations to increase participation in renewable energy purchases
	Objective	**2.4**	**Explore city-supported environmental sustainability programs for residents**
Not approved by Council-Jan 2009	Project	2.4a	Create a grant or loan program to support "100 solar roofs" (either solar electric or solar hot water) in Park City

Status	ID	Action #	Description
GOAL 3. Encouraging environmental stewardship and protection of Park City's natural environment through sharing of environmental information with the community and active, meaningful community participation			
	Objective	**3.0**	**Support local organizations that educate the public, schools, other jurisdictions, professional associations, business and industry about reducing global warming pollution.**
In Process	Project	3.0a	Continue to play an active role in the Wasatch Back Environmental Alliance
Not in process	Project	3.0b	Support the Summit County Health Department in their investigation and programs regarding air quality.
In Process	Project	3.0c	Co-sponsor & promote educational programs
In Process	**Objective**	**3.1**	**Support discussions for transit options between Park City and surrounding areas.**
	Objective	**3.2**	**Strengthen the State Residential Energy Code through strongly advocating for state and national policies that:**
Partially in process -Advocacy with Public Service Commission on 3rd Party Power Purchase Agreements & with SLCo on Property Tax Financing for renewables. Also participating in State sponsored energy forums			o increase investment in public transit and other infrastructure that makes alternatives to motor vehicles more convenient and affordable; o increase the fuel efficiency of motor vehicles as well as development and use of o encourage energy utilities to fully support and implement cost effective conservation and meet new demand with renewable energy sources; o and other measures to reduce our state and national impact on the global climate.
	Objective	**3.3**	**Play an active role in environmental community education and outreach**
Not in process	Project	3.3a	Launch a quarterly award recognizing a community member or business for their positive environmental impact. (environmental heroes)
Completed(??)-2009	*Project*	*3.3b*	*Actively engage with high school Environmental Club by creating an internship*
Not in process	Project	3.3c	Investigate launching either solely or in cooperation with other entities a Community Climate Partnership. The Partnership would work together to help set and meet community-wide reduction goals. *(this would be a big task)*
Completed-2009	*Waiting List*	*3.3d*	*Improve web presence (ParkCity.org) for Environmental Sustainability Initiatives*
Not in process	Project	3.3e	Promote use of bio-diesel fuel to other businesses with fleet vehicles
Not in process	Project	3.3f	Increase water conservation education by ?
	Objective	**3.4**	**Stay current on environmental initiatives, concepts & best practices**
On hold-budget	Project	3.4a	Attend appropriate conferences & seminars
	Objective	**3.5**	**Encourage greater community participation in the creation of renewable energy projects in Park City**
Completed-2009	*Project*	*3.5a*	*create working group/task force focused on testing renewable energy options in Park City?*

Status	ID	Action #	Description
GOAL 4. Incorporate environmental considerations as an integral part in assessing growth management options, land use plans, transportation plans and development proposals.			
	Objective	**4.0**	**Reduce community-wide energy consumption & reduce community-wide energy costs**
Not in process	Project	4.0a	Promote sustainable building practices using the U.S. Green Building Council's LEED program, ASHRAE's green building standards or a similar system;
Not in process	Project	4.0b	Education series for City employees to help identify green building elements in projects when reviewing plans with applicants
	Objective	**4.1**	**Increase utilization of alternative transportation**
Not in process	Project	4.1a	Adopt “reasonable accommodation”-“complete street” standards as part of annexation and LMC requirements.
Not in process	Project	4.1b	Adopt and enforce land-use policies that reduce sprawl, preserve open space, and create compact, walkable urban communities;
In Process-Walkability	Project	4.1c	Promote transportation options such as bicycle trails, commute trip reduction programs, flex hour schedules, incentives for car pooling and public transit;
In Process-Walkability	Project	4.1d	Implement recommendations from the Walkability Study which Significantly Expand Bicycling and Pedestrian Infrastructure
In Process	Project	4.1e	Develop an Employee Carpooling Campaign (Transportation & HR taking the lead)
Not in process	Project		Launch a program promoting employee use of alternative sustainable transportation
In Process - Transit	Project	4.1g	Target a location for a Park and Ride lot and investigate alternative transportation options from the lot
In Process - Trails	Not sure	4.1h	Enhance current trail system and identify new trail opportunities
	Objective	**4.2**	**Maintain air quality at current levels**
Not approved by Council-Jan 2009	Project	4.2a	Embark upon a comprehensive air quality monitoring program (same as 1.6a)
Not in process	Project	4.2a	Adopt Code changes that work to keep our Air Quality at current levels
	Objective	**4.3**	**Improve visibility of night sky**
Not in process	Project	4.3a	Review and adopt any needed changes to the Night Sky Ordinance
	Objective	**4.4**	**Pursue a regulatory role to increase energy efficiency in new construction as well as remodels**
Not in process	Project	4.4a	Set minimum standards that require energy efficiency and green building design for construction projects in the General Plan, annexation policies and Land Management Code amendments to the MPD and CUP sections.

Status	ID	Action #	Description
GOAL 5. Continue to review and investigate best practices that have the potential of substantially improving the environment			
	Objective	**5.0**	**Ensure the Environmental Sustainability Plan keeps pace with technology, nation-wide trends and the community's collective interests**
Completed-2009	*Project*	*5.0a*	*Update the City Council biannually on the Municipal Action Plan as part of the City's budget process.*
Completed-2009	*Project*	*5.0b*	*Participate in the Community Visioning process to understand the community's collective environmental interests (however this is not the primary focus of the community visioning process)*
Completed-2009	*Project*	*5.0c*	*Return on a yearly basis to recommend and implement modifications to improve program effectiveness.*

Waiting List. Items identified by Council outside of the review of the strategic Plan.	
Potential Objective?	#1 EPA green power community? (goal)
Potential Objective?	Additional Performance Measures / metrics?
Potential Project?	Water conservation through new landscape requirements in code?
Potential Project?	Card key activated light switches for hotels?
Potential Project?	Snow melt system tax?
Potential Project?	Get software to track progress? (such as Visible Strategies?)
Potential Project?	Recycling in Master Festival (event) License
Potential Project?	Green cleaning products for municipal facilities
Potential Project?	Reduce the number of people renting cars (one possibility: Green Start Program)
Potential Project?	Green Start Program
Potential Project?	Improve web presence (ParkCity.org) for Environmental Sustainability Initiatives
Potential Project?	Investigate alternative forms of transportation for employees to use while at work (electric cars, electric
Potential Project?	Free/preferred parking for hybrids/electric cars
Potential Project?	Municipal Ecological Footprint
Potential Project?	Community Ecological Footprint

2010 Visioning Paper: Environmental Sustainability Update

2009 in Review:
Council adopted an updated Environmental Strategic Plan in January 2009 and reviewed it in August 2009. Below are some of the accomplishments achieved under this plan:

- Community Carbon Emissions Inventory and Water Inventory conducted; first completed in Utah
- Developed Municipal Carbon Footprint Action Plan in conjunction with City departments & received direction from Council on carbon mitigation goal – 12% Below BAU Emissions in 2012
- Municipal Energy Efficiency Upgrades by Johnson Controls completed – including installation of first solar panels on a Park City Municipal facility (ice rink)
- Original Soils Ordinance Remediation is one lot short of 100% compliant with the capping strategy. The remediation started in 1988.
- Biocell being recognized at the 2009 National Meeting of the American Society of Mining and Reclamation, Billings, MT Revitalizing the Environment: Proven Solutions and Innovative Approaches May 30 – June 5, 2009.
- Built and launched ParkCityGreen.org
- City presentation of ParkCityGreen.org at Save Our Snow event
- Held community forum (90 people showed up!) to launch Save Our Snow Action Plan: Community Plan for Carbon Reduction & Water Conservation; project to continue into 2010
- Better integration of Environmental Regulation & Environmental Sustainability Teams
- Open Space
    - Armstrong purchase & conservation easement
    - Gambel Oak & White Acre Conveyance
    - Clissold Conservation Easement
- Created new Environmental Sustainability section on ParkCity.org highlighting the City's open space as well as improved information on recycling, water conservation & the community carbon footprint.
- Tested the wind resource potential at the ice rink
- Wrote RFP, directed selection process and contracted with vendor for HMBA/Main Street Recycling Pilot project and then also for full program implementation
- Participated as a partner in the Save Our Snow II presentation at the Eccles Center
- Launched the Save Our Snow Community Action Plan: Community Ideas for Saving Energy & Water in partnership with The Park City Foundation, Swaner EcoCenter, Summit County, and Recycle Utah.
- Researched and presented anti-idling resolution to City Council, which they adopted
- Met with Summit County Council to discuss environmental initiatives and also began regular meetings with Summit County staff to discuss environmental issues.
- Partnered with five grocery stores in the Park City School District on the 'Reusable Bag Challenge'. Reusable bags were used in place of paper/plastic bags 157,382 times in six months, the fifth highest net total among 31 participating mountain towns.

2010: Looking Forward

- Completion of Save Our Snow Action Plan: Community Plan for Carbon Reduction & Water Conservation
- Launch Save Our Snow Action Plan Implementation
- Implementation of Municipal Carbon Mitigation Plan and associated reporting
- Continue to foster Park City's relationships with EPA Federal, EPA Region 8, Utah Division of Water Quality and Utah Department of Environmental Quality.
- Supporting Water Department on water budgeting
- Continue to drive traffic to ParkCityGreen.org; use My Sustainable Year as a mechanism for driving traffic
- Working with Public Service Commission to support
    - Third Party Power Purchase Agreements for Renewables
    - SmartGrid Information Standard for Enhanced Reporting on Energy Usage
- Working with ACM & Legislature to support Property Tax Financing Legislation for Energy Conservation Upgrades & Renewables

- Open Space Conservation Easements for PRI/Kimball Junction, PRI/Round Valley, Gambel Oak and White Acre parcels
- Applying for grants where appropriate
- Environmental Heroes awards
    - Highlight local actions that are making a difference
    - Monthly, Quarterly, Annually, not on a fixed schedule?
- Partnering with the Utah State School of Business and Energy Dynamics lab on a renewable energy feasibility study for Park City Municipal and our community.
- Host a Mayor's Conference on Sustainability / Clean Energy

Impacts: Should Council wish to add items to the aforementioned list, they can direct staff to come back with an estimate of resource requirements.

Next Steps:

Option A: Council does not have any additions, deletions or changes to the 2010 Environmental Plan and staff can return at a later date for adoption of the plan

Option B: Council can make additions, deletions or changes to the 2010 Environmental Plan and staff can return at a later date with a discussion of resource requirement.

Attachments:

2009 Environmental Strategic Plan with updates from 2009

ENVIRONMENTAL SUSTAINABILITY STRATEGIC PLAN - *update January 2009*

Environmental Goals

1. Preserve and enhance the ecological diversity of the City and the Region.
2. Encourage the efficient use of all resources in order to ensure a future with a secure and sustainable energy supply, safe/reliable water, and clean air.
3. Encourage environmental stewardship and protection of Park City's natural environment through sharing of information and collaboration with the community, community groups, as well as local, state and federal agencies.
4. Incorporate environmental considerations as an integral part in assessing growth management options, land use plans, transportation strategies and development proposals, and overall sustainable community design.
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>Pursue model environmental sustainability projects that are working symbols of the city's commitment
>Increase recycling levels in City operations and in the community
>Continue the City's strong leadership example through participation on boards, groups and working together with other organizations
>Direct and comment on environmental regulatory policy that has the potential of impacting Park City, citizens and other stakeholders.
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Action Plan

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GOAL 1. Preserve and enhance the ecological systems and diversity of the City and, in turn, the Region

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	Objective	**1.0**	**Reduce Municipal carbon & greenhouse gas emissions.**
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In Process	Project	1.0c	Establish municipal CO2 emission reduction goal
In Process	Project	1.0d	Adopt a Resolution outlining the process to measure progress in meeting the target of reducing the municipal operation's climate pollution.
Completed-2009	*Project*	*1.0e*	*Implement needed efficiency upgrades (Johnson Controls project) (same as 2.0d)*
Completed-2009	*Project*	*1.0f*	*Complete municipal CO2 emissions inventory section of ICLEI Milestone 1*
Completed-2009	*Project*	*1.0g*	*Work with municipal departments to create department-level CO2 emission reduction goals*
New	Project	1.0h	Create monthly reporting system for measurement against department goals
New	Project	1.0i	Implementation and technical support for this Municipal Action Plan including convening an interdepartmental Climate Team that will coordinate, track and report on implementation progress and develop climate protection performance measures to be integrated into departments' existing performance measures

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	Objective	**1.1**	**Reduce Municipal water consumption.**
Completed-2009	*Project*	*1.1a*	*Inventory water consumption of City operations*
new	Project	1.1b	Establish municipal water consumption reduction goal
new	Project	1.1c	Work with municipal departments to set department-level water consumption reduction goals
new	Project	1.1d	Create monthly reporting system for measurement against department goals

	Objective	**1.2**	**Reduce Park City's *community* CO2 emissions.**
Completed-2009	*Project*	*1.2a*	*Inventory community-wide CO2 emissions*
new	Project	1.2b	Complete community CO2 emissions inventory section of ICLEI Milestone 1
In Process	Project	1.2c	Establish community CO2 emission reduction goal
new	Project	1.2d	Establish sector-level CO2 emission reduction goals
new	Project	1.2e	Create monthly reporting system for measurement against goals
new	Project	1.2f	Implementation and technical support for a Community Action Plan *(this is a huge task)*

Status	ID	Action #	Description
	Objective	**1.3**	**Reduce Park City's *community* water consumption.**
Completed-2009	*Project*	*1.3a*	*Inventory water consumption of entire community*
In Process	Project	1.3b	Establish community-wide water consumption reduction goal
	Project	1.3c	Make water conservation a priority through funding and supporting water conserving landscape enforcement through code enforcement.

	Building Department Objectives & Projects within Environmental Plan (Jeff Schoenbacher)		
	Objective	**1.4**	**Minimize liability and proactively address potential environmental issues**
Not approved by Council-Jan 2009		1.4a	Embark upon a comprehensive air quality monitoring program
2008 monitoring results show significant improvement		1.4b	Improve City input to watersheds
Air quality monitoring project not approved by Council-Jan 2009		1.4c	Review, identify and prioritize available Control Technology that minimizes air and water pollution for City use.
	Objective	**1.5**	**Complete environmental regulatory commitments**
Only one property remains non-compliant within the original soils ordinance area. 100% compliance is anticipated for 2010.		1.5a	Fund and administer the Environmental Management System
To date TSAP has paid out $31,167.00 to property owners as a cost share program for capping property.		1.5b	Increase property owner use of the top soil assistance program
		1.5c	Fund the Environmental Management System (EMS) as approved by UDEQ and USEPA and as obligated for delisting Prospector Development.
		1.5a	Fund City's Storm Water Management Plan as approved by UDEQ and USEPA and required under the Phase II Rule of the Clean Water Act.
		1.5b	Meet regulatory the requirements for the Comprehensive Environmental Response, Clean Air Act, Clean Water Act, Comprehensive Environmental Response, Compensation, and Liability Act, Resource Conservation and Recovery Act, and the Conservation Reserve Program.
		1.5c	Comply with State and Federal Environmental Laws that are applicable to City Departments.
		1.5a	Enforce institutional controls that are designed to protect human health and the environment from historic impacts (i.e. soils ordinance, EMS Program).
Completed-October 2008		*1.5b*	*Construction of the Biocell for the Prospector Drain*
	Objective	**1.6**	**Mitigate Historic Mining Impacts**
In Process		1.6a	Comply with Planning Commissions Action 8/2008 that requires a complete inventory of mine hazards and a subsequent reclamation plan for UPCM.

Status	ID	Action #	Description

Status	ID	Action #	Description
GOAL 2. Encourage the efficient use of all resources in order to ensure a future with a secure and sustainable energy supply			
	Objective	**2.0**	**Develop General Municipal Building Efficiency Measures**
Completed-2008	*Project*	*2.0a*	*Adopt a Green Building Policy for Capital Projects*
Completed-2007	*Project*	*2.0b*	*Perform building efficiency audits to identify upgrades for all types of building systems*
Completed-2008	*Project*	*2.0c*	*Prioritize needed efficiency upgrades*
Completed-2009	*Project*	*2.0d*	*Implement needed efficiency upgrades (Johnson Controls project)*
	Objective	**2.1**	**Develop Internal Municipal Policies that encourage conservation**
Completed-2007	*Project*	*2.1a*	*Develop and Implement Citywide green purchasing policy*
In Process	Objective	2.1b	Improve the efficiency of all city vehicles
Not in process	Project	2.1c	Continue with quarterly energy use challenges among all city facilities
In Process	Objective	2.1d	Increase recycling rates in City operations
Completed - 2008 & 2009	*Project*	*2.1e*	*Contract for municipal recycling services for Main Street and City Parks*
	Objective	**2.2**	**Increase Park City's community-wide recycling rates.**
Not in process	Project	2.2a	Investigate single stream collection of recyclables
In Process	Project	2.2b	Establish a municipal green waste and construction waste recycling program
In Process	Project	2.2c	Work with Summit County on the revision to the Solid Waste Master Plan to ensure Park City's recycling goals are supported in the plan
Completed-2009	*Project*	*2.2d*	*Work with HMBA to improve the recycling rates of Main Street Businesses*
	Objective	**2.3**	**Increase utilization and visibility of renewable energy in Park City**
Completed-2009	*Project*	*2.3a*	*Test the wind resource potential next to the Ice Rink at Quinn's and create high quality educational displays*
Completed-2009	*Project*	*2.3b*	*Install Solar panels and a high quality educational display on the Ice Rink at Quinn's*
In Process	Project	2.3c	Work with partner organizations to increase participation in renewable energy purchases
	Objective	**2.4**	**Explore city-supported environmental sustainability programs for residents**
Not approved by Council-Jan 2009	Project	2.4a	Create a grant or loan program to support "100 solar roofs" (either solar electric or solar hot water) in Park City

Status	ID	Action #	Description
GOAL 3. Encouraging environmental stewardship and protection of Park City's natural environment through sharing of environmental information with the community and active, meaningful community participation			
	Objective	**3.0**	**Support local organizations that educate the public, schools, other jurisdictions, professional associations, business and industry about reducing global warming pollution.**
In Process	Project	3.0a	Continue to play an active role in the Wasatch Back Environmental Alliance
Not in process	Project	3.0b	Support the Summit County Health Department in their investigation and programs regarding air quality.
In Process	Project	3.0c	Co-sponsor & promote educational programs
In Process	**Objective**	**3.1**	**Support discussions for transit options between Park City and surrounding areas.**
Partially in process -Advocacy with Public Service Commission on 3rd Party Power Purchase Agreements & with SLCo on Property Tax Financing for renewables. Also participating in State sponsored energy forums	**Objective**	**3.2**	**Strengthen the State Residential Energy Code through strongly advocating for state and national policies that:** o increase investment in public transit and other infrastructure that makes alternatives to motor vehicles more convenient and affordable; o increase the fuel efficiency of motor vehicles as well as development and use of o encourage energy utilities to fully support and implement cost effective conservation and meet new demand with renewable energy sources; o and other measures to reduce our state and national impact on the global climate.
	Objective	**3.3**	**Play an active role in environmental community education and outreach**
Not in process	Project	3.3a	Launch a quarterly award recognizing a community member or business for their positive environmental impact. (environmental heroes)
Completed(??)-2009	*Project*	*3.3b*	*Actively engage with high school Environmental Club by creating an internship*
Not in process	Project	3.3c	Investigate launching either solely or in cooperation with other entities a Community Climate Partnership. The Partnership would work together to help set and meet community-wide reduction goals. *(this would be a big task)*
Completed-2009	*Waiting List*	*3.3d*	*Improve web presence (ParkCity.org) for Environmental Sustainability Initiatives*
Not in process	Project	3.3e	Promote use of bio-diesel fuel to other businesses with fleet vehicles
Not in process	Project	3.3f	Increase water conservation education by ______?
	Objective	**3.4**	**Stay current on environmental initiatives, concepts & best practices**
On hold-budget	Project	3.4a	Attend appropriate conferences & seminars
	Objective	**3.5**	**Encourage greater community participation in the creation of renewable energy projects in Park City**
Completed-2009	*Project*	*3.5a*	*create working group/task force focused on testing renewable energy options in Park City?*

Status	ID	Action #	Description
GOAL 4. Incorporate environmental considerations as an integral part in assessing growth management options, land use plans, transportation plans and development proposals.			
	Objective	**4.0**	**Reduce community-wide energy consumption & reduce community-wide energy costs**
Not in process	Project	4.0a	Promote sustainable building practices using the U.S. Green Building Council's LEED program, ASHRAE's green building standards or a similar system;
Not in process	Project	4.0b	Education series for City employees to help identify green building elements in projects when reviewing plans with applicants
	Objective	**4.1**	**Increase utilization of alternative transportation**
Not in process	Project	4.1a	Adopt "reasonable accommodation"-"complete street" standards as part of annexation and LMC requirements.
Not in process	Project	4.1b	Adopt and enforce land-use policies that reduce sprawl, preserve open space, and create compact, walkable urban communities;
In Process-Walkability	Project	4.1c	Promote transportation options such as bicycle trails, commute trip reduction programs, flex hour schedules, incentives for car pooling and public transit;
In Process-Walkability	Project	4.1d	Implement recommendations from the Walkability Study which Significantly Expand Bicycling and Pedestrian Infrastructure
In Process	Project	4.1e	Develop an Employee Carpooling Campaign (Transportation & HR taking the lead)
Not in process	Project		Launch a program promoting employee use of alternative sustainable transportation
In Process - Transit	Project	4.1g	Target a location for a Park and Ride lot and investigate alternative transportation options from the lot
In Process - Trails	Not sure	4.1h	Enhance current trail system and identify new trail opportunities
	Objective	**4.2**	**Maintain air quality at current levels**
Not approved by Council-Jan 2009	Project	4.2a	Embark upon a comprehensive air quality monitoring program (same as 1.6a)
Not in process	Project	4.2a	Adopt Code changes that work to keep our Air Quality at current levels
	Objective	**4.3**	**Improve visibility of night sky**
Not in process	Project	4.3a	Review and adopt any needed changes to the Night Sky Ordinance
	Objective	**4.4**	**Pursue a regulatory role to increase energy efficiency in new construction as well as remodels**
Not in process	Project	4.4a	Set minimum standards that require energy efficiency and green building design for construction projects in the General Plan, annexation policies and Land Management Code amendments to the MPD and CUP sections.

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Status	ID	Action #	Description
GOAL 5. Continue to review and investigate best practices that have the potential of substantially improving the environment			
	Objective	**5.0**	**Ensure the Environmental Sustainability Plan keeps pace with technology, nation-wide trends and the community's collective interests**
Completed-2009	*Project*	*5.0a*	*Update the City Council biannually on the Municipal Action Plan as part of the City's budget process.*
Completed-2009	*Project*	*5.0b*	*Participate in the Community Visioning process to understand the community's collective environmental interests (however this is not the primary focus of the community visioning process)*
Completed-2009	*Project*	*5.0c*	*Return on a yearly basis to recommend and implement modifications to improve program effectiveness.*

Waiting List. Items identified by Council outside of the review of the strategic Plan.

Potential Objective?	#1 EPA green power community? (goal)
Potential Objective?	Additional Performance Measures / metrics?
Potential Project?	Water conservation through new landscape requirements in code?
Potential Project?	Card key activated light switches for hotels?
Potential Project?	Snow melt system tax?
Potential Project?	Get software to track progress? (such as Visible Strategies?)
Potential Project?	Recycling in Master Festival (event) License
Potential Project?	Green cleaning products for municipal facilities
Potential Project?	Reduce the number of people renting cars (one possibility: Green Start Program)
Potential Project?	Green Start Program
Potential Project?	Improve web presence (ParkCity.org) for Environmental Sustainability Initiatives
Potential Project?	Investigate alternative forms of transportation for employees to use while at work (electric cars, electric
Potential Project?	Free/preferred parking for hybrids/electric cars
Potential Project?	Municipal Ecological Footprint
Potential Project?	Community Ecological Footprint

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PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
FEBRUARY 11, 2010

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

Tom Bakaly, City Manager; Mark Harrington, City Attorney, Michael Kovacs, Assistant City Manager; and Jon Weidenhamer, Economic Development Manager

Jewels Harrison, Park Silly Sunday Market (PSSM) organizer

1. Council questions/comments. Alex Butwinski reported on attending the Planning Commission meeting and Ski Utah meeting. Candace Erickson relayed that the Full Moon Snowshoe at the Farm is sold out. She informed members about the marketing efforts of the Chamber and discussed the great press Park City is receiving throughout the coverage of the Vancouver Winter Games. Lodging numbers have increased, but lodging rates have been discounted to attract visitors. Cindy Matsumoto shared information from the Library Board, specifically an equitable approach to provide regional library services. She also participated in a School District long-range planning meeting. Joe Kernan discussed the Summit Land Conservancy attending the inter-agency task force meeting with information about the actual costs of monitoring conservation easements.

Mayor Williams pointed out that the state has three good renewable energy bills that the City supports. He agreed with Ms. Erickson's comments about the positive effects of the Olympic coverage for our community.

2. Legislative update. Michael Kovacs relayed that the last day of the legislature is March 11. He reported on the status of pending legislation and new bills. He commented on the education redistribution bill where a number of Park City agencies have been involved and addressed a water rights bill where it is proposed that unused rights could be sold by the state. Retirement system amendments are proceeding well and Mr. Kovacs highlighted the status of renewable energy bills.

3. Park Silly Sunday Market. Jon Weidenhamer stated that PSSM's city services contract was last discussed by Council on November 19, 2009. Council members directed staff to consider a one year, or two to three year agreement. He reported that the HMBA discussed the potential of raising parking rates to fund expanding the event to upper Main Street on February 22, 2010. To fund this level of service, staff is recommending a $.50 increase per hour to the current $1 rate parking meter rate, which is estimated to generate $160,000. PSSM would be guaranteed $40,000 toward expanded programming and the HMBA $40,000 for improvements not identified in the Business Improvement District. The City's portion would go toward event operations, paid parking marketing, and to offset potential fee waivers. The HMBA Board supported the proposal contingent on a written plan and four meetings were held with all parties in the interim. He explained issues of discussion, including HMBA access to vendor booths, cross-marketing, public relations, annual reviews, demonstrated measurable success, flexibility on set-up, distribution of funds, and representation of the HMBA on the PSSM Board. Staff is recommending moving PSSM up Main Street to 5th Street, which involves closing Heber Avenue but opening 9th Street up to transit. Mr. Weidenhamer broke down the proposal as $40,000 cash for PSSM, $40,000 cash for HMBA, $55,000 in fee waivers, and $10,000 in-kind value. Of the $145,000, $25,000 is offset by the increased parking revenue, making the City's portion roughly $120,000.

Jon Weidenhamer stated that the HMBA subcommittee notified staff yesterday to relay that it is not supportive of the plan identified in the staff report and he encouraged everyone to focus on the higher goal of bringing people to Main Street without forcing it into a geographic boundary.

Jewels Harrison believed that the meetings over the past several weeks have been successful and emphasized that the plan is based on research and feedback from other event organizers. She acknowledged confusion on the definition of new and expanded programming which goes beyond its physical expression on the street and discussed introducing early bird dinner specials, drawings and announcements for prizes, etc.

Mary Black, HMBA subcommittee member, stated that on February 22, 2010 the HMBA Board unanimously voted to support raising parking meter fees contingent on approving a PSSM programming plan. The Board is not supportive of the submittal based on membership feedback. A survey was conducted last weekend and 71 responses were received; 52% were not in support of a parking meter increase and not in favor of the proposed extended closure. The HMBA membership is in favor of experimenting with alternating the location from lower to upper, but maintaining its current size. The proposal is much larger in size supported with a dramatic increase in parking fees. The HMBA is requesting time to investigate this further because this is an accelerated time table. She stated that the HMBA requests that one of its Board members have representation on the PSSM Board. The Board wants a mechanism to measure the success of PSSM and requests a first right-of-refusal of booth space for HMBA members. In return, the HMBA Board will look at planning an Oktoberfest and the 4th of July which encompasses the whole street. She continued that the HMBA has been presented with a plan by the City which includes the experimentation of closing Main Street and making it a pedestrian corridor every Sunday throughout the summer which raises many concerns that deserve more discussion and input.

The Mayor pointed out that the first right-of-refusal and seat on the PSSM Board have already been provided for in the draft city services agreement. Liza Simpson asked if the HMBA wanted something more than what the staff report proposes for measuring impacts. Ms. Black responded that the Board wants to create a questionnaire to distribute to members on Mondays following the event to evaluate its success. She acknowledged that they are on *the same page* on the first-right-of refusal for booths and the Board seat provisions. Discussion ensued on measuring the mode shift on Main

Street. In response to a question from Joe Kernan, Ms. Harrison explained that they reviewed a variety of scenarios and grouping activities on the street and consulted with experts in the area of event coordination to determine the most successful configuration and even how crowds respond to cues. A stage is planned at the lower end of the event located at the Town Lift and a stage at 5th Street or Zona Rosa at the upper end. In addition, she has been polling businesses and restaurants regarding adding an extra hour to the event to bridge the dinner hour gap and to work with PSSM on marketing. Thirty-two of the 37 restaurants opened on Sundays favored the extra hour. She read the language on a petition and pointed out that the growth of the market has to be incremental so that it continues to be successful. Also, it will be easier to measure the impacts this year.

In response to a question from Cindy Matsumoto, Ms. Black stated that merchants are concerned about the closure of 5th Street to Heber Avenue. The way the market existed last summer is fine. Ms. Matsumoto understood that the closure and new plan would attract patrons further up the street, responding to complaints from upper Main Street merchants. Ms. Black stated that the HMBA is concerned about the increase in vendor mix equating to increased competition.

Jewels Harrison explained that vendor mix has been seriously considered and PSSM is offering the HMBA 15 free booth spaces. The Farmer's Market, non-profit and community outreach groups, and sponsorship booths will also be located there. The goal is to create activity on both the upper and lower sections and there will be no food vendors south of Heber Avenue. Vendor mix has been studied in detail. In response to a question from Ms. Matsumoto, Ms. Harrison believed all booths will be filled because every year, attendance, marketing, and vendor outreach has grown. There is a great response from local entrepreneurs and she discussed attracting national artists. In response to a question from the Mayor, Mary Black acknowledged that she was not aware of the vendor mix plan.

Alex Butwinski expressed concerns that some of the members of the HMBA might not truly understand what PSSM has offered. He referred to the staff report where specific measures of success and vendor mix are outlined and feels that the concerns of the HMBA have been largely addressed. Sometimes you just have to move forward and try different things. Mr. Butwinski stated that PSSM deserves the opportunity to move forward, citing that some merchants he spoke with did not realize that it is proposed to give the HMBA $40,000 for marketing from the revenues from the increase in parking meter fees, and the City agreeing to free parking from Thanksgiving to December 15. He feared that many business owners do not understand the rationale of the proposal and he encouraged people to read the report before objecting. He stated that he has even heard requests to extend the energy of the event up the street, but not to expand it. See regular meeting minutes.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
FEBRUARY 25, 2010

I ROLL CALL

Mayor Dana Williams called the regular meeting of the City Council to order at approximately 6 p.m. at the Marsac Municipal Building on Thursday, February 25, 2010. Members in attendance were Dana Williams, Alex Butwinski, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Wade Carpenter, Chief of Police; Mark Harrington, City Attorney; Brian Anderson, Parking Manager; Matt Cassel, City Engineer; Francisco Astorga, Planner; Kayla Sintz, Planner; and Jon Weidenhamer, Economic Development Manager.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Swearing-in of Police Officers Jed Hurst and Cameron Thor – Chief Wade Carpenter introduced the City's newly hired police officers and the Mayor administered the oath of office.

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

None.

IV WORK SESSION NOTES AND MINUTES OF MEETINGS OF FEBRUARY 4, AND FEBRUARY 11, 2010

Candace Erickson, "I move we approve the work session notes and minutes of the meetings of February 4 and February 11, 2010". Alex Butwinski seconded. Motion unanimously carried.

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

1. Consideration of a Master Event License and City Services Agreement with the Park Silly Sunday Market for an initial three-year term, in a form approved by the City Attorney – Also see work session notes. The Mayor opened the public hearing.

Kevin Valaka, resident, business owner, and Chairman of the Restaurant Association, stated that he supports PSSM 100%. Anything that brings people to Main Street is a good thing. The Association includes Summit County businesses and the organization produces Savor the Summit and Libation the Nation. However, he is not in favor of a 50% increase in parking fees and feels it's shocking. He would like to better understand the structure of the revenue plan and distribution of funds.

Debbie Shernberger, employee of Hilda's on Main Street, stated that the continued closing of Main Street to 5th Street every Sunday for the PSSM is not a good idea. She likes it at its current location and supports it there.

Monty Coates, owner of Main Street businesses, thanked PSSM for its outreach to the Restaurant Association and for some of the features of the plan. With regard to measuring financial impacts, he suggested selecting 20 businesses agreeing to post their sales and comparing the information on a weekly basis. He is in full support of the HMBA Board's opinion and has been involved in recent discussions. He noted that the HMBA has been blamed for changing its mind and that is not true and the group is often criticized with respect to the PSSM. But in an effort to be proactive and supportive, the Board agreed to take a look at a possible increase in parking fees contingent on seeing a plan. The funds generated would be used for programming throughout Main Street on summer Sundays. It was agreed that PSSM organizers are very good at public relations and events and to take advantage of the synergy that they have created with the current event.

He suggested that PSSM is the perfect group for marketing and programming upper Main Street and stated that it was the HMBA's hope that a win-win plan would be something that could be supported by the membership. He expected that the PSSM would provide a plan with a budget for entertainment and activities planned throughout Main Street but instead they were presented with a plan to vastly expand the current event which includes the closure of Main Street every Sunday and lining the street with competing food and retail vendors. After build-out of the three year plan, 20,000 to 30,000 square feet of retail and restaurant space will be added to Main Street every Sunday. He stated that this is no way to drive business to HMBA members. This plan will only exacerbate the negative impacts of PSSM which conflicts with the original goal. There seemed to be no interest in getting HMBA member feedback in time because the decision has been made. The HMBA Board is often characterized as not representing its members and is often a target of criticism. Members are varied in their opinions and approaches to business but members are meeting to formulate a common vision for Main Street. If given time and a seat at the table, the HMBA will endeavor to represent the membership and reach consensus.

The Mayor asked if the explanation of vendor mix changes his opinion. Mr. Coates responded that there is still a chance that the booths will be filled with competing products. By build-out, this is an enormous event with many vendors. Cindy Matsumoto asked for clarification of build-out because she understood the event is just shifting. Mr. Coates explained that the three year plan contemplates expanding all the way to the Brew Pub by the third year. Ms. Matsumoto believed that was only a possibility with HMBA support and Jon Weidenhamer agreed. Monty Coates expressed that success means different things to the PSSM and the HMBA. Jewels Harrison disagreed and stated that the whole purpose of the non-profit organization is to be a community forum. The reason Sunday was selected was based on a lot of research and PSSM is very invested in the success of merchants on Main Street which has resulted in the proposed approach this year.

Mary Black, Main Street merchant and property owner and not speaking on behalf of the HMBA, stated that the continued closure of Main Street up to 5th Street is unnecessary. She is interested in an incremental increase this summer and suggested closing the street between the Phoenix Gallery and the Post Office. PSSM can program music there and the HMBA will take all of the booth space for promotions and displays.

There are ways to get people to roam the street without street closures or the expansion of PSSM with competing merchants.

Rick Anderson, HMBA and Eating Establishment, expressed his opposition of expanding PSSM, closing streets, and increasing parking meter fees. He quoted the Executive Summary from the Economic Impact Study that of the 81 respondents to the on-line survey, 19% experienced a positive impact and 43% reported that they had a negative impact from the PSSM. But 73% of the businesses indicated support of PSSM and its continuation. He pointed out that lower Main Street merchants also experience negative impacts and specifically discussed The Summit Watch Marriott. Last week's survey showed that Main Street merchants did not support further closures of the street to expand the market and a clear majority did not support raising paid parking fees to support the expansion. He maintained that any time Main Street is closed for an event, business declines and Main Street does its fair share by closing the street and holding community events. In this economy, this proposal is another impediment and by raising parking meter fees for 365 days a year for the PSSM for 15 days a year is not a good business decision. PSSM should not be expanded until it is found to have a positive impact on lower Main Street where it is currently located. He urged Council members not to approve further closures of the street or increase parking fees. He supports PSSM in its current footprint.

Jo Rathburn, Live and Life Park City, reported that she has not suffered any negative impacts from PSSM and believes it has had a positive benefit. She really likes the spirit of the event, supports it in its current form and is open to expanding it. However, raising the parking fee so dramatically is not a good idea and she suggested considering other options.

Emerson Evader, Main Street restaurant, stated that he is a great supporter of PSSM and the expansion will be good. Bringing more people to the street will generate more money for all businesses. Rather than focusing on the paid parking increase, market free parking.

Debbie Shernberger felt that the City should market the parking available to anyone at a reduced rate at the Marsac Building.

Leslie Butler, Sugar Buzz on Park Avenue, suggested installing parking meters on Park Avenue to open up parking spaces for her customers. Paid parking could be expanded to Swede Alley and some other places to collect more revenue without raising fees. Closing Heber Avenue affects her business but she is very much in support of PSSM. If PSSM is moved, people will not continue to come to Main Street and it's a great activity on Sundays. Ms. Butler indicated that they have a booth and are a sponsor.

Stephanie Johnson, Summit Watch Marriott, stated that her owners and guests are pleased to have PSSM to go to on Sundays during the summer but she suggested no more wild animals. PSSM offers something new and exciting each week, it attracts people up the street and it is really important that it continue. The Marriott has its own parking but Mr. Johnson warned that raising the parking too much during these economic times may not be advisable.

Bob Gerber, Park Meadows resident, indicated his experience in the event industry and that he read about the proposal in the paper. He encouraged Council members to study it more as it seems more than what the City has committed to do for Sundance. The economic study was neutral and he didn't feel that either side has done a good job of reaching consensus. He emphasized that this is a large commitment, take time to decide, and make it available to the public for review.

Tanner Toly Ireland, Main Street business owner, suggested that the City could collect more revenue if illegally parked cars were ticketed on Empire Avenue. Activities programmed between 5th Street and the Post Office should be the kid zone, entertainment, beer garden, and things that would bring energy to the upper part of Main Street but not more competition. Do not increase the vendor mix, but increase the energy.

With no further comments from the audience, the Mayor closed the public hearing. Mayor Williams believed selecting 20 businesses to participate in a weekly survey is a very good idea as well as selecting the right types of activities south of Heber Avenue. He admitted he has mixed emotions on the parking increase proposed.

Cindy Matsumoto thanked everyone attending tonight and the cooperative work involved to try to find a solution. She felt the merchants and the citizens want PSSM to continue and she supports its current or expanded plan and pointed out that the explanation of the new vendor mix plan may have changed some people's minds. She felt the parking fee increase is a good solution for funding and supporting Main Street; there is plenty of free parking and she didn't feel that the increase will impact use or behavior. Ms. Matsumoto supported the $1.50 increase so that the plan is successful because Main Street is important.

Candace Erickson stated that she is very proud that the Council removed the meters in Swede Alley but since employees continue to park on Main Street, those meters remained. She is not a proponent of increasing parking rates. The ultimate goal of PSSM is to make money. It is an incredible event but it is a business and she questioned whether it is the obligation of taxpayers that PSSM make money and she is having a tough time justifying the amount of money requested. The HMBA does not seem supportive of expanding past 5th Street and she is inclined to favor PSSM's current plan. There is an opportunity to grow it but it takes time and conversation between both parties and she is not sure it is the City's responsibility. PSSM is a popular event that has created a problem for many brick and mortar businesses. She supports keeping PSSM the same for this year and to continue to work with the HMBA to reach a compromise.

Joe Kernan thanked everyone for working together. PSSM has demonstrated over time that it is willing to address a variety of concerns and accept conditions of approval. He felt it is a good plan and a decision is needed now. The compensation is fair in consideration of the quality of the event and funding the program from parking revenues seems appropriate. Enhancing the vitality of Main Street will help all businesses and motivate visitors to return. Funding will also help the HMBA.

Liza Simpson stated that she favors raising the parking meter rates to $1.50 per hour. The only way PSSM is going to work for everyone is to manage the message and to market that 85% of the parking is free. The City needs to revisit parking fees in any event because they have remained the same since 1998 and $1 in 1998 equates to about $1.32 in 2008. Hangtags will not be increased and she believes that most of the locals are happy with free parking in Swede Alley. She thanked everyone for working together but is not convinced that expanding PSSM to 5th Street is a positive approach because the discussion has been so compressed. Ms. Simpson stated that she supports funding both the PSSM and HMBA this year and to further explore the expansion with the goal of implementing the plan in 2011.

Alex Butwinski stated that he agrees with Council members Kernan, Simpson and Matsumoto. The $1.50 parking fee is overdue and fair. He feels locals are aware of the free parking and use it and didn't feel that patrons of Main Street would be reluctant to pay the parking fee. He hoped there is a way to move forward tonight so that PSSM can proceed with plans for the summer; he envisioned PSSM operating within the same footprint for 2010 unless a plan can be formulated this year. He liked Ms. Black's idea about planning activities between the Post Office and the Phoenix Gallery. Mayor Williams felt that the problem is that no one on lower Main Street will be aware of the activities on the side street because no one will be able to see it. He again discussed the product mix suggested by Ms. Harrison. Mary Black explained that most of the parking is directed to the China Bridge Parking Structure forcing people to walk down the street. The closure proposed is not an incremental increase. Mayor Williams again brought up the product and activity mix which is intended to not compete with businesses but to attract customers. Ms. Black complained that even if the booths are open to the HMBA, members may not fill them and they will be sold to others.

In response to a question from Joe Kernan, Ms. Harrison explained that PSSM can operate again in its current footprint but it is doubtful whether it will bring more vitality to upper Main Street. The City approached PSSM with a request to make the event more successful for the entire street and she asked to be trusted to make decisions based on experience. She addressed vendor mix and noted that PSSM sells similar products as Mary Black, who has attested that her business is up on Sundays. The food has been an issue but several restaurants have indicated increased business on Sundays. Ms. Harrison stated that she is willing to again consider vendor mix, but the reality is that each year restaurant tax numbers are up consistently. Liza Simpson suggested that a validation program be established with paid parking.

Alex Butwinski referred to criticism that the City is subsidizing PSSM, but views this relationship as buying services like anything else. There is a benefit to *buying* a community event that lasts 15 weeks over the summer. He believes it attracts more locals to Main Street which has a value.

Tom Bakaly emphasized that there may be some confusion about the expansion. The proposal is mainly a shift because the PSSM will now start at the Town Lift area, giving up the space to the north of the pedestrian bridge and trolley turn-around. In order to address all interests, he suggested approving a plan tonight subject to ratification in two weeks. The Mayor and Council member Erickson agreed that the original space was ideal for a stage and shaded seating. Jewels Harrison explained that PSSM agreed to give up the area because of several reasons. The state is requiring electrical refrigeration for food vendors and closing both 9th Street and Heber Avenue doesn't work logistically or for transit. For safety reasons, it also makes more sense to close Heber Avenue. Liza Simpson suggested that the weekly surveys be an obligation for PSSM to work with the HMBA and Tom Bakaly felt this is a performance measure that could be included in the agreement. Mayor Williams expressed his difficulty with the survey because of other factors like the economy. There was no opposition to the existing footprint. He felt that creating a pod of activity at the Post Office will probably be ineffective.

Liza Simpson, "I move we approve a master festival license and city services agreement for the Park Silly Sunday Market for an initial three year term, in a form approved by the City Attorney in the original footprint of the Market with expansion (plans) to be approved upon by the HMBA, City, and PSSM working group hopefully in time for this season but if not, definitely by the next one". Alex Butwinski seconded but the motion was later withdrawn.

The Mayor asked if sales reporting would be a requirement and Ms. Simpson stressed that it should not be managed by the City. She added that she is comfortable with the performance measures outlined in the staff report. Joe Kernan agreed and felt that the HMBA and PSSM can gather their own information. The reason he is supporting this service is because it has broader impact than just one day a week and brands Main Street. Liza Simpson clarified her motion to be approving the recommendation in the staff report with the exception of approving a geographical expansion to 5th Street without the working group's approval.

Joe Kernan believed that conditions should be reasonable. Jon Weidenhamer interjected that the word *reasonable* can be added to contract language to provide some flexibility. The expansion was based on a series of concessions which PSSM has made like vendor mix, booth space for the HMBA, etc. Liza Simpson emphasized that Ms. Harrison explained that those components are planned for the expanded area. In response to a question from Ms. Simpson, Mark Harrington pointed out a number of conflicts with provisions directly tied to the expansion in the draft agreement.

Ms. Erickson asked if anyone else shares her concern about paying $40,000 for expanded services in an area that may not be expanded. The $40,000 may be better used by the HMBA for programming.

Ms. Simpson expressed her hope that the positive momentum would continue with a favorable motion. Jon Weidenhamer suggested giving PSSM $30,000 for marketing and reserving the last $10,000 until there is agreement on the expansion. Mark Harrington emphasized the importance of knowing what is being approved and what public funds are going toward. He admitted that the contract is complicated because negotiations have been compressed and the HMBA is not a party to the agreement. Mr. Harrington outlined several options for members and Joe Kernan suggested that the parties meet now and return to the meeting with amended language and an amended motion. With regard to financing, Alex Butwinski noted that he is fine with the $40,000. Liza Simpson withdrew her motion and made another one, "<u>I move to continue this item to the last item on the agenda</u>". Joe Kernan seconded. <u>Motion unanimously carried</u>.

2. Consideration of a Resolution Amending Sections 7.10. and 7.11 of Section 7, Parking, Meter Rates, Violations, Towing and Impound Fees of the Park City Fee Resolution and replacing and repealing Resolution 15-09 in its entirety – Tom Bakaly referred to the recommendation outlined in the staff report. Brian Anderson added that hangtags will remain the same price and some of the revenue from the increase will be used for marketing hangtags and transit. Significant discussion ensued on different versions of issued hangtag devices, pricing, failures, deposits, and returns and it was decided to return to Council for review of these issues. The Mayor opened the public hearing.

Kevin King, 314 Norfolk Avenue, suggested a simple credit card for purchase by locals, providing an hour or an hour and a half without the need for devices and/or batteries.

Brian Anderson explained that the City has the QuickCard, a magnetic strip credit card. The new cards have a smart chip and the City has the ability to change rates on these cards.

Andy Behrman, Treasure Mountain Inn, suggested an alternative of not raising parking fees but eliminating the choice of 15 or 20 minute increments so it would be $1 minimum to park on the street. Mr. Weidenhamer advised that this would need be studied to determine if it is financially viable. Mr. Anderson understood that Kent Cashel examined this idea and concluded that it didn't increase revenues enough to cover funding needs.

With no further comments from the audience, the public hearing was closed.

Liza Simpson, "I move we approve the Resolution Amending Sections 7.10. and 7.11 of Section 7, Parking, Meter Rates, Violations, Towing and Impound Fees of the Park City Fee Resolution and replacing and repealing Resolution 15-09 in its entirety with direction to staff to come back for a discussion of hangtag credit". Joe Kernan seconded. Motion carried.

Alex Butwinski	Aye
Candace Erickson	Nay
Joe Kernan	Aye
Cindy Matsumoto	Aye
Liza Simpson	Aye

3. Consideration of an Ordinance approving the extension of the 68 Prospect Street Replat, an amendment to Lots 8, 9 and 10 of Block 18 of the Park City Survey, Park City, Utah – Planner Kayla Sintz explained that the application requests combining three lots and creating two lots; an historic home currently sits across all three lots. The historic project requires a preservation plan and a financial guarantee and must be moved before the plat can be recorded. The plat amendment was originally approved in 2006 and extensions were granted in 2007 and 2008. The preservation plan has just been finalized and the financial guarantee was not fulfilled prior to the last expiration. Two additional conditions of approval have been added from the previous plat, Condition of Approval Nos. 6 and 7 and staff urges approval of a one year extension. In

response to a question from the Mayor, she discussed the applicant working through issues with the adjacent neighbor. The Mayor opened the public hearing; there was none. Joe Kernan, "I move we approve the 68 Prospect Street Replat". Alex Butwinski seconded. Motion unanimously carried.

4. Consideration of an Ordinance approving a one year extension of the 313 Daly Avenue Subdivision Plat, an amendment to Parcels 1 and 2, located at 313 Daly Avenue, Park City, Utah – Planner Francisco Astorga explained that Council approved the plat amendment on May 15, 2008 and similar to the previous item, the preservation plan and design review were not finalized until November 2009 with a new expiration of May 2010. There was discussion about whether this time line is adequate and reasonable and the applicant believed it was. The Mayor opened the public hearing; there were no comments and the hearing as closed. Joe Kernan, "I move we approve New Business Item No. 4". Candace Erickson seconded. Motion unanimously carried.

5. Consideration of an Ordinance approving a one year extension of the Habitat Replat Plat Amendment, located at 154 Marsac Avenue, Park City, Utah – Mr. Astorga noted that this application is similar to the previously discussed items, but there is no preservation plan associated with 154 Marsac Avenue. The new expiration date is June 2010. Kathy Loft, Executive Director, explained the status of the project and thanked everyone involved. The Mayor opened the public hearing; there were no comments and the hearing was closed. Alex Butwinski, "I move we approve an Ordinance approving a one year extension of the Habitat Replat Plat Amendment, located at 154 Marsac Avenue, Park City, Utah". Liza Simpson seconded. Motion unanimously carried.

6. Consideration of a Professional Services Agreement with Horrocks Engineers for design and construction management services of the waterlines from Quinns Water Treatment Plat to Wyatt Earp Way, in an amount not to exceed $228,352, in a form approved by the City Attorney – Matt Cassel pointed out that this project will meet obligations with IHC due October 2010. He discussed the bid and selection process where it was determined that this bid was in-line with the proposal. Carol Potter, Executive Director of Mountain Trails Foundation, thanked the Council for giving the Foundation the opportunity to work with the City on this project and volunteered to provide outreach to users about the Rail-Trail construction work. She also suggested that an overpass be considered for SR248. The Mayor invited public input; there was none. Liza Simpson, "I move we authorize the City Manager to execute a Professional Services Agreement with Horrocks Engineers, in a form approved by the City Attorney in an amount not to exceed $228,352". Motion unanimously carried.

7. Consideration of an Ordinance approving the 1440 Empire Avenue Subdivision, located at 1440 Empire Avenue, Park City, Utah – Planner Kayla Sintz explained that this is a request for a three-lot combination into one lot of record. The Planning Commission forwarded a positive recommendation to Council on October 14, 2009. The City Council heard this item on October 29, 2009 and remanded it to the Planning Commission on issues outlined in the staff report. The Commission heard the item again on December 9, 2010 and forwarded a positive recommendation to the City Council. There has been significant input from adjacent owners; all correspondence and minutes are provided in the meeting packet. The Mayor opened the public hearing.

Bruce Baird, attorney for appellant, stated that they don't have much to say about the plat amendment but a lot to say on the appeal of the CUP. However, he believes the plat must comply with the General Plan and Land Management Code. He disagrees with staff's analysis and stated that the Code does not allow combination of lots in a way that increases the density of the total pad beyond what the three individual parcels would support. By combining these lots, there is a potential for increasing the density by up to 50% which is not permitted by the Code.

Rick Margolis, Empire Avenue property owner and appellant, believed that the plat amendment is as important as the CUP. Staff analysis focuses more on the LMC than the General Plan. LMC 15-7 provides that plat amendments and subdivisions can not be used for something which is otherwise not allowed. The purpose and use of a subdivision, plat amendment or lot combination is to provide the most beneficial plan but there are no other alternatives presented. He pointed out that the Code reads that these regulations are not intended to interfere with, abrogate or annul any other ordinance, rule or regulation, and if any provision of these regulations conflict with any other regulations, the regulations that are most restrictive on the land shall apply. Staff conducted an analysis, partially addressing the issue. He described the floor area ratio analysis, emphasizing that the lot consolidation is allowing a use that is not more restrictive because there is more density. He feels the time is now to deal with the issues of the project, at the plat amendment stage. If the plat is not approved, the issues do not exist.

Mr. Margolis stated that when the application was initially filed, there were only two lots and a third lot was added which is adjacent to the Olsen property. A lot line combination should be conditioned so that no additional development is allowed that would otherwise be allowed on the three individual parcels. He believed square footage should be limited to 9,000 square feet avoiding conflicts with the Code. He felt that staff's analysis did not meet LMC 15-7-2(g) regarding providing the most beneficial relationship between pedestrians and vehicles and it would be difficult to make a finding that adding 48 bedrooms creates the most beneficial relationship. Section 15-7-2 describes the purpose as guiding future growth in accordance with the General Plan.

Mr. Margolis stated that the General Plan has nothing to do with what we have now but what we would like to see in the future. It is inappropriate to point to an inconsistent use in a zone that is *General Planned* for a particular use because it predates the General Plan. The General Plan establishes goals and aspirations and describes the project area as resort-based low-density residential but the applicant keeps referring to the fact that the property is in the RC Zone where a hotel is allowed but that is not the purpose of the General Plan. The General Plan addresses a transition into the Historic District and there may be overriding considerations in the General Plan like affordable housing. Mr. Margolis stated that the conversations about deed restricting this affordable housing project have disappeared and he alleged that the project is an unrestricted apartment building. The applicant is trying to get more density which is not the purpose of a lot line adjustment and further issues can be avoided now by not approving the combination and restricting development.

Rick Margolis reiterated that the General Plan describes the area as low-density residential and the subdivision code requires compliance with the General Plan. He stated that conditional use approvals require compliance with the General Plan and staff's argument about low-density residential is that it is not defined in the Code. He agreed that it is not defined but there are places to go in the Code to get an idea of the concept and he referred to definitions of low and medium density zones and associated open space requirements. He questioned why low density doesn't require more open space.

Mr. Margolis relayed that he is the owner of a real estate investment development and lending business and has never seen a project with so many violations in front of a board. There is so much here to talk about. He continued to explain that skier bed base is not defined in the Code but applies to properties east of Empire Avenue and noted that the only thing built over the last 30 years is single family. The General Plan identifies affordable housing on Lower Park Avenue as a goal; it excludes the resort base area. He read the General Plan goal for Lower Park Avenue and repeated that the project does not comply with the General Plan. He again referred to the LMC to argue not to consolidate the lots which would result in more development that would otherwise not be allowed.

Diane Newland, 1455 Woodside Avenue, stated that she lives directly below the project and is against the replat. She explained her anger when she learned the project was not going to be deed-restricted affordable housing but just an apartment building.

Attorney Bruce Baird requested that if the public hearing was closed, and discussion continued between the Council and the applicant, it would be troubling if he and his clients were not allowed an opportunity to continue to respond. With no further comments, the public hearing was closed.

In response to a question from the Mayor, Mark Harrington discussed lot combinations and stated under Mr. Baird's interpretation, the City would have the greatest land use control ever because all remnant lots in old town would have zero value and no lots could ever be combined if such resulted in greater density or a larger building area, as he understood the neighbors' lots had done and certainly the state legislature would react swiftly if we tried that interpretation. Regarding the intent of "low density," Mr. Harrington stated perhaps the neighbors' arguments were a good lesson for attention to detail when drafting new language but the term low density is referenced broader in the context of the General Plan recommendations intended to address planning goals as a whole, not parcel specific density which is governed by zoning. The intent was not to make the entire resort base non-conforming. The lot combination application complies with the current zoning and the LMC and General Plan are read consistently together. Staff finds that the projects meets the requirements of the zone and is forwarding a positive recommendation. He noted that just because the General Plan identifies affordable housing as a goal for Lower Park Avenue, it doesn't preclude it from the resort area. The requirement is not to analyze the highest and best use and only allow that. The zoning regulations do not define affordable housing as a prohibited or excluded use from the zone.

The Mayor asked if this is an affordable housing project. Architect Craig Elliott explained that there is some confusion because the application was not filed as an affordable MPD which is designed to provide incentives to increase density which is not requested in this instance. He affirmed that the intent is affordable housing. In response to a question from Cindy Matsumoto, staff explained the low-density residential map highlighted in yellow. In response to a comment from Candace Erickson, Mr. Elliott explained that the intent is to provide affordable housing under federal guidelines and they are following the same procedures as The Line Condominiums and Snow Creek Cottages. He stated the applicant would be willing to condition the approval as necessary.

Mark Harrington advised that the reviw CUP discussion is more appropriate to address use as opposed to the lot combination. He stated by the neighbors' logic, commercially designated areas in red would be the only place for commercial uses. Clearly, that is not the intent. He pointed out that the low density areas on the map have been developed in different zoning schemes. The General Plan purpose statements can not override the more specific enabling regulations of the zoning district.

The Mayor clarified that the review criteria is the same regardless of the affordability.

Liza Simpson, "I move we approve an Ordinance approving the 1440 Empire Avenue Subdivision, located at 1440 Empire Avenue". Cindy Matsumoto seconded. Motion unanimously carried.

8. Consideration of an Appeal of the Planning Commission's December 9, 2009 approval of a Conditional Use Permit for 1440 Empire Avenue, applicant Craig Elliott AIA - Appellants David and Rosemary Olsen, Rick Margolis, and Bill and Dianne Newland – Members agreed to permit public input. Alex Butwinski, "I move we expand the scope of the appeal to include a public hearing. Candace Erickson seconded. Motion unanimously carried.

Kayla Sintz stated that on December 9, 2009, the Planning Commission approved by 4:3 vote, a conditional use permit for a multi-unit dwelling located at 1440 Empire Avenue and on December 21, 2009, the CUP approval was appealed. The Commission discussed compatibility and transitioning at its December 9 meeting and reviewed CUP criteria at the October 14, 2009 meeting. She emphasized that this project is not located in an historic zone. Staff recommends affirming the Planning Commission's decision to approve the CUP.

Liza Simpson understood this application is not being processed as an Affordable Housing MPD, but pointed out that at one time affordable housing appeared in a finding which was later removed and Kayla Sintz explained the various iterations.

Attorney Bruce Baird displayed photographs and stated that the RC area to the east serves as a transition zone to lower densities and transitioning isn't building the highest optimal density that can be crammed on the site. This area also transitions to the Historic District to Woodside Avenue. He displayed the proposed building and detailed shadow analyses and potential impacts on the Newland House. The height in the RC District is limited to 35 feet but there is a five foot exception for the roof, but it adds extra storage to the building. He asked how a building can be approved higher than the allowable height; conditional uses do not waive height restrictions and variances are not allowed. Mr. Baird displayed photos and discussed the height issue and the negative impacts to the Newland House with regard to views and light. He displayed and spoke at length about using one of Mr. Elliott's digital renderings and editing it to reflect their impression of the look of the building. There was discussion about using the same grade for consistency and Mr. Baird indicated that they don't have access to the CAD files to verify and provide more information. It's difficult to determine what the structure will look like from the applicant's drawings.

Mr. Baird argued that none of the applicant's drawings show more than one car in the parking lot and they inserted the cars on their drawing. He insisted that it is impossible to get into the parking stalls if they are full, making them useless and alleged that a motorist has to make five point turns to exit. It is unrealistic to think that 11 parking spaces can serve 48 beds. The parking plan has no detail and should be finalized. He pointed out the three snow storage areas and stated that they simply don't work with the parking configuration.

Mr. Baird alleged that Planning Commissioner Strachan indicated that he believed that the Planning Commission's role in considering the CUP was to maximize the value of what the developer can gain from the property. He argued that that is not a matter of law. Joe Kernan interjected that that is not how the minutes read and Mr. Baird argued that he was there and heard the comment. Mr. Baird continued that a conditional use must mitigate any adverse conditions. While this project maximizes the value for the applicant, it destroys value for the Newlands and the Olsens. He indicated that the Planning Commission acted like the affordable housing was a laudatory goal. Mr. Baird stated that this is not affordable housing, but simply the densest building allowed with no guarantee that it will be anything other than a profit maximizing effort. Every bit of discussion on affordability was nothing more than a red herring or a bait and switch and he believed that made a difference in the Planning Commission's vote.

Diane Newland stated that she and her husband are really going to be impacted because the project is located directly behind their residence. They have lived in Old Town for 30 years and in their current home on Woodside Avenue for 20 years. The size, scope and scale of this project are not in keeping with the surrounding homes. Other structures on Empire Avenue are single family homes set in front on the property not on the rear property line. She stated that she and her husband could have expanded their home or sold it but they haven't. They have to follow Historic District Guidelines while they are surrounded by huge projects. She began speaking about owning a home on Sampson Avenue and her experiences there and the Mayor asked that she keep on track. Ms. Newland continued to explain that this project is so large that their home will be engulfed in shadows for most of the day and it will look out of proportion with the historic homes. Because of the slope, it will be like looking at a six story building and they will not have privacy or light. Ms. Newland believed that there will be a constant turnover in tenants since it is not deed-restricted affordable housing. There could be up to four people in an apartment and there is only one parking space per unit and she believed that tenants will use her property to park. She cited a number of illegal parking violations in the neighborhood. She didn't feel long term residents should take a back seat to developers who are long gone after a project. Photos of illegal parked vehicles on Woodside Avenue were distributed.

Doug Willwright, land planning consultant for appellants, discussed his analysis of the drawings submitted by the Elliott Work Group and what they felt is more representative of the plan. He indicated that the project will be debilitating to the Newland property and suggested removing a story from the building or shifting the building to the west. Most of the buildings on Empire Avenue are located on the front of the parcel. Another technique is to step the building up the slope to reduce the street height. Joe Kernan pointed out that the camera angle can make a dramatic difference in arguing visual height impacts.

Rick Margolis again addressed the height and storage issue and did not believe the project meets Code requirements for vehicular and pedestrian circulation as stated in the Conclusions of Law. No vehicle is allowed to back up onto the street and he questioned how an emergency vehicle will access the parking lot and exit without backing up. He believed that one of the biggest issues resulting in the split vote was parking. There are 12 parking spaces for 48 beds and no spaces for visitors, deliveries or services or adequate circulation. Parking and circulation have not been mitigated. He reiterated that the General Plan represents goals and aspirations and not a picture of what is there now. The CUP process requires compliance with the General Plan contrary to the opinion of the City Attorney, despite the fact that it designates low density residential in this area. Low density means something and medium density requires 50% open space. There is no open space associated with the project and Mr. Harrington seems to be saying that there is no difference between low and high density because Shadow Ridge, a high density project, is within the low density area on the map. The goal and aspiration of new development outlined in the General Plan is low density residential and CUPs must be consistent with the General Plan but he is hearing that it doesn't matter. Allowed uses like a bed and breakfast are still subject to the CUP requirements. The lot's development potential is maximized and he questioned how that fits with low density. There is not enough parking for 48 beds and charging for parking will result in an empty parking lot. He read a comment from Commissioner Petit about her concern that overflow parking on the street can not be managed by the owner.

Dave Olsen, adjacent neighbor, felt that the owner is trying to do too much on the parcel at 10 units and 48 beds. The mention of residential in the General Plan is meaningful because single family residential is what has been built on Empire Avenue. The project is too dense in this transition zone. Additionally, the units lack storage and he spoke about people needing to park in the Empire Avenue neighborhood, parking in their driveway. Snow removal and storage is a problem. The developer should be forced to build something consistent with the General Plan and the transition zone should have projects with less impacts. Mr. Olsen spoke about the project overshadowing Ms. Newland's property.

Rosemary Olsen commented about living in Old Town at various locations and discussed at length the creative ways people park on private property. This is a real problem and there is not enough parking for the project on its property or the street. She felt that things will be stored in the carports and feared that if an owner has an illegally parked car towed away, the violator will retaliate. She complained about snow storage and that the project will create a burden for the neighborhood. This project is not compatible with historic structures, does not fit with the General Plan and will reduce property values.

Craig Elliott emphasized that they have followed the Code and have appropriately met all requirements. He reviewed elements of the parking lot and pointed out its compliance. He discussed meeting the purpose of the transition zone and pointed out related design elements. All of the multi-unit buildings in the area are much larger. Through illustration of renderings, he pointed out the massing of the building on the site and other buildings on the street. Mark Harrington asked about the accuracy of the renderings presented by the appellants, and Mr. Elliott explained that he can't comment since he doesn't have information on their point of reference. The floor area ratio of this project is less than the average single family unit in the neighborhood. He emphasized the goal of affordable housing and expressed that he is amenable to changes in the conditions of approval clarifying the commitment to the goal of providing transient housing that supports resort commercial. Mr. Elliott relayed that not all employees have cars because many are visiting from countries all over the world and their living requirements are minimal and simple.

Kayla Sintz referred to the LMC section on the height exception quoted by the appellant, which may have mislead listeners to believe the statement was worded that way in the Code. She read the actual wording of the five foot height allowance exception and the Mayor invited public input.

Bob McAllister, owner of the Woodside Inn, felt the proposal borders on the *insane*. Operating as a six bedroom bed and breakfast, the City required him to have one parking space for each bedroom, plus two for him and his wife as residents. Their underground garage is 2,200 square feet accommodating eight cars and the property has one off-street parking space. He remarked that the new Woodside Avenue sidewalk is used for parking. If this project is approved, the Council should approve parking on both sides of Empire Avenue, which will never happen.

Ruth Meintsma, resident, explained her perspective of the Planning Commission meeting where the *yeas* were for high density and affordable housing and the *nays* supported preserving historic character and she stated that she agrees wholeheartedly with both sides. The density is in keeping with the resort nature of the area but the homes to the east will be affected by the size and wall-like effect of the structure and the arguments are equally balanced but she felt there are issues that tip in favor of the historic homes. The proposed project is in a transition zone, intended to buffer the historic area from the resort's high density. This project creates more impact on historic enclaves. Owners of historic structures are asked to protect them for the benefit of the community with little support. She claimed that 1445 Empire Avenue is close to its original condition and there are very few sites designated as landmarks. She believed that with balanced arguments, the historic one must have the final advantage. Affordable housing can be reconsidered; historic character is finite and irreplaceable. She spoke about the challenge of preserving the character of historic structures when the streetscape changes dramatically. Ms. Meintsma suggested that the design be broken up into two structures and proposed developing an off-site parking plan for tenants. She reiterated that the wall effect is inconsistent with the historic area.

Attorney Bruce Baird repeated concerns about the design of the parking lot with no accommodation for deliveries, guest parking, etc. and a parking plan was not resolved. The snow storage problem is serious. The parking management plan should be part of the CUP process and subject to public comment. The way the applicant is proceeding precludes public input and solving it later in private negotiations is inappropriate and illegal. It is a provision of the CUP. He clarified that they were drawing a conclusion with the statement on the height exception provision not claiming that the language was there and argued that the design violates the LMC. He spoke about the Newland's views being blocked by the massive building which is not transitional. Rick Margolis interjected that he feared the project would return to the Planning Commission as an Affordable Housing MPD and obtain more density.

David Olsen stated that he received an opinion that the value of his home would decrease not less than 25% if this project is built and he again addressed the density on the site.

Liza Simpsons asked if a triplex with the same footprint would be allowed on the site without a CUP and Kayla Sintz advised that single family, duplex or triplex are allowed uses. Cindy Matsumoto stated that she has reviewed the materials and visited the site and appreciates everyone's input. Affordable housing is not an issue for her but she finds that the building mass, bulk and orientation of the building, especially as it relates to the historic buildings, are not appropriate and she felt a better structure could be designed for the site. The land owners are asked to step up to the plate and comply with Historic District Guidelines and she felt the developer should do the same and mitigate any outstanding issues. The parking needs to be solved.

Liza Simpson stated that she shares the same concerns about parking and referred to the Planning Commission minutes where there was interest in continuing the item to discuss parking further. Other than the parking, Ms. Simpson stated that she did not feel any other aspects of the appeal have merit. She suggested remanding the project to the Planning Commission on a very narrow scope to consider breaking up the rear façade stating that she did not feel that the Commission erred in any other way. The Commission did not finish its discussion on parking.

Alex Butwinski agreed with Council members Matsumoto and Simpson and relayed that it should be remanded to the Commission for another look to review the rear façade and possibly considering moving the building forward. Candace Erickson agreed. Joe Kernan interjected that he did not believe the Planning Commission erred in any way. Discussion ensued on what specific criteria to identify and Mark Harrington advised that staff will return to Council with written findings and conclusions memorializing its direction on the appeal.

Liza Simpson, "<u>I move that we remand 1440 Empire to the Planning Commission with direction to further mitigate Criteria #8, with specific direction to review the rear façade facing the historic homes</u>". Cindy Matsumoto seconded. <u>Motion carried</u>.

Alex Butwinski	Aye
Candace Erickson	Aye
Joe Kernan	Nay

Cindy Matsumoto	Aye
Liza Simpson	Aye

9. Consideration of a Master Event License and City Services Agreement with the Park Silly Sunday Market for an initial three-year term, in a form approved by the City Attorney (continued) – Jon Weidenhamer distributed revised agreements which contains extended hours, removes references to the expansion up to 5th Street, and allows Council to approve an expanded venue based on feedback from the HMBA as part of the review of a supplemental plan. He reviewed other sections of interest in the Agreement and pointed out provision for a mid-event review, if necessary. He stated that PSSM will receive $30,000 for marketing media and cross-promotion and $10,000 for the expanded market, if approved, special event fees will be waived, and the $10,000 in-kind value is still in place. The HMBA will receive $40,000 for programming upper Main Street. PSSM would like Council to approve the Agreement tonight and he emphasized that all parties will work together on an expansion to 5th Street during the next two weeks. If a plan does not materialize, the Agreement stands as approved. Joe Kernan, "I move that we approve the contract with the Park Silly Sunday Market, as amended by Jonathan and shown on the hand-out". Liza Simpson seconded. Motion carried.

Alex Butwinski	Aye
Candace Erickson	Nay
Joe Kernan	Aye
Cindy Matsumoto	Aye
Liza Simpson	Aye

VI ADJOURNMENT

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

MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 3:30 p.m. Members in attendance were Mayor Dana Williams, Alex Butwinski, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Tom Daley, Deputy City Attorney; Michael Kovacs, Assistant City Manager; Jon Weidenhamer, Economic Development Manager; and Mark Harrington, City Attorney. Joe Kernan "I move to close the meeting to discuss property and litigation". Alex Butwinski seconded. Motion carried unanimously. The meeting opened at approximately 5:00 p.m. Liza Simpson, "I move to open the meeting". Cindy Matsumoto seconded. Motion unanimously carried.

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

Prepared by Janet M. Scott, City Recorder

Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
MARCH 4, 2010

I ROLL CALL

Mayor Dana Williams called the regular meeting of the City Council to order at approximately 6 p.m. at the Marsac Municipal Building on Thursday, March 4, 2010. Members in attendance were Dana Williams, Alex Butwinski, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Craig Sanchez, Director of Golf; Michael Kovacs, Assistant City Manager; Kathy Lundborg, Water Manager; Kayla Sintz, Planner; and Mark Harrington, City Attorney.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

1. Council comments, questions and/or disclosures – Candace Erickson informed members to expect to see bills that did not pass this year, return next year in some form. Museum activities were discussed. Cindy Matsumoto reported on the School District planning committee. Liza Simpson noted that she attended the Lodging Association where members seemed optimistic about the market. She discussed a pending study of properties rented by owners rather than property management companies and hoped the City could provide some information. Alex Butwinski spoke about the Public Art Advisory Board meeting.

The Mayor commented on an environmental meeting held in Salt Lake and the importance of Utah remaining a member of the Western Governors Conference on Climate Change. He stated that the City has been working with USSA on recognizing our Olympians. A resolution will be presented to Council next week and an event will be planned once the athletes return to town. Liza Simpson added that the Ambassadors are looking at honoring the athletes at the 4th of July Parade and Craig Sanchez reported on USSA schedules. The Mayor spoke about Google's invitation to cities to apply for a build and test ultra high-speed broadband network, and Park City's application will be coming to Council in two weeks.

2. Legislative update – Michael Kovacs reported on a water rights bill and an associated City amendment, and noted that the last day of the session is March 11. He updated members on school equalization measures and felt that this bill will return next year. The status of the property transfer tax, state retirement plan, anti-trust, off-highway vehicles, and MIDA bills were discussed. Joe Kernan believed off-highway vehicles may be an efficient way to travel in Park City in milder weather and Candace Erickson pointed out the dangers of traveling SR224 or SR248 in a small unprotected vehicle. Renewable energy grants to citizens were discussed and Mark Harrington believed a program could be designed similar to the Historic District Grant Program and Ms. Erickson suggested using the special improvement district approach to utilities.

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

None.

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

1. Consideration of a professional service agreement, in a form approved by the City Attorney, with Bowen, Collins and Associates for engineering services related to the design and construction management of the Judge Tunnel Pipeline in an amount of $699,769 – Kathy Lundborg introduced Clint McAfee, project manager. She explained that the contract is for the design of the pipeline from the portal to the Quinns Junction treatment plant and will allow the City to divert or blend water. Construction is anticipated in the fall. In response to a question from the Mayor about routing to the Ontario, Ms. Lundborg explained that an analysis was conducted on this option and it was determined that costs were much higher and there is more flexibility for the City with this approach. The Mayor invited public input; there was none. Alex Butwinski, "I move that Council authorize the City Manager to execute a professional service agreement, in a form approved by the City Attorney with Bowen, Collins and Associates for engineering services related to the design and construction management of the Judge Tunnel Pipeline, in an amount of $699,769". Joe Kernan seconded. Motion unanimously carried.

2. Consideration of findings of fact, conclusions of law and order regarding the appeal of a Conditional Use Permit for 1440 Empire Avenue heard by the City Council on February 25, 2010 – Kayla Sintz pointed out a few recommended changes to the draft in the packet and read them into the record. Liza Simpson questioned the loss of light finding and Mark Harrington explained that it is included in the criteria for a CUP and referred to the shadow studies. Alex Butwinski felt it should be removed because he didn't feel the decision to remand was based on loss of light. After discussion, a majority of members felt the loss of light finding should remain. The Mayor invited public input.

John Stafsholt, Woodside Avenue, stated that he attended some of the hearings and encouraged the Council to look at a realistic number of parking spaces because 12 can not accommodate the number of beds.

Liza Simpson, "I move we approve the findings of fact, conclusions of law and order regarding the appeal of a Conditional User Permit for 1440 Empire Avenue heard by the City Council on February 25, as amended by Kayla". Alex Butwinski seconded. Motion carried.

Alex Butwinski	Aye
Candace Erickson	Aye
Joe Kernan	Abstention
Cindy Matsumoto	Aye

Liza Simpson Aye

V ADJOURNMENT

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

MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 6:30 p.m. Members in attendance were Mayor Dana Williams, Alex Butwinski, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Matt Cassel, City Engineer; Michael Kovacs, Assistant City Manager; Tom Daley, Deputy City Attorney; and Mark Harrington, City Attorney. Joe Kernan, "I move to close the meeting to discuss property, litigation and personnel". Liza Simpson seconded. Motion carried unanimously. The closed session adjourned at approximately 9 p.m.

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

Prepared by Janet M. Scott

____

Janet M. Scott, City Recorder

City Council Staff Report

Subject: Resolution of Support for "Google Fiber for Communities"
Author: Scott Robertson
Department: Information Technology (IT)
Date: March 18, 2010
Type of Item: Administrative

Summary Recommendations:

Staff recommends that City Council adopt the resolution declaring Park City Municipal Corporation's support for the City's "Request For Information" (RFI) submission to Google.

Background:

The purpose of Google's Request for Information is to identify one or more communities to build and test ultra high-speed broadband networks thus delivering "Internet speeds more than 100 times faster than what most Americans have access to today." The service would be offered at competitive prices. Google will interview prospective cities before making a final decision, at which time more information should become available.

Analysis:

If Park City is selected, Google would install a high-speed advanced fiber optic network to experiment with the installation, management, and development of new bandwidth-intensive Internet applications. This type of investment could potentially be worth tens of millions in infrastructure improvements.

Installation: Test new deployment techniques for building fiber networks in order to inform and support deployments elsewhere in the world by sharing key lessons learned.

Management: Provide users the choice of multiple service providers by operating a non-discriminatory, transparent "open access" network.

Development: Provide developers and users the ability to create next generation apps using ultra high-speeds.

The Community Economy Element of the General Plan suggests Park City focus on providing amenities and benefits that would not be available if not for our tourism economy. This "Google Fiber for Communities" project would create incredible opportunities by making Internet access better and faster for everyone. The goals of the Economic Development Strategic Plan recognize this as an "attraction" for both visitors and residents. Potential applications staff envision are: Sundance Festival attendees having unparalled streaming capabilities; students being more efficient; and local small business growth. An ongoing challenge the community faces is remaining competitive in the changing tourism destination market. This opportunity is consistent with Council's goals of being a World Class, Multi-seasonal Resort Community in that our guests and residents would have access to a unique technology and experience that could set us apart from other mountain resort communities.

Additional benefits could include redundancy and support for emergency operations.

Department Review:
Executive, Sustainability

Alternatives:

A. **Approve:**
Show community support for the effort with a vote of approval.

B. **Deny:**
The opportunity would be jeopardized.

C. **Modify:**
The opportunity could be jeopardized since the RFI submittal deadline is March 25, 2010.

D. **Continue the Item:**
The opportunity could be jeopardized since the RFI submittal deadline is March 25, 2010.

E. **Do Nothing:**
The opportunity could be jeopardized since the RFI submittal deadline is March 25, 2010.

Significant Impacts:
As this resolution only garners the initial support for the completion of Google's RFI application, no immediate impacts are noted. However, if Park city is selected, large scale cooperation will be required and a signification amount of staff time will be necessary to make this implementation successful. Staff will continue to support and maintain all critical services.

Consequences of not taking the recommended action:
The opportunity could be jeopardized since the RFI submittal deadline is March 25, 2010.

Recommendation:
Same as Summary Recommendation.

Park City Municipal Corporation

Summit County

Resolution Supporting Park City's Response to Google for an Ultra High-Speed Fiber City Network

WHEREAS, The purpose of Google's RFI is to identify one or more communities to build and test ultra high-speed broadband networks thus delivering "Internet speeds more than 100 times faster than what most Americans have access to today." ; and,

WHEREAS, Park City is a national and international tourism destination, site of the 2002 Olympics, and is capable of providing unprecedented exposure to this new technology to visitors from across the country, and the world; and,

WHEREAS, Park City is a great place to experiment with the installation, management, and development of new bandwidth-intensive Internet applications due to our technological advantages, excellent IT staff and city leadership, and entrepreneurial and energetic approaches to reinvent our city going forward in the economy of the new century;

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council of Park City, Utah fully supports the concept of participation in partnership with Google to develop an ultra-high speed network in Park City and authorizes City staff to submit a response to Google and negotiate with Google on the potential implementation of the high-speed network concept and drafting of a contract for Council approval.

This Resolution shall become effective upon adoption.

PASSED AND ADOPTED this 18th day of March, 2010.

PARK CITY MUNICIPAL CORPORATION

City Council
Staff Report

Author:	**Dave Gustafson**
Subject:	**Ironhorse Transit Facility**
Contract:	**Professional Service Provider C**
Date:	**March 18th, 2010**
Type of Item:	**Administrative: Service Provider Contract**

ECONOMIC DEVELOPMENT AND CAPITAL PROJECTS

Summary Recommendation:
Authorize the City Manager to enter into a professional service provider contract (attached) for the construction materials testing and visual inspection of the Ironhorse Transit Facility construction in a form approved by the City Attorneys Office to Consolidated Engineering Laboratories in an amount not to exceed Fifty Five Thousand Two Hundred and Sixty Three dollars ($55,263.00).

Description:
Topic: Ironhorse Transit Facility Professional Service Provider Contract
Background:

As part of the Ironhorse Transit Facility construction, special inspection and materials testing is required as part of the design specifications, permitting and building codes. The testing and inspection must be performed by certified inspectors and testing technicians. The Request for Proposals (RFP) was sent to numerous firms.

Analysis:
The RFP requested that the bidders provide their qualifications, availability, size and relevant experiences of the firm's staff to be assigned to the project. They were also requested to provide their hourly and unit base prices for the project. A team of three graded the proposals. Consolidated Engineering was rated the highest by the group by providing lowest hourly fees on average and they are qualified to do the work.

Department Review:
City Manager, Economic Development and Capital Projects, Engineering and Building departments have reviewed this report and all comments have been incorporated into the report.

Alternatives:
Approve the Request:
Authorize the City Manager to enter into a Professional Service Provider contract on a form approved by the City Attorneys Office with Consolidated Engineering

Laboratories, in the amount of Fifty Five Thousand Two Hundred and Sixty Three Dollars ($55,263.00).

Deny the Request:
Denying the request would delay the project where special inspection and testing is required for the work on the project.

Continuance:
Delaying a decision would delay the proposed schedule on the project.

Do Nothing:
Delay would impact the project schedule.

Significant Impacts:
The cost for the special inspection and materials testing is budgeted in the soft costs for this project.

Consequences of not taking the recommended action:
Delay would impact the project schedule.

Recommendation:
Staff recommends that Council authorize the City Manager to enter into a professional service provider contract for Ironhorse Transit Facility project in a form approved by the City Attorney's Office with Consolidated Engineering Laboratories in the amount of Fifty Five Thousand Two Hundred and Sixty Three Dollars ($55,263.00).

PARK CITY MUNICIPAL CORPORATION SERVICE PROVIDER/PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made and entered into in duplicate this ____ day of _____________, 2010, by and between PARK CITY MUNICIPAL CORPORATION, a Utah municipal corporation, (“City”), and CONSOLIDATED ENGINEERING LABORATORIES, 2130 South 3140 West, Salt lake City, UT 84119, a California corporation (“Service Provider”).

WITNESSETH:

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

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

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

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

1. SCOPE OF SERVICES.

The Service Provider shall perform such services and accomplish such tasks, including the furnishing of all materials and equipment necessary for full performance thereof, as are identified and designated as Service Provider responsibilities throughout this Agreement and as set forth in the “Scope of Services” attached hereto as “Addendum A” and incorporated herein (the “Project”). The total fee for the Project shall not exceed Fifty Five Thousand Two Hundred Sixty Three Dollars ($55,263.00).

2. TERM.

The term of this Agreement shall commence on the date of execution on this Agreement and shall terminate on December 31st, 2010 or earlier, unless extended by mutual written agreement of the Parties.

3. COMPENSATION AND METHOD OF PAYMENT.

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

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

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

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

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

4. REPORTS AND INSPECTIONS.

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

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

5. INDEPENDENT CONTRACTOR RELATIONSHIP.

A. The parties intend that an independent Service Provider/City relationship will be created by this Agreement. No agent, employee, or representative of the Service Provider shall be deemed to be an employee, agent, or representative of the City for any purpose, and the employees of the Service Provider are not entitled to any of the benefits the City provides for its employees. The Service Provider will be solely and entirely responsible for its acts and for the acts of its agents, employees, subcontractors or representatives during the performance of this Agreement.

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

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

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

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

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

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

8. <u>INSURANCE</u>.

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

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

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

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

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

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

Bodily Injury by Disease $500,000 each employee, $500,000 policy limit

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

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

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

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

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

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

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

C. If this Agreement is entered into for the physical performance of services within Utah the Service Provider shall register and participate in E-Verify, or equivalent program. The Service Provider agrees to verify employment eligibility through E-Verify, or equivalent program, for each new employee that is employed within Utah, unless exempted by Utah Code Ann. § 63G-11-103.

11. **NONDISCRIMINATION**.

A. The City is an equal opportunity employer.

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

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

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

12. **ASSIGNMENTS/SUBCONTRACTING**.

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

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

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

D. Each subcontractor that physically performs services within Utah shall submit an affidavit to the Service Provider stating that the subcontractor has used E-Verify, or equivalent system, to verify the employment status of each new employee, unless exempted by Utah Code Ann. 63G-11-103

13. CHANGES.

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

14. MAINTENANCE AND INSPECTION OF RECORDS.

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

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

15. POLITICAL ACTIVITY PROHIBITED.

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

16. PROHIBITED INTEREST.

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

17. MODIFICATIONS TO TASKS AND MISCELLANEOUS PROVISIONS.

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

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

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

18. TERMINATION.

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

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

19. <u>NOTICE</u>.

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

20. <u>ATTORNEYS FEES AND COSTS</u>.

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

21. <u>JURISDICTION AND VENUE</u>.

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

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

22. <u>SEVERABILITY</u>.

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

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

23. **ENTIRE AGREEMENT**.

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

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

ADDENDUM "A"

SCOPE OF SERVICES

IRON HORSE TRANSIT FACILITY
COST & SCOPE OF SERVICES

REINFORCED CONCRETE

A. Costs

Concrete Sampling, Level I

Estimated Man-hours: 512	Rate per hour: $\$35^{\underline{00}}$	Total Cost: $\$17{,}920^{\underline{00}}$

Reinforcing Steel/Concrete Placement (includes PT)

Estimated Man-hours: 250	Rate per hour: $\$42^{\underline{00}}$	Total Cost: $\$10{,}500^{\underline{00}}$

Compression Tests (103 sets of four and 25 sets of six for PT)

Estimated Number: 562	Rate per cyl: $\$10^{\underline{00}}$	Total Cost: $\$5{,}620^{\underline{00}}$

Subtotal: $\$34{,}040^{\underline{00}}$

B. Scope of Services

Reinforcing Steel Placement

Prior to the pours, our inspector will inspect the reinforcing steel placement to verify that it is according to plans and specifications. Our inspector will check:

- size and spacing of bars;
- location and length of splices;
- clearances;
- cleanliness of bars;
- spacing tolerances;
- proper support of steel with ties.

Concrete Placement

During the pours, our inspector will be on-site continuously, as required by Code, to monitor the placement. Our inspector will perform the following duties:

- assure that no bars are displaced during pouring;
- verify cleanliness of steel;
- confirm the adequacy of placement and vibratory equipment;
- verify proper delivery rate of concrete and monitor batch times;
- assure the correct mix is being utilized;
- monitor slump of each truck;record temperature of air and concrete;
- cast cylinders for compression tests at the specified frequency;
- air checks during concrete placement.

Compression Testing

We will transport all samples to our laboratory for compression testing in strict accordance with ASTM requirements. Reports of compression tests will be distributed to the appropriate parties.

Tendon/Reinforcing Placement
The day before a scheduled pour, we will dispatch a qualified inspector to check the tendon and reinforcing placement for conformance to the project plans and specifications and good construction practices. Our inspector will check tendon and reinforcing placement to ensure compliance with approved plans, and that tendons are securely tied and placed.

Stressing
Continuous inspection will be required during the stressing operations. All elongations and jacking forces will be recorded as the work proceeds. Elongation measurements not within the 5% tolerance will be noted and immediately brought to the attention of the contractor, engineer and owner.

SOILS

A. Costs

Moisture Density Curves Estimated Number: 8	Rate each: $\$100^{\underline{00}}$	Total Cost: $\$800^{\underline{00}}$
Gradations Estimated Number: 8	Rate each: $\$45^{\underline{00}}$	Total Cost: $\$360^{\underline{00}}$
Atterbergs Estimated Number: 4	Rate each: $\$60^{\underline{00}}$	Total Cost: $\$240^{\underline{00}}$
Soil Classifications Estimated Number: 4	Rate each: $\$20^{\underline{00}}$	Total Cost: $\$80^{\underline{00}}$
In-Place Density Testing Estimated Man-hours: 200	Rate per hour: $\$40^{\underline{00}}$	Total Cost: $\$8{,}000^{\underline{00}}$
		Subtotal: $\$9{,}480^{\underline{00}}$

B. Scope of Services
We will provide a qualified technician with a nuclear gauge on site to test backfill and structural fill for relative compaction, per ASTM D2922 and ASTM D1556. Maximum density determination will be performed in the laboratory as directed by ASTM 1557. The engineering evaluation of our test results remains under the direction of the soils engineer.

STRUCTURAL STEEL

A. Costs

Shop Welding Visual Inspection Estimated Man-hours: 20	Rate per hour: $\$45^{\underline{00}}$	Total Cost: $\$900^{\underline{00}}$
Shop Welding NDT Inspection Estimated Man-hours: 10	Rate per hour: $\$50^{\underline{00}}$	Total Cost: $\$500^{\underline{00}}$

Field Welding Visual Inspection
Estimated Man-hours: 40 | Rate per hour: $45.00 | Total Cost: $1,800.00

Field Welding NDT Inspection
Estimated Man-hours: 20 | Rate per hour: $50.00 | Total Cost: $1,000.00

Subtotal: $4,200.00

B. Scope of Services
Shop Inspection

- Material identification and mill certificate review;
- Prequalification of welders and procedures;
- Visual inspection of welding to assure compliance with contract documents;
- Confirm approximate preheat temperature;
- Nondestructive testing of all full penetration welds;
- Continuous inspection of multi-pass fillet welds, full penetration welds and reinforcing steel welding.

Field Inspection

- Prequalification of welders and procedures;
- Nondestructive testing of moment welds and column splices;
- Torque testing of high strength bolts using a calibrated torque wrench;
- Visual inspection of welding to assure compliance with contract documents;
- Inspection of multi-pass fillet welds, full penetration welds and reinforcing steel welding.

MASONRY

A. Costs

Inspection
Estimated Man-hours: 64 | Rate per hour: $42.00 | Total Cost: $2,688.00

Composite Prisms (sets of 5)
Estimated Number: 2 | Rate per set: $200.00 | Total Cost: $400.00

Grout Compression Tests (sets of 3)
Estimated Number: 2 | Rate per set: $45.00 | Total Cost: $90.00

Mortar Compression Tests (sets of 3)
Estimated Number: 2 | Rate per set: $45.00 | Total Cost: $90.00

Subtotal: $3,268.00

B. Scope of Services
Inspector's Duties

- Review mill test certifications of block and reinforcing steel;
- Verify size and spacing of dowels;
- Verify that cleanouts are provided for high-lift grouting methods;
- Inspect proper lay-up of block units;
- Inspect reinforcing steel prior to grouting;

- Inspect dowels, anchor bolts and inserts, to make sure they are in place and properly secured prior to grouting;
- Verify proper consolidation of grout;
- Check that curing requirements are being followed;
- Cast samples of mortar and grout for compression tests;
- Witness preparation of composite prisms and test for compressive strength in our lab. IBC Code requires five tests 28 days prior to production, and three for every 5,000 square feet of wall for each block size.

ASPHALTIC CONCRETE

A. Costs

Field Inspection		
Estimated Man-hours: 30	Rate per hour: $\$40^{\underline{00}}$	Total Cost: $\$1{,}200^{\underline{00}}$
Field Coring (one man crew)		
Estimated Man-hours: 10	Rate per hour: $\$80^{\underline{00}}$	Total Cost: $\$800^{\underline{00}}$
Core Testing (thickness and density verification)		
Estimated Number: 10	Rate per set: $\$40^{\underline{00}}$	Total Cost: $\$400^{\underline{00}}$
Laboratory Marshall Testing		
Estimated Number: 5	Rate per set: $\$250^{\underline{00}}$	Total Cost: $\$1{,}250^{\underline{00}}$
Laboratory Extraction Gradation		
Estimated Number: 5	Rate per set: $\$125^{\underline{00}}$	Total Cost: $\$625^{\underline{00}}$
		Subtotal: $\$4{,}275^{\underline{00}}$

B. Scope of Services

Field Inspection

Our inspector will observe the placement and compaction of the asphaltic concrete. While on site, he will verify that the proper mix, as reviewed by CEL's engineering staff, is placed in accordance with acceptable U-DOT standard recommendations. While on site, he will continuously monitor the temperature of the asphalt as it arrives to the site and the temperature of the asphalt during the rolling process. In addition, he will observe the general appearance of the asphalt and will continuously monitor the thickness of the rolled sections. A laboratory sample would be returned to the laboratory for unit weight analysis in accordance with the U-DOT test procedures. The inspector on site will utilize a nuclear gauge to determine whether or not compacted density, as specified, is obtained in the field.

SUMMARY OF COSTS

• REINFORCED CONCRETE	$\$34{,}040^{\underline{00}}$
• SOILS	$\$9{,}480^{\underline{00}}$
• STRUCTURAL STEEL	$\$4{,}200^{\underline{00}}$
• MASONRY	$\$3{,}268^{\underline{00}}$
• ASPHALT	$\$4{,}275^{\underline{00}}$

Estimated Total: $\$55{,}263^{\underline{00}}$

Basis of Charges

Work over 8 Hours per day, or on Saturdays	
Before 07:00 and After 17:00	Time and One-Half
Work from 0-2 Hours	2-Hour Minimum Billing
Show-Up Time	2-Hour Minimum Billing
Final Affidavit (per permit number)	$200.00 Plus File Review Time
Report Duplication and Clerical	$32.00/Hour
Reimbursables	Cost + 20%
QA/QC Plan	Quotation upon Request
Laboratory Testing Rush Fee	150% of Standard Rates
Out of Area Services	Quotation upon Request
Travel Time Portal to Portal	Basic Hourly Rate

City Council
Staff Report

Subject: **Access and Utilities Easement for 2300 Meadows Drive**
Author: **Matthew Cassel, City Engineer**
Date: **March 18, 2010**
Type of Item: **Legislative**

Summary Recommendations:
Staff recommends that City Council grant an access and utilities easement across City property for the benefit of 2300 Meadows Drive.

Description:
The Access and Utilities Easement would allow the owner of 2300 Meadows Drive access to his property, would allow him to connect into the water line and sewer located in Meadows Drive and would allow for the construction of these service lines to his property.

Background/Analysis:
In October of 1990, the City entered into a purchase, sale and charitable donation agreement with D. A. Osguthorpe for the purpose of purchasing various pieces of property adjacent to the City and to acquire water rights. The acquisition included properties on the SR 224 entry corridor (the Farm) and properties in Park Meadows and Prospector areas. The East Hill Parcel (includes the "PC" on the hill) was conveyed to the City with the exception of the subject two-acre parcel. The Agreement states that the City agrees to provide water and access to the two-acre parcel. The Osguthorpes contemplated as part of the purchase agreement to construct one residential structure and agreed to construct it in such a way as to minimize its visibility from Park Meadows. As part of the agreement, the Osguthorpes petitioned to have this parcel annexed into Park City, which was granted. Although the parcel was carved out of the acquisition, a legal lot of record was never created and the two acres remained a metes and bounds parcel.

In August of 1991, the City annexed all the properties acquired from the Osguthorpes, including the two acre parcel. All the property was annexed and zoned as Recreation Open Space (ROS). In October of 1994, the City approved a zone change for the two-acre parcel from ROS to Single Family (SF). As part of the rezone, the Osguthorpes offered the following deed restrictions: location of building envelope for residence; compliance with architectural guidelines of Park Meadows 6A subject to review by City planning staff (which specifies a maximum house size of 10,000 sq. ft.); restriction on re-subdividing the property into more than one parcel.

The McCartys purchased the parcel from the Osguthorpes in 2008. On August 26, 2008, the City received a complete application from the McCartys to create a legal lot of record from this two-acre metes and bounds parcel. The subdivision application created a one lot subdivision. The applicant requested placing a promised easement across

City property for access to Meadows Drive. The 2300 Meadows subdivision plat was approved by City Council on April 9, 2009 but requires the execution of this easement as a condition of approval for the plat to be recorded with Summit County.

Along with the access and water service across City property, sewer service to 2300 Meadow Drive will also be required. The proposed sewer lateral has been designed so it will be located within the proposed access easement. Snyderville Basin Water Reclamation District (SBWRD) also requires the easement to be recorded with Summit County before they will sign the 2300 Meadows Drive subdivision plat.

Department Review:
This report has been reviewed by City Manager, Legal, Building, Water and Planning. All concerns raised by these departments have been incorporated herein.

Alternatives:

A. Approve the Request:
Approving the easement will allow for access to 2300 Meadows Drive and allow for the construction of the water service line and the sewer lateral. This is Staff's recommendation.

B. Deny the Request:
Denying the easement will then not allow construction to start on 2300 Meadows Drive.

C. Continue the Item:
If the Council desires more information about the easement, the item may be continued.

D. Do Nothing:
This would have the same affect as denying the request for the easement.

Significant Impacts:
There are no significant impacts arising from the recommended action.

Consequences of not taking the recommended action:
If the easement is not granted, construction on the proposed home located at 2300 Meadows Drive cannot occur.

Recommendation:
Staff recommends that City Council grant an access and utilities easement across City property for the benefit of 2300 Meadows Drive.

Attachments: Access and Utilities Easement,
Exhibit of Easement.
Section from 2300 Meadows – Purchase Agreement with Osguthorpes

When recorded return to:
PARK CITY MUNICIPAL CORPORATION
Attention Engineering Division
P O Box 1480
Park City UT 84060

GRANT OF
ACCESS AND UTILITIES EASEMENT

For valuable consideration; the receipt and sufficiency of which is hereby acknowledged, PARK CITY MUNICIPAL CORPORATION, a Utah municipal corporation, located in Summit County in the State of Utah, "Grantors", hereby grants to DAVID MCCARTY AND CELIA MCCARTY, "Grantees", An access and utilities easement, across and through the following described property, which easement shall be as described on Exhibit "A" which is attached hereto and incorporated herein by this reference, for the purpose of construction, operation, maintenance and repair of an access, water service and sewer lateral to 2300 Meadows Drive.

Upon completion of any construction, operation, maintenance and repair activities, Grantees shall restore the surface of the land disturbed within the easement area to as near as practicable to its original condition.

Grantor(s) agree to not construct or to permit others to construct or install any fences, hard surfaced areas, or other permanent or temporary obstructions or improvements within the boundaries of the easement area that might interfere with the Grantee's ability to gain access to the easement for operation, maintenance and repair purposes. Any such obstruction installed or permitted to be constructed, installed or maintained within the boundaries of the easement area shall be removed at Grantor's sole expenses.

All maintenance activities including snow removal and snow storage shall, remain within the easement. Hard surface shall not exceed 15 feet in width at any given point within the easement. Existing drainages across the easement shall be maintained and protected.

Dated this _____ day of _________, 2010.

GRANTOR: **PARK CITY MUNICIPAL CORPORATION**

____
Dana Williams, Mayor/Chairman

Attest:

____
City Recorder's Office

Approved as to Form:

____
City Attorney's Office

GRANTEES: ____

By: ______________________________________ (sign name and title)

By: ______________________________________ (print name and title)

STATE OF UTAH)
) ss.
COUNTY OF SUMMIT)

On this day of , 2009, before me, the undersigned notary, personally appeared , personally known to me/proved to me through identification documents allowed by law, to be the person whose name is signed on the preceding or attached document, and acknowledged that he/she signed it voluntarily for its stated purpose as _______________________ *(title)* for _______________________________, a corporation.

____
Notary Public

EXHIBIT A

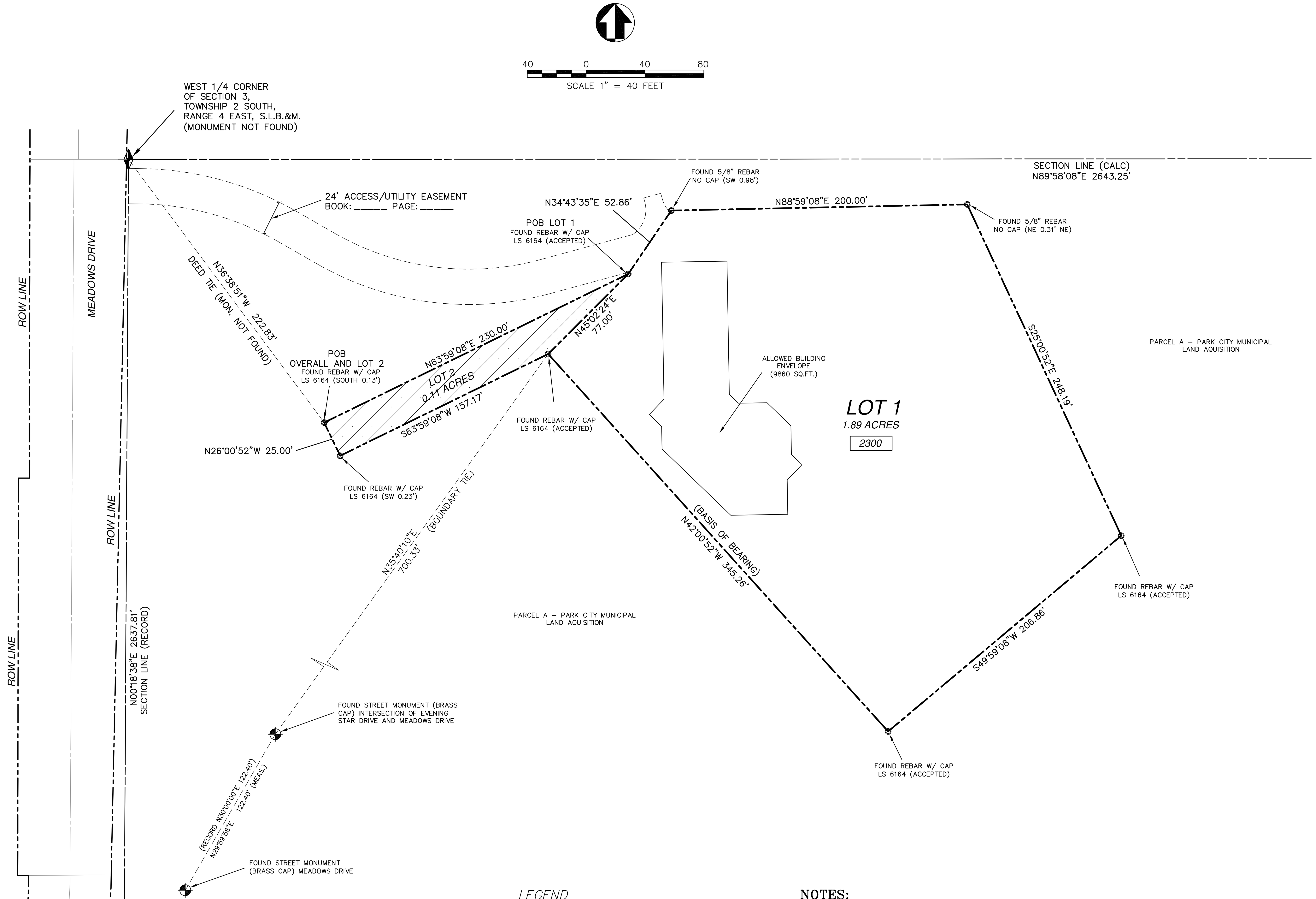
A parcel of land lying and situate in the Southwest Quarter of Section 3, Township 2 South, Range 4 East, Salt Lake Base and Meridian. Said parcel being more particularly described as follows:

COMMENCING at a found street monument at the intersection of Evening Star Drive and Meadows Drive, Park Meadows Subdivision No. 5, according the official plat thereof on file with the Summit County Recorder's Office; thence North 35°40'10" East 700.33 feet; thence South 63°59'08" West 157.17 feet; thence North 26°00'52" West 25.00 feet; thence North 63°59'08" East 230.00 feet; thence North 34°43'35" West 1.63 feet to the **POINT OF BEGINNING**; thence South 74°47'07" West 56.82 feet; thence Westerly 162.58 feet along the arc of a 207.00 foot radius curve to the right (chord bears North 82°42'53" West, 158.43 feet) through a central angle of 45°00'00"; thence North 60°12'53" West 31.40 feet; thence Westerly 99.80 feet along the arc of a 193.00 foot radius curve to the left (chord bears North 75°01'42" West, 98.69 feet) through a central angle of 29°37'38"; thence North 89°50'31" West 6.25 feet to the West line of the Southwest Quarter of said Section 3; thence North 00°18'38" East 24.00 feet coincident with said West line; thence South 89°50'31" East 6.18 feet; thence Easterly 112.21 feet along the arc of a 217.00 foot radius curve to the right (chord bears South 75°01'42" East, 110.96 feet) through a central angle of 29°37'38"; thence South 60°12'53" East 31.40 feet; thence Easterly 143.73 feet along the arc of a 183.00 foot radius curve to the left (chord bears South 82°42'53" East, 140.06 feet) through a central angle of 45°00'00"; thence North 74°47'07" East 65.44 feet; thence Northerly 25.06 feet along the arc of a 20.00 foot radius curve to the left (chord bears North 20°40'51" East, 23.45 feet) through a central angle of 71°47'27"; thence North 15°12'53" West 3.00 feet; thence North 74°47'07" East 12.00 feet; thence South 15°12'53" East 3.81 feet; thence Southerly 8.75 feet along the arc of a 20.00 foot radius curve to the left (chord bears South 27°44'31" East, 8.68 feet) through a central angle of 25°03'16"; thence North 88°59'08" East 3.05 feet; thence South 34°43'35" West 51.23 feet to the **POINT OF BEGINNING.**

Contains 9,166 sq. ft. / 0.210 acres.

2300 MEADOWS DRIVE SUBDIVISION

LOCATED IN THE SOUTHWEST QUARTER OF SECTION 3, TOWNSHIP 2 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN PARK CITY, SUMMIT COUNTY, UTAH



LEGEND

- FOUND PROPERTY CORNER
- LOT LINE
- AREA TO BE DEDICATED TO PARK CITY 4,840 SQ. FT.

NOTES:

1. HOUSE MUST COMPLY WITH THE ARCHITECTURAL GUIDELINES OF PARK MEADOWS 6A SUBDIVISION. MAXIMUM HOUSE SIZE IS 10,000 SQUARE FEET
2. RE–SUBDIVISION OF THE PROPERTY IS PROHIBITED.
3. MODIFIED 13–D SPRINKLERS SHALL BE REQUIRED FOR ALL NEW CONSTRUCTION.

SURVEYOR'S CERTIFICATE

I, Brian D. Arnold, do hereby certify that I am a Professional Land Surveyor, and that I hold Certificate No. 187007 as prescribed by the Laws of the State of Utah. I further certify that by Authority of the Owners I have made a Survey of the Parcel of Land shown on this Plat and have subdivided said Parcel of Land into lots and streets, hereafter known as

2300 MEADOWS DRIVE SUBDIVISION

and that the same has been correctly surveyed and staked on the ground as shown on this Plat.

Brian D. Arnold Date

BOUNDARY DESCRIPTION

BEGINNING at a point South 36°38'51" East 222.83 feet from the West Quarter corner of Section 3, Township 2 South, Range 4 East, Salt Lake Base and Meridian, and running thence North 63°59'08" East 230.00 feet; thence North 34°43'35" East 52.86 feet; thence North 88°59'08" East 200.00 feet; thence South 25°00'52" East 248.19 feet; thence South 49°59'08" West 206.86 feet; thence North 42°00'52" West 345.26 feet; thence South 63°59'08" West 157.17 feet; thence North 26°00'52" West 25.00 feet to the POINT OF BEGINNING.

Contains 2.00 acres more or less

LOT 1 – DESCRIPTION

BEGINNING at a point South 36°38'51" East 222.83 feet and North 63°59'08" East 230.00 feet from the West Quarter corner of Section 3, Township 2 South, Range 4 East, Salt Lake Base and Meridian, and running thence North 34°43'35" East 52.86 feet; thence North 88°59'08" East 200.00 feet; thence South 25°00'52" East 248.19 feet; thence South 49°59'08" West 206.86 feet; thence North 42°00'52" West 345.26 feet; thence North 45°02'24" East 77.00 feet to the POINT OF BEGINNING.

Contains 1.89 acres more or less

LOT 2 – DESCRIPTION

BEGINNING at a point South 36°38'51" East 222.83 feet from the West Quarter corner of Section 3, Township 2 South, Range 4 East, Salt Lake Base and Meridian, and running thence North 63°59'08" East 230.00 feet; thence South 45°02'24" West 77.00 feet; thence South 63°59'08" West 157.17 feet; thence North 26°00'52" West 25.00 feet to the POINT OF BEGINNING.

Contains 0.11 acres more or less

OWNER'S DEDICATION AND CONSENT TO RECORD

KNOW ALL MEN BY THESE PRESENTS that we, David McCarty and Celia McCarty, the undersigned owner( ) of the herein described tract of land, to be known hereafter as the 2300 MEADOWS DRIVE SUBDIVISION, does hereby certify that we have caused this Subdivision Plat to be prepared and hereby consent to the recordation of this Subdivision Plat.

ALSO, the owner or his representative, hereby irrevocably offers for dedication to the City of Park City all the streets, land for local government uses, easements, parks, and required utilities and easements shown on the plat in accordance with an irrevocable offer of dedication.

In witness whereof, the undersigned set his(her) hand this ________ day of ________ 2010.

David McCarty
Owner

Celia McCarty
Owner

ACKNOWLEDGMENT

STATE OF UTAH
S.S.
COUNTY OF ________

On this ________ day of ________ , 2010, personally appeared before me, the undersigned notary public in and for the County of________ in said State of Utah, the signers of the above Owner's Dedication, two in number, who duly acknowledged to me that he , David McCarty, and she Celia McCarty, signed it freely and voluntarily for the use and purpose therein mentioned.

NOTARY PUBLIC

PSOMAS
4179 S. Riverboat Road, Suite 200
Salt Lake City, Utah 84123
(801) 270–5777 (801) 270–5782 (FAX)

SNYDERVILLE BASIN WATER RECLAMATION DISTRICT

REVIEWED FOR CONFORMANCE TO SNYDERVILLE BASIN WATER RECLAMATION DISTRICT STANDARDS ON THIS ______ DAY OF ____________, 2010.

BY
SBWRD

PARK CITY PLANNING COMMISSION

APPROVED BY THE PARK CITY PLANNING COMMISSION THIS ______ DAY OF ____________, 2010.

BY
CHAIR

ENGINEER'S CERTIFICATE

THIS PLAT IS IN ACCORDANCE WITH INFORMATION ON FILE IN THE PARK CITY ENGINEERING DEPARTMENT THIS ______ DAY OF ____________, 2010.

BY
PARK CITY ENGINEER

APPROVAL AS TO FORM

APPROVAL AS TO FORM ON THIS ______ DAY OF ____________, 2010.

BY
PARK CITY ATTORNEY

CERTIFICATE OF ATTEST

I CERTIFY THIS SUBDIVISION PLAT WAS APPROVED BY PARK CITY COUNCIL THIS ______ DAY OF ____________, 2010.

BY
PARK CITY RECORDER

COUNCIL APPROVAL AND ACCEPTANCE

APPROVAL AND ACCEPTANCE BY THE PARK CITY COUNCIL THIS _______ DAY OF ____________, 2010.

BY
MAYOR

RECORDED

ENTRY NO.____________ BOOK ______ PAGES ______
STATE OF UTAH, COUNTY OF SUMMIT
RECORDED AND FILED AT THE REQUEST OF:
DATE ___________ TIME _______ FEE $ ______

SUMMIT COUNTY RECORDER

1 OF 1 SHEETS

1990 Purchase + Sale Agreement

Well until annexation of the East Ranch Property or sale of the Estate's prior reservation in Award No. 825 to Park City, whichever event happens first. Park City agrees to use its best efforts to arrange for electrical service in time for the 1991 irrigation season.

* E. **The East Hill Parcel**. The Estate will convey by personal representative's deed to Park City title to the surface estate of a parcel of property containing approximately 95 acres and located east of the Park City High School in Section 3, Township 2 South, Range 4 East, Salt Lake Base and Meridian in Summit County, Utah, excepting therefrom a single two (2) acre lot as shown on Exhibit B. The East Hill Parcel includes the south and west-facing hillsides, the hilltop, ridgetop and creekside areas and is more particularly depicted on Exhibit B attached hereto. Park City agrees to provide City water service to the two-acre lot retained by the Estate. The Estate consents to and agrees to request annexation into Park City prior to development of the two-acre lot. The Estate agrees to comply with the reasonable and customary requirements of annexation. The City agrees that the Estate may use one or more of the water development fee credits described in Paragraph 2 at the rate of $2,500 per credit to pay the usual and normal water development and water connection fees levied by the City for the construction of one single-family dwelling on the lot. Park City further agrees to provide access to the lot from existing Meadows Drive and from any future alignments of Meadows Drive, and agrees to re-fence the property at the base of the slope of the mountain in the event a new Meadows Drive is constructed within five years of the date of this Agreement. Both the East Hill Parcel and the two-acre lot are more particularly depicted on Exhibit B hereto. The Estate shall retain title

to the mineral estate of said parcel but waive its right to occupy the surface for mining purposes. The Estate shall convey title to the surface estate of said parcel to Park City subject to those easements, rights-of-way, and service and taxing districts of record against said parcel. Park City agrees to give the Estate, or its successor, open space development credit for this East Hill Parcel against any open space requirement levied by Park City if the remaining property of the Estate, or its successor in interest, in Section 3, Township 2 South, Range 4 East (the East Ranch Property), is annexed to Park City. The Estate will comply with all other reasonable and customary requirements of annexation. Until the Estate's remaining property in Section 3 is annexed into Park City or until five years from the date of this Agreement, whichever is sooner, Park City agrees to lease the East Hill Parcel to the Estate for buck pasture for no more than 60 rams for a $1.00 per year rental fee pursuant to the lease agreement attached hereto as Exhibit C.

PHASE II PROPERTIES N/A

A. ~~The Dairy Property Parcel. Osguthorpe will convey to Municipal Building Authority of Park City the surface estate to his lands, the barn, and other appurtenances located in Sections 5 and 6, Township 2 South, Range 4 East, Salt Lake Base and Meridian, lying west of Highway 224, less that real property to be taken by UDOT for highway and wetland purposes. Osguthorpe shall retain title to the mineral estate of said parcel but waive his right to occupy the surface for mining purposes. Osguthorpe shall convey title to the surface estate of said parcel to Municipal Building Authority of Park City subject to those~~

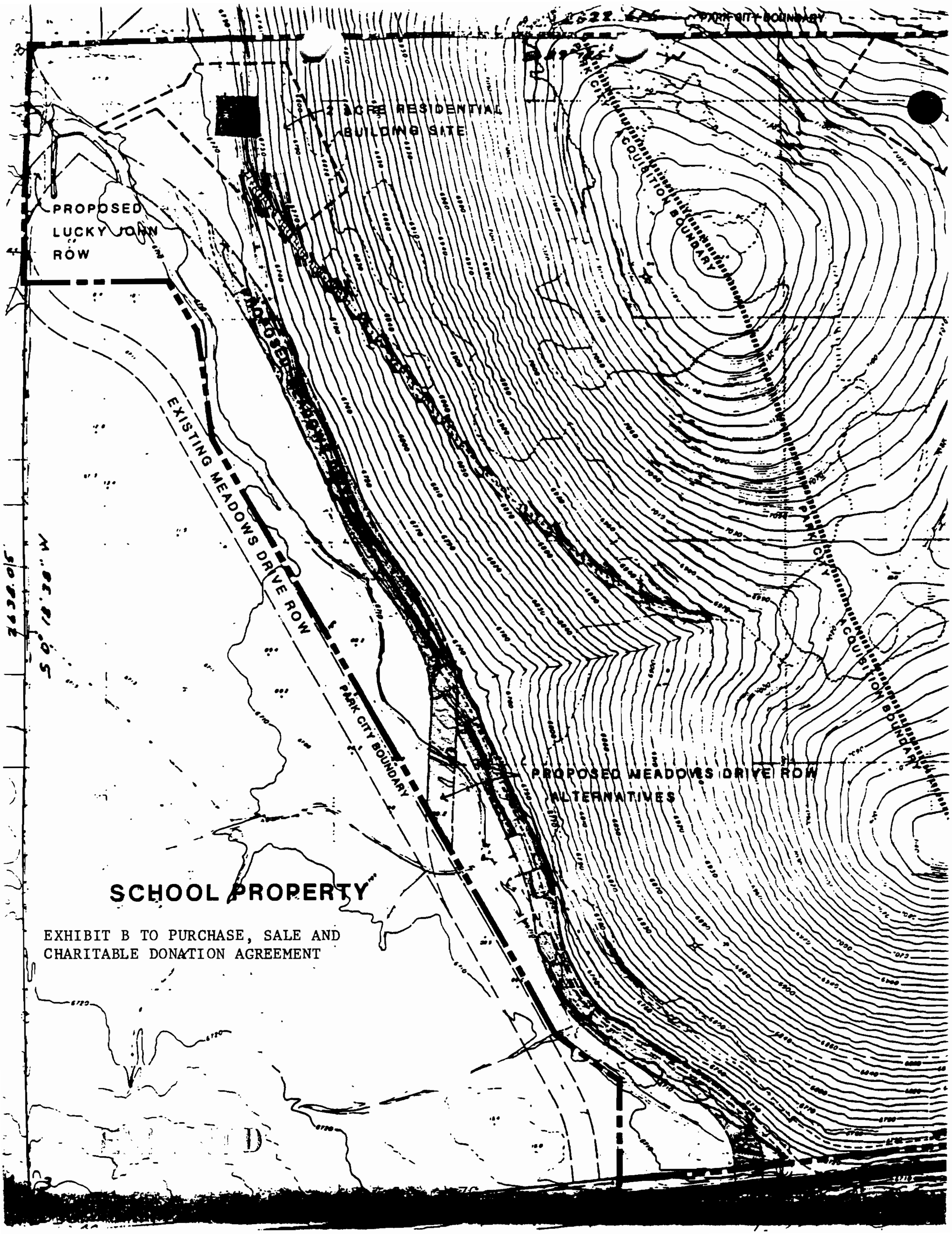


EXHIBIT B TO PURCHASE, SALE AND CHARITABLE DONATION AGREEMENT

City Council
Staff Report

Subject: 2010 GO Bond Parameters Resolution
Author: Jed Briggs
Department: Budget, Debt, & Grants
Date: March 18, 2010
Type of Item: Legislative

Summary Recommendations:
Staff recommends that Council approve the attached parameters resolution related to the proposed 2010 Series General Obligation bond issuance for open space purchases and refunding of the 2000 Series GO Bond.

Topic/Description:
Open Space GO Bond Parameters Resolution

Background:
In November of 2006, Park City residents approved the issuance of $20 million of General Obligation bonds for the purchase and preservation of open space. In December 2008, the City purchased open space at Kimball Junction and Round Valley for which a $10 million bond was issued. While the cost of the open space exceeded $10 million, the City bonded for this amount so the bonds would be bank qualified, netting a more favorable interest rate for the City. Last year, the City bonded for the remainder of the purchase price (approximately $2 million). At this same time the City bonded for the purchase of the Gambel Oaks land for open space at a cost of $2 million as well. That leaves a remaining balance of $6 million for open space bonding.

Last year Council approved the purchase of parcel PP-25-C from Herb and Mel Armstrong (136 acres). This land is protected as open space and encumbered by a conservation easement. The City purchase price was roughly $5 million—the price per acre is generally in alignment with historical prices paid by Park City for open space. $4.3 million of this purchase needs to be reimbursed, while $700k was paid for with carryforward funds.

Last month Council approved the purchase of a conservation easement ($5.75 million) of parcel SS-98 from the Osguthorpe family. The City paid $4.75 million and the Summit Land Conservancy is fundraising for the remaining $1 million. It was proposed that of the $4.75 million, $1.7 of that would be open space bond funds.

Finally, in 2000, the City issued General Obligation bonds for the purchase of open space. Those bonds are callable this year, and staff recommends that the City take advantage of the current market's more favorable rates and refund the 2000 bonds. $2.4 million in principal remain on the bonds with an interest rate of about 5% annually. It is expected that the City could gain substantial savings in interest expense by refinancing the bonds now.

Analysis:
The attached parameters resolution sets the parameters of the GO bond issuance and initiates the process of public notice. The resolution sets the maximum issuance amount at $9 million and defines the project as follows:

> The City intends to issue general obligation bonds for the purpose of (1) acquiring, improving and forever preserving park and recreational land, together with related historical or cultural improvements, to protect the conservation values thereof, remove existing unneeded man-made improvements, and make limited improvements for public access, parking and use (the *"Open Space Project"*), (2) refunding all or a portion of the City's outstanding General Obligation Bonds, Series 2000 and (3) paying the costs incurred in connection with the issuance and sale of the general obligation bonds. As permitted by law, the Open Space Project need not lie within the limits of the City.

The resolution also establishes the format for public notice, which should be published in the Park Record on May 20, 2010. The public notice will announce a public hearing to be held on April 22, 2010, and will initiate a 30 day period in which interested parties may contest the legality of the resolution or the bonds.

The resolution also establishes maximum terms of 6% interest, 16 years, and 1% discount from par. Currently, the average coupon rate on a municipal bond with a AA rating could be less than 4%. Staff anticipates that the actual interest rate of the bond would be closer to the current rate than the 6% maximum. The parameters allow for a maximum 1% discount from par, which would be necessary if interest rates were higher than the coupon rate on the bond. However, staff plans to do a competitive sale with this bond and does not expect to sell the bonds for less than the face value.

Staff anticipates bringing a final bond resolution before Council on April 22. In the event that Council passes the final bond resolution on that date, staff would proceed with the bond closing on or after May 4, 2010. It is important that the issuance proceed during the current fiscal year in order to have proceeds available for expenses which have already transpired and which are likely to transpire during fiscal year 2010.

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

Alternatives:

A. **Approve:**
Staff recommends approving the attached parameters resolution related to the proposed 2010 Series GO bond issuance.

B. **Deny:**
So doing could impact the timing and funding of related projects and purchases

C. **Modify:**

D. Continue the Item:
This may impact the timing of projects and purchases.
E. Do Nothing:
This would have a similar impact as B.

Significant Impacts:
The parameters resolution is the first step in initiating a bond issuance. This bond issuance is anticipated and voter-approved as the funding source for the purchase of open space. The funding would allow staff to continue with the current timing of the issuance.

Consequences of not taking the recommended action:
The reimbursement of the purchase of identified open space parcel projects could be delayed until Council decides to move forward with the bond issuance.

Recommendation:
Staff recommends that Council approve the attached parameters resolution related the proposed 2010 Series GO bond issuance.

Attachments:
A – Parameters Resolution

RESOLUTION NO. _____-10

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF UP TO $9,000,000 AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF PARK CITY, UTAH; FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE THAT THE BONDS MAY BEAR AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; PROVIDING FOR THE HOLDING OF A PUBLIC HEARING AND THE PUBLICATION OF A NOTICE OF PUBLIC HEARING; PROVIDING FOR THE PUBLICATION OF A NOTICE OF BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AUTHORIZING THE ADVERTISEMENT FOR SALE OF THE BONDS AND THE CIRCULATION OF AN OFFICIAL STATEMENT WITH RESPECT THERETO; AND PROVIDING FOR RELATED MATTERS.

*** *** ***

WHEREAS, at the special bond election duly and lawfully called and held in Park City, Utah (the *"City"*) on November 7, 2006 (the *"2006 Special Bond Election"*), the issuance of $20,000,000 principal amount of general obligation bonds was authorized for the purpose of acquiring, improving and forever preserving park and recreational land, together with related historical or cultural improvements, to protect the conservation values thereof, remove existing unneeded man-made improvements, and make limited improvements for public access, parking and use (the *"Open Space Project"*), the result of which election was declared by the City Council of the City (the *"Council"*), sitting as a Board of Canvassers, on November 16, 2006;

WHEREAS, the Open Space Project will remain undeveloped, except for minor access and use improvements, and will be dedicated to the public for continued non-motorized recreational use and visual protection;

WHEREAS, the Open Space Project will help define and enhance the natural, aesthetic and scenic qualities of the City;

WHEREAS, the City has heretofore authorized and issued $14,000,000 of bonds voted at the 2006 Special Bond Election and the City has determined to authorize the issuance and sale at this time of up to an additional $6,000,000 principal amount of the bonds voted at the 2006 Special Bond Election;

WHEREAS, pursuant to the applicable provisions of Title 10 of the Utah Code Annotated 1953, as amended (the *"Utah Code"*), Chapter 14 of Title 11 of the Utah Code and the Utah Refunding Bond Act, Chapter 27 of Title 11 of the Utah Code, and the authorization of the Special Bond Elections, the City has the authority to (A) issue its general obligation bonds for the purpose of paying all or a part of the cost of acquiring, improving and forever preserving the Open Space Project and (B) refunding all or a portion of the City's outstanding General Obligation Bonds, Series 2000 (the *"Refunded Bonds"*), in order to achieve a debt service savings on the City's general obligation bonds;

WHEREAS, the City desires to issue and sell, pursuant to competitive bid, not more than $9,000,000 of its general obligation bonds (the *"Bonds"*) for the purpose of paying the costs of the Open Space Project and refunding, if economically desirable in the City's judgment, all or a portion of the Refunded Bonds in order to benefit the City and its inhabitants by reducing the debt service on the City's indebtedness; and

WHEREAS, Section 11-14-318 of the Utah Code requires that a public hearing be held to receive input from the public with respect to the issuance of the bonds and the potential economic impact that the Open Space Project will have on the private sector and that notice of such public hearing be given as provided by law, and the City desires to cause the publication of such a notice; and

WHEREAS, Sections 11-14-316 11-27-4 of the Utah Code provides for the publication of a Notice of Bonds to be Issued, and the City desires to cause the publication of such a notice at this time in compliance with said Section with respect to such Bonds;

NOW, THEREFORE, Be It Resolved by the City Council of Park City, Utah, as follows:

Section 1. The Council hereby finds and determines that it is in the best interests of the residents of the City for the City to issue the Bonds, in an aggregate principal amount not to exceed $9,000,000 (up to $6,000,000 of which may be used for costs of the Open Space Project and related costs of issuance), to bear interest at a rate or rates of not to exceed seven and fifty hundredths percent (7.50%) per annum, to mature over a period not to exceed sixteen years (16) years from their date or dates, and to be sold at a discount from par, expressed as a percentage of principal amount, of not to exceed one percent (1.00%), pursuant to a resolution to be adopted by the Council authorizing and confirming the issuance and sale of the Bonds (the substantially final form of which is attached hereto as *Exhibit 1* and is herein referred to as the *"Final Bond Resolution"*). Therefore, the City hereby declares its intention to issue the Bonds according to the provisions of this Resolution and the Final Bond Resolution for the purposes described above.

Section 2. The Council hereby finds and determines that the acquisition, improvement and preservation of the Open Space Project is for one or more public purposes. In order to accomplish such purposes, all or a portion of the Project may not lie within the limits of the City, as permitted in Section 11-14-103(2) of the Utah Code.

Section 3. Bids for the purchase of the Bonds shall be received electronically via the PARITY® electronic bid submission system on Thursday, April 22, 2010, up to 9:30 a.m., Mountain Daylight Time (or such other date or time as the City may determine), by the City

Manager of the City at the computer screen in the offices of Municipal Bond Consulting, Inc., the Financial Advisor (the *"Financial Advisor"*) to the City, in Salt Lake City, Utah. All bids so received shall be reviewed and considered at a public meeting of the Council on Thursday, April 22, 2010, at 6:00 p.m., Mountain Daylight Time (or such other date or time as the City may determine), at the Marsac Municipal Building, Council Chambers at 445 Marsac Avenue, Park City, Utah.

Section 4. The City Recorder of the City (the *"City Recorder"*) shall cause an Official Notice of Bond Sale, in substantially the form attached hereto as *Exhibit 2*, to be disseminated electronically by the Financial Advisor.

Section 5. The sale shall be held in accordance with the terms set out in the Official Notice of Bond Sale referred to in Section 4 above.

Section 6. The Mayor of the City (the *"Mayor"*), the City Recorder and the staff of the City are hereby authorized and directed to prepare or cause to be prepared a Preliminary Official Statement for distribution to prospective purchasers of the Bonds. The Preliminary Official Statement shall include descriptions of the City, the Final Bond Resolution, the Bonds, the security and source of payment of the Bonds and such other information as shall be deemed necessary or advisable by the Mayor, the City Recorder and staff, taking into account the advice and recommendations of the Financial Advisor and the City Attorney. Concurrently with its distribution to prospective purchasers, the Preliminary Official Statement shall be "deemed final" by the Mayor or the City Recorder for purposes of Rule 15c2-12 of the U.S. Securities and Exchange Commission. Following the sale of the Bonds, the Mayor, the City Recorder and the staff of the City shall prepare or cause to be prepared a final Official Statement, with such changes to the Preliminary Official Statement as shall be necessary, including, but not limited to, changes to conform the final Official Statement to the final terms and provisions of the Bonds. The final Official Statement shall be executed on behalf of the City by the Mayor or, in the absence or disability of the Mayor, the Mayor Pro Tem.

Section 7. The Council hereby authorizes and approves the issuance and sale of the Bonds, pursuant to the provisions of this Resolution and the Final Bond Resolution, with such changes to the Final Bond Resolution as shall be approved by the Council upon the adoption thereof, *provided* that the principal amount, interest rates, maturity and discount, if any, of and for the Bonds shall not exceed the respective maximums set forth in Section 1 hereof.

Section 8. In satisfaction of the requirements of Section 11-14-318 of the Local Government Bonding Act, a public hearing shall be held by the City on Thursday, April 22, 2010, at 6:00 p.m., at the Marsac Municipal Building, Council Chambers at 445 Marsac Avenue, Park City, Utah, to receive input from the public with respect to the issuance by the City of the Bonds for the purposes set forth in Section 1 hereof and the potential economic impact of the Project on the private sector.

Section 9. The City Recorder shall cause the "Notice of Public Hearing," in substantially the form attached hereto as *Exhibit 3*, to be published (a) once each week for two consecutive weeks in *The Park Record*, a newspaper of general circulation in the City, with the first publication being at least 14 days prior to the date set for the public hearing and (b) on the Utah Public Notice Website no less than 14 days before the public hearing described in Section 8.

Section 10. In accordance with the provisions of Section 11-14-316 of the Local Government Bonding Act, the City Recorder shall cause the "Notice of Bonds to be Issued," in substantially the form attached hereto as *Exhibit 4*, to be published one time in *The Park Record*, a newspaper of general circulation in the City, and shall cause a copy of this Resolution (together with all exhibits hereto) and of the Final Bond Resolution to be kept on file in her office for public examination during the regular business hours of the City until at least thirty (30) days from and after the date of publication thereof.

For a period of thirty (30) days from and after publication of the Notice of Bonds to be Issued, any person in interest shall have the right to contest the legality of this Resolution (including the Final Bond Resolution attached hereto) or the Bonds hereby authorized or any provisions made for the security and payment of the Bonds. After such time, no one shall have any cause of action to contest the regularity, formality or legality of this Resolution (including the Final Bond Resolution) or the Bonds or any provisions made for the security and payment of the Bonds for any cause.

Section 11. It is hereby declared that all parts of this Resolution are severable, and if any section, paragraph, clause or provision of this Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause or provision shall not affect the remaining sections, paragraphs, clauses or provisions of this Resolution.

Section 12. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 13. This Resolution shall take effect immediately upon its adoption.

(Signature page follows.)

ADOPTED AND APPROVED this 18th day of March, 2010.

PARK CITY, UTAH

By ______________________________________
Mayor

[SEAL]

ATTEST AND COUNTERSIGN:

By____________________________________
City Recorder

APPROVED AS TO FORM:

By ______________________________________
City Attorney

EXHIBIT 1

[ATTACH FORM OF FINAL BOND RESOLUTION]

EXHIBIT 2

OFFICIAL NOTICE OF BOND SALE
(Bond Sale To Be Conducted Electronically)

$___________________*
GENERAL OBLIGATION AND REFUNDING BONDS, SERIES 2010
OF
PARK CITY, UTAH

Bids will be received electronically (as described under "PROCEDURES REGARDING ELECTRONIC BIDDING" below) by the City Manager of Park City, Utah (the *"City"*), via the PARITY® electronic bid submission system (*"PARITY®"*), at 9:30:00 a.m., Mountain Daylight Time, on Thursday, April 22, 2010, for the purchase (all or none) of the City's $_____________* aggregate principal amount of General Obligation and Refunding Bonds, Series 2010 (the *"Bonds"*). The bids will be publicly reviewed and considered by the City Council of the City (the *"City Council"*) at a meeting to be held on Thursday, April 22, 2010, at 6:00 p.m., Mountain Daylight Time, at the Marsac Municipal Building, Council Chambers at 445 Marsac Avenue, Park City, Utah.

A portion of the Bonds in the amount of $6,000,000 is the third block to be sold of a total voted authorization of $20,000,000 from a special bond election held in the City on November 7, 2006 (the *"Open Space Authorization"*). After the issuance of the Bonds, the City will have no more Open Space Authorization to issue general obligation bonds.

DESCRIPTION OF BONDS: The Bonds will be dated as of the date of issuance and delivery[1] thereof, will be issuable only as fully-registered bonds in book-entry form, will be issued in denominations of $5,000 or any whole multiple thereof, not exceeding the amount of each maturity, and will mature on May 1 of each of the years and in the principal amounts as follows:

YEAR	PRINCIPAL AMOUNT*	YEAR	PRINCIPAL AMOUNT*
	$		$

* Preliminary; subject to change. See caption "ADJUSTMENT OF PRINCIPAL AMOUNT OF THE BONDS" in this Official Notice of Bond Sale.

1 The anticipated date of delivery of the Bonds is _______________, 2010.

ADJUSTMENT OF PRINCIPAL AMOUNT OF THE BONDS: The City may adjust the aggregate principal amount of the Bonds as described in this paragraph. The adjustment of maturities will not reduce or increase the amount of the Bonds maturing in any year by more than ____ percent (_____%) or $_____, whichever is greater. The dollar amount of the price bid by the successful bidder may be changed as described below, but the interest rates specified by the successful bidder for all maturities will not change. A successful bidder may not withdraw its bid as a result of any changes made within these limits, and the City will consider the bid as having been made for the adjusted amount of the Bonds. The dollar amount of the price bid will be changed so that the percentage net compensation to the successful bidder (*i.e.*, the percentage resulting from dividing (a) the aggregate difference between the offering price of the Bonds to the public and the price to be paid to the City by (b) the principal amount of the Bonds) does not increase or decrease from what it would have been if no adjustment was made to the principal amounts shown above. The City expects to advise the successful bidder as soon as possible, but expects no later than 2:00 p.m., Mountain Standard Time, on the date of sale, of the amount, if any, by which the aggregate principal amount of the Bonds will be adjusted and the corresponding changes to the principal amount of Bonds maturing on one or more of the above-designated maturity dates for the Bonds. Any such adjustment will be in an amount of $5,000 or a whole multiple thereof.

To facilitate any adjustment in the principal amounts, the successful bidder is required to indicate to Municipal Bond Consulting, Inc., the Financial Advisor (the *"Financial Advisor"*) to the City, via e-mail (dminer@mbc-ut.com) within one-half hour of the time of bid opening, the amount of any original issue discount or premium on each maturity of the Bonds and the amount received from the sale of the Bonds to the public that will be retained by the successful bidder as its compensation.

RATINGS: The City will at its own expense pay fees of Moody's Investors Service, Inc., Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc. and Fitch Ratings for rating the Bonds.

PURCHASE PRICE: The purchase price bid for the Bonds shall not be less than the principal amount of the Bonds ($______________*) nor more than 102% of the principal amount of the Bonds ($_______________*).

INTEREST RATES: Bidders must specify the rate of interest with respect to each maturity of Bonds. Bidders will be permitted to bid different rates of interest for each separate maturity of Bonds, but:

(a) the highest interest rate bid for any of the Bonds shall not exceed ______________ percent (___________%) per annum;

(b) beginning with the Bonds maturing on May 1, ___________, the interest rate bid for each succeeding maturity of the Bonds must increase or stay the same;

* Preliminary; subject to change.

(c) each interest rate specified in any bid must be in a multiple of one-eighth or one-twentieth of one percent (1/8th or 1/20th of 1%) per annum;

(d) no Bond shall bear more than one rate of interest;

(e) interest shall be computed from the dated date of a Bond to its stated maturity date at the single interest rate specified in the bid for the Bonds of such maturity;

(f) the same interest rate shall apply to all Bonds maturing at one time;

(g) the purchase price must be paid in immediately available funds and no bid will be accepted that contemplates the cancellation of any interest or the waiver of interest or other concession by the bidder as a substitute for immediately available funds;

(h) any premium must be paid in the funds specified for the payment of the Bonds as part of the purchase price;

(i) there shall be no supplemental interest coupons;

(j) an interest rate of less than one percent (1.00%) may not be used; and

(k) interest shall be computed on the basis of a 360-day year of twelve 30-day months.

Interest will be payable semiannually on May 1 and November 1 of each year, commencing _____________ 1, 2010.

BOND REGISTRAR AND PAYING AGENT; PLACE OF PAYMENT: Zions First National Bank, Salt Lake City, Utah, will be the paying agent and bond registrar for the Bonds. The City may remove any paying agent and any bond registrar, and any successor thereto, and appoint a successor or successors thereto. So long as the Bonds are outstanding in book-entry form, the principal of and interest on the Bonds will be paid under the standard procedures of The Depository Trust Company (*"DTC"*).

REDEMPTION PROVISIONS: The Bonds maturing on or after May 1, 2020, are subject to redemption at the option of the City on ____________ 1, __________ (the *"First Redemption Date"*), and on any date thereafter prior to maturity, in whole or in part, from such maturities or parts thereof as may be selected by the City, and at random within each maturity if less than the full amount of any maturity is to be redeemed, upon not less than thirty (30) days' prior written notice, at a redemption price equal to one hundred percent (100%) of the principal amount of the Bonds to be redeemed, plus accrued interest thereon to the redemption date. Bonds maturing on or prior to the First Redemption Date are not subject to optional redemption.

SECURITY: The Bonds will be full general obligations of the City, payable from the proceeds of ad valorem taxes to be levied without limitation as to rate or amount on all of the taxable property in the City, fully sufficient to pay the same as to both principal and interest.

AWARD: Award or rejection of bids will be made at the Thursday, April 22, 2010 meeting of the City Council referred to above. The Bonds will be awarded to the responsible bidder offering to pay not less than the principal amount of the Bonds ($______________*) nor more than 102% of the principal amount of the Bonds ($______________*) and specifying a rate or rates of interest that result in the lowest effective interest rate to the City. The effective interest rate to the City shall be the interest rate per annum determined on a per annum true interest cost (*"TIC"*) basis by discounting the scheduled semiannual debt service payments of the City on the Bonds (based on such rate or rates of interest so bid) to the dated date of the Bonds (based on a 360-day year consisting of twelve 30-day months), compounded semiannually and to the bid price.

PROMPT AWARD: The City Council will take action awarding the Bonds or rejecting all bids not later than twenty-four (24) hours after the expiration of the time herein prescribed for the receipt of bids, unless such time of award is waived by the successful bidder.

NOTIFICATION: The Financial Advisor, on behalf of the City, will notify the apparent successful bidder by telephone as soon as possible after the City's receipt of bids, that such bidder's bid appears to be the best bid received which conforms to the requirements of this Official Notice of Bond Sale, subject to verification and to official action to be taken at the City Council's Thursday, April 22, 2010 meeting.

PROCEDURES REGARDING ELECTRONIC BIDDING: A prospective bidder must communicate its bid for the Bonds electronically via PARITY® on or before 9:30:00 a.m., Mountain Daylight Time, on Thursday, April 22, 2010. No bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY® conflict with this Official Notice of Bond Sale, the terms of this Official Notice of Bond Sale shall control. For further information about PARITY®, potential bidders may contact Municipal Bond Consulting, Inc., the Financial Advisor, at 3375 South Paige Circle, Salt Lake City, Utah 84109, telephone (801) 486-2005 or I-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, telephone (212) 849-5021.

For purposes of PARITY®, the time as maintained by PARITY®shall constitute the official time.

Each prospective bidder shall be solely responsible to register to bid via PARITY® as described above. Each qualified prospective bidder shall be solely responsible to make necessary arrangements to access PARITY® for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Bond Sale. Neither the City nor i-Deal LLC shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the City nor i-Deal LLC shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY®. The City is using PARITY® as a communication mechanism, and not as the City's agent, to conduct the electronic bidding for the Bonds.

* Preliminary; subject to change.

FORM OF BID: Each bidder is required to transmit electronically via PARITY® an unconditional bid specifying the lowest rate or rates of interest and the purchase price, which shall not be less than the principal amount of the Bonds ($______________*) nor more than 102% of the principal amount of the Bonds ($_______________*), at which the bidder will purchase the Bonds. Each bid must be for all the Bonds herein offered for sale.

For information purposes only, bidders are requested to state in their bids the effective interest rate for the Bonds represented on a TIC basis, as described under "AWARD" above, represented by the rate or rates of interest and the bid price specified in their respective bids.

No bids will be accepted in written form, by facsimile transmission or in any other medium or on any system other than by means of PARITY®; *provided, however,* that in the event a prospective bidder cannot access PARITY® through no fault of its own, it may so notify the Financial Advisor by telephone at (801) 486-2005. Thereafter, it may submit its bid by telephone to the Financial Advisor at (801) 486-2005, who shall transcribe such bid into written form, or by facsimile transmission to the Financial Advisor at (801) 486-2006, in either case before 9:30:00 a.m., Mountain Daylight Time, on Thursday, April 22, 2010. For purposes of bids submitted telephonically to the Financial Advisor (as described above) or by facsimile transmission (as described above), the time as maintained by PARITY® shall constitute the official time. Each bid submitted as provided in this paragraph must specify: (a) an offer to purchase not less than all of the Bonds; and (b) the lowest rate of interest at which the bidder will purchase the Bonds at a price of not less than the principal amount of the Bonds ($______________*) nor more than 102% of the principal amount of the Bonds ($_______________*), as described under "AWARD" above. The Financial Advisor will seal transcribed telephonic bids and facsimile transmission bids for submission to an official of the City. Neither the City nor the Financial Advisor assume any responsibility or liability from the failure of any such transcribed telephonic bid or facsimile transmission (whether such failure arises from equipment failure, unavailability of telephone lines or otherwise). No bid will be received after the time for receiving such bids specified above.

If requested by the Financial Advisor, the apparent successful bidder will provide written confirmation of its bid (by facsimile transmission) to the Financial Advisor prior to 2:00 p.m., Mountain Daylight Time, on Thursday, April 22, 2010.

RIGHT OF CANCELLATION: The successful bidder shall have the right, at its option, to cancel its obligation to purchase the Bonds if the City shall fail to execute the Bonds and tender the same for delivery within 60 days from the date of sale thereof, and in such event the successful bidder shall be entitled to the return of the deposit accompanying its bid.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of $_______________ (the *"Deposit"*), is required of the successful bidder only. The Deposit shall be payable to the order of the City in the form of a wire transfer in federal funds as instructed by the Financial Advisor no later than 12:00 p.m., Mountain Daylight Time, on the date of sale. As an alternative to wiring funds, a bidder may deliver a cashier's or certified check, payable to the order of the City,

* Preliminary; subject to change.

with its bid. If a check is used, it must precede each bid. Such check shall be promptly returned to its respective bidder whose bid is not accepted.

The City shall, as security for the faithful performance by the successful bidder of its obligation to take up and pay for the Bonds when tendered, cash the Deposit check, if applicable, of the successful bidder and hold the proceeds of the Deposit of the successful bidder or invest the same (at the City's risk) in obligations that mature at or before the delivery of the Bonds as described under the caption "MANNER AND TIME OF DELIVERY" below, until disposed of as follows: (a) at such delivery of the Bonds and upon compliance with the successful bidder's obligation to take up and pay for the Bonds, the full amount of the Deposit held by the City, without adjustment for interest, shall be applied toward the purchase price of the Bonds at that time, and the full amount of any interest earnings thereon shall be retained by the City; and (b) if the successful bidder fails to take up and pay for the Bonds when tendered, the full amount of the Deposit plus any interest earnings thereon will be forfeited to the City as liquidated damages.

SALE RESERVATIONS: The City reserves the right: (a) to waive any irregularity or informality in any bid or in the electronic bidding process; (b) to reject any and all bids for the Bonds; and (c) to resell the Bonds as provided by law.

MANNER AND TIME OF DELIVERY: The successful bidder will be given at least seven (7) business days' advance notice of the proposed date of the delivery of the Bonds when that date has been determined. It is now estimated that the Bonds will be delivered in book-entry form on or about Tuesday, June 16, 2010. The Bonds will be delivered as a single bond certificate for each maturity of the Bonds, registered in the name of DTC or its nominee. Delivery of the Bonds will be made in Salt Lake City, Utah, except that the successful bidder may at its option and expense designate some other place of delivery, that expense to include travel expenses of two City officials or two representatives of the City and closing expenses. The successful bidder must also agree to pay for the Bonds in federal funds that will be immediately available to the City in Park City, Utah, on the day of delivery.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with terms of the contract of sale. All expenses in relation to the providing of CUSIP numbers for the Bonds shall be paid for by the City.

TAX-EXEMPT STATUS: In the opinion of Chapman and Cutler LLP, Bond Counsel, subject to the City's compliance with certain covenants, under present law, (i) interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes, (ii) interest on the Bonds is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended (the "*Code*"), (iii) interest on the new money portion of the Bonds is not taken into account in computing adjusted current earnings, which is used in determining the federal alternative minimum tax for certain corporations, but (iv) interest on the Refunded Bonds is taken into account, however, in computing such adjustment used in determining the federal alternative minimum tax for certain corporations. Failure to comply with certain of such Issuer covenants could cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, and Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds.

It is further the opinion of Bond Counsel that under the existing laws of the State of Utah, as presently enacted and construed, interest on the Bonds is exempt from taxes imposed by the Utah Individual Income Tax Act. Bond Counsel expresses no opinion with respect to any other taxes imposed by the State of Utah or any political subdivision thereof. Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers; Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

It is also the opinion of Bond Counsel that the Bonds are "qualified tax-exempt obligations" under Section 265(b)(3) of the Code.

ISSUE PRICE: In order to enable the City to comply with certain requirements of the Code, as amended, the successful bidder will be required to provide a certificate as to the "issue price" of the Bonds. Each bidder, by submitting its bid, agrees to complete, execute and deliver such certificate, in form and substance satisfactory to Bond Counsel, by the date of delivery of the Bonds, if its bid is accepted by the City. It will be the responsibility of the successful bidder to institute such syndicate reporting requirements, to make such investigation or otherwise to ascertain the facts necessary to make such certification.

LEGAL OPINION AND CLOSING CERTIFICATES: The unqualified approving opinion of Chapman and Cutler LLP covering the legality of the Bonds will be furnished to the successful bidder. An opinion of the City Attorney and closing certificates will also be furnished, dated as of the date of delivery of and payment for the Bonds, including a statement that there is no litigation pending or, to the knowledge of the signer thereof, threatened affecting the validity of the Bonds.

DISCLOSURE CERTIFICATE: The closing papers will include a certificate executed by an officer of the City confirming to the successful bidder that, to the best of the knowledge of the signers thereof, and after reasonable investigation: (a) the Preliminary Official Statement (the *"Preliminary Official Statement"*) circulated with respect to the Bonds did not at the time of the acceptance of the bid contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (b) the final Official Statement (the *"Official Statement"*) did not as of its date and does not at the time of the delivery of the Bonds contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided*, should the Official Statement be supplemented or amended subsequent to the date thereof, the foregoing confirmation as to the Official Statement shall relate to the Official Statement as so supplemented or amended.

CONTINUING DISCLOSURE: The City covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the *"Undertaking"*) to provide ongoing disclosure about the City for the benefit of the beneficial owners of the Bonds on or before the date of delivery of the Bonds as required under paragraph (b)(5) of Rule 15c2-12 (the *"Rule"*) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Preliminary Official Statement, with such changes as may be agreed upon in writing by the successful bidder. The City has not failed to comply in all material respects with each and every Undertaking previously entered into by it pursuant to the Rule.

The successful bidder's obligation to purchase the Bonds shall be conditioned upon the City delivering the Undertaking on or before the date of delivery of the Bonds.

DELIVERY OF COPIES OF OFFICIAL STATEMENT: The City shall deliver to the successful bidder on such business day as directed in writing by the successful bidder, which is not earlier than the second business day or later than the seventh business day after the award of the Bonds as described under the caption "AWARD" above, copies of the Official Statement in sufficient quantity, as directed in writing by the successful bidder, to comply with paragraph (b)(4) of the Rule and the Rules of the Municipal Securities Rulemaking Board.

After the original issuance and delivery of the Bonds, if any event relating to or affecting the City shall occur as a result of which it is necessary in the opinion of counsel for the successful bidder to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to a prospective purchaser, the City shall, for so long as the successful bidder is obligated by the Rule to deliver an Official Statement to prospective purchasers, forthwith prepare and furnish to the successful bidder such information with respect to itself as the successful bidder deems necessary to amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading, in the light of the circumstances existing at the time the Official Statement is delivered to a prospective purchaser.

FINANCIAL ADVISOR: The City has entered into an agreement with the Financial Advisor whereunder the Financial Advisor provides financial recommendations and guidance to the City with respect to preparation for sale of the Bonds, timing of sale, tax-exempt bond market conditions, costs of issuance and other factors related to the sale of the Bonds.

WAIVER OF CONFLICTS: By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the City in the Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder represents that the signatory to the bid is duly authorized to, and does consent to and waive for and on behalf of such bidder any conflict of interest of Bond Counsel arising from any adverse position to the City in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

ADDITIONAL INFORMATION: For copies of this Official Notice of Bond Sale, the Preliminary Official Statement and information regarding the electronic bidding procedures and other related information, contact the Financial Advisor, Municipal Bond Consulting, Inc., 3375 South Page Circle, Salt Lake City, Utah 84109, telephone: (801) 486-2005, fax: (801) 486-2006, e-mail: dminer@mbc-ut.com. The Preliminary Official Statement (including the Official Notice of Bond Sale) is also available at www.i-dealprospectus.com.

DATED this _____ day of __________, 2010.

PARK CITY, UTAH

By ____________________________________
Dana Williams
Mayor

[SEAL]

ATTEST:

By ______________________________
Janet M. Scott
City Recorder

EXHIBIT 3

NOTICE OF PUBLIC HEARING — PARK CITY, UTAH

PUBLIC NOTICE IS HEREBY GIVEN that on April 22, 2010, the City Council (the "*City Council*") of Park City, Utah (the "*City*") will hold and conduct a public hearing to receive input from the public with respect to the issuance of general obligation bonds and the potential economic impact that the improvement, facility, or property for which the bonds pay all or part of the cost will have on the private sector, pursuant to Section 11-14-318 of the Utah Code Annotated 1953, as amended.

PURPOSE FOR THE ISSUANCE OF GENERAL OBLIGATION BONDS

The City intends to issue general obligation bonds for the purpose of (1) acquiring, improving and forever preserving park and recreational land, together with related historical or cultural improvements, to protect the conservation values thereof, remove existing unneeded man-made improvements, and make limited improvements for public access, parking and use (the "*Open Space Project*"), (2) refunding all or a portion of the City's outstanding General Obligation Bonds, Series 2000 and (3) paying the costs incurred in connection with the issuance and sale of the general obligation bonds. As permitted by law, the Open Space Project need not lie within the limits of the City.

MAXIMUM PRINCIPAL AMOUNT OF THE GENERAL OBLIGATION BONDS

The City intends to issue general obligation bonds in an amount not to exceed $9,000,000, $6,000,000 to finance the Open Space Project, as authorized at a special bond election duly and lawfully called and held in the City on November 7, 2006.

THE TAXES, IF ANY, PROPOSED TO BE PLEDGED

The City proposes to pledge the full faith and credit of the City for the payment of its general obligation bonds and may be obligated to levy and collect ad valorem taxes without limitation as to rate or amount in order to pay the general obligation bonds, as provided by law.

TIME, PLACE AND LOCATION OF PUBLIC HEARING

The City will hold and conduct a public hearing commencing at approximately 6:00 p.m. on April 22, 2010, during a public meeting that is to begin at 6:00 p.m. on that date. The public hearing will be held at the Marsac Municipal Building, Council Chambers at 445 Marsac Avenue, Park City, Utah. All members of the public are invited to attend and participate in the public hearing. Prior to the public hearing, written comments may be submitted to the City, to the attention of the City Recorder, 1354 Park Avenue, Park City, Utah 84060.

DATED this 18th day of March, 2010.

PARK CITY, UTAH

[SEAL]

By ______________________________
City Recorder

EXHIBIT 4

NOTICE OF BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of Sections 11-14-316 and 11-27-4, Utah Code Annotated 1953, as amended, that on March 18, 2010, the City Council (the *"Council"*) of Park City, Utah (the *"City"*), adopted a resolution (the *"Resolution"*) in which it authorized and approved the issuance of its general obligation bonds (the *"Bonds"*), in the aggregate principal amount of not to exceed Sixteen Million Dollars, to bear interest at a rate or rates of not to exceed seven and fifty hundredths percent per annum, to mature over a period not to exceed sixteen years from their date or dates and to be sold at a discount from par, expressed as a percentage of the principal amount, of not to exceed one percent.

Pursuant to the Resolution, the Bonds are to be issued for the purpose of (A) acquiring, improving and forever preserving park and recreational land, together with related historical or cultural improvements, to protect the conservation values thereof, remove existing unneeded man-made improvements, and make limited improvements for public access, parking and use (the *"Open Space Project"*) and (B) refunding, if economically desirable in the City's judgment, all or a portion of the City's outstanding General Obligation Bonds, Series 2000 (the *"Refunded Bonds"*). The aggregate principal amount of the Bonds, if any, issued for the purpose of refunding the Refunded Bonds may exceed the aggregate principal amount of the Refunded Bonds. The City reserves the right to issue Bonds for the purpose described in clause (A), without issuing the Bonds for the purpose described in clause (B).

The Bonds are to be issued and sold by the City pursuant to the Resolution, including as part of the Resolution the draft of a final bond resolution that was before the City and attached to the Resolution in substantially final form at the time of the adoption of the Resolution. The Council is to adopt that final bond resolution in such form and with such changes thereto as the Council shall approve upon the adoption thereof, *provided* that the principal amount, interest rate or rates, maturity and discount, if any, will not exceed the respective maximums described above.

A copy of the Resolution (including the draft of the final bond resolution attached to the Resolution) is on file in the office of the City Recorder of the City, currently located at the Miners Hospital Building, 1354 Park Avenue, in Park City, Utah, where the Resolution may be examined during regular business hours of the City Recorder from 8:00 a.m. to 5:00 p.m. The Resolution shall be so available for inspection for a period of at least thirty days from and after the date of the publication of this notice.

NOTICE IS FURTHER GIVEN that pursuant to law for a period of thirty days from and after the date of the publication of this notice, any person in interest shall have the right to contest the legality of the above-described Resolution (including the final bond resolution attached thereto) of the City or the Bonds authorized thereby or any provisions made for the security and payment of the Bonds. After such time, no one shall have any cause of action to contest the regularity, formality or legality of the Resolution, the Bonds or the provisions for their security or payment for any cause.

DATED this 18th day of March, 2010.

PARK CITY, UTAH

[SEAL]

By ______________________________
Janet M. Scott
City Recorder

City Council Staff Report

Subject: Resolution of Litigation with Iron Mountain Associates and Consummation of 1998 Open Space Agreement
Author: Thomas A. Daley, Sr., Deputy City Attorney
Department: Legal
Date: March 18, 2010
Type of Item: Administrative

Summary Recommendations:
Authorize the Mayor to execute the documents described herein to: 1) effectuate the dismissal of pending litigation between Park City Municipal Corporation and Iron Mountain Associates, LLC; 2) receive title to 327 acres of land on Iron Mountain; and 3) execute a restrictive covenant which limits activities on approximately 483 additional acres.

Topic/Description:
Resolution of litigation, conveyance of land, and creation of an open space easement and a restrictive covenant.

Background:
On July 17, 1998, Park City, Iron Mountain Associates, LLC. and Iron Mountain Holding Group, LLC (both hereinafter referred to as Iron Mountain) entered into a Land Development and Water Service Agreement and an Agreement for Grant of Open Space Easement/Purchase and Sale of Property. Those agreements expressed the parties' intention to annex Iron Mountain's development known as The Colony into the Park City Water Service District. In exchange, Iron Mountain agreed to convey roughly 600 acres of land to Park City. The deal was structured so that Iron Mountain would initially convey to Park City an open space easement over 600 acres while reserving a recreation easement, and then as the project developed and the parties reached a final determination where the 600 available acres were located, Iron Mountain would convey the land in fee to Park City subject to an open space easement held by Iron Mountain and/or Utah Open Lands.

The initial open space easement was to be conveyed at the same time the agreements were conveyed; that conveyance never occurred. The purchase price of the fee property was initially $3,247,500. In 2002, IMA requested and Park City agreed to double that figure.

Under the terms of the 1998 deal, the amended purchase price for the fee property was due within 10 days of the latest of the following:

1. Recording of the final plat of the final Iron Mountain phase.
2. The date upon which Park City satisfied all of its obligations under the Water Service Agreement.
3. The date upon which Park City received the "Water Service Contract Fee."
4. Seven years from the execution of the agreements (July 16, 2005).

The Land Development and Water Service Agreement obligated Park City to provide culinary water to The Colony. Iron Mountain was to pay the reservation fee for 750 of the 2,500 acre feet of Weber Basin water Park City has contracted to receive from the

Snyderville Basin Project, which is the importation project designed to deliver water to Park City from Rockport Reservoir. The goal of the agreement was to give Park City the benefit of enforcing its general plan *vis a vis* development along the entry corridor without The Colony having to annex into the city limits. Iron Mountain agreed to limit density and conserve open space in exchange for the city providing culinary water. The Colony did intend, however, to annex into the Park City Water Service District. However, due in part to the delay in the construction of a Weber Basin importation project, Iron Mountain subsequently contracted with Mountain Regional Water Special Service District (MRWSSD, Summit County's water service district) for culinary water, and no reservation fees were paid to the city.

Park City's water delivery commitment included reserving sufficient quantities from city sources to meet The Colony's phased demand. The parties set the cost of providing water at $3,250,000; this figure was also doubled in 2002. In 2000, Iron Mountain entered into an agreement with MRWSSD to provide culinary water to The Colony. MRWSSD charged an impact fee of $6,300 per lot within The Colony development for culinary water, which Iron Mountain paid in a lump sum of $1,386,000. That money is being reimbursed to Iron Mountain over time to pay for facilities Iron Mountain has constructed and dedicated to the county. Lot owners are to contract separately with MRWSSD for the purchase of irrigation water. Iron Mountain and MRWSSD also executed on May 1, 2000, a capacity sharing agreement on water distribution facilities constructed by each of the entities. Iron Mountain apparently felt that it was necessary to receive water from MRWSSD in order to get its desired development approvals. According to IMA's previous attorney, Iron Mountain remains interested in Park City acting as a back-up culinary water source and a primary irrigation source.

In 1997, Iron Mountain had entered into a lease agreement and a density transfer agreement with American Skiing Company (ASC) that gave ASC the right to develop some ski-related uses on property, part of which was subject to the open space easement contemplated in the 1998 agreement. Additionally, the School Institution Trust Land Administration (SITLA) owns a property interest over portions of the parcels that will be covered by the restrictive covenant (as discussed below) and has leased that interest to American Skiing Company.[1] The challenge of reconciling uses allowed by the pre-existing ASC lease with those allowed in the proposed conservation easement contributed significantly to the delay in implementing this agreement. The ASC ski lease expired on its own terms, but has been renewed. Additional delays occurred when Iron Mountain suggested it would convey open space in addition to the 600 acres if Park City allowed additional development on what is known as the Warren Claims on Iron Mountain. The city council has declined to make potential amendments the Warren Claims open space easement a part of the resolution of the IMA – PCMC lawsuit.

The intention of the parties in setting the "sunset date" of July 16, 2005, was that all obligations under both agreements would be satisfied well before that time, but, in the event they were not satisfied, Park City could still purchase the land. As it turns out, Park City will not be providing culinary water to The Colony. IMA, however, had previously maintained

[1] SITLA is a state agency that acts as a trustee with a fiduciary duty to derive revenue from certain activities on property designated for SITLA purposes when Utah became a state. The revenue is then distributed almost entirely to the public school system although some other institutions benefit from SITLA revenue. The SITLA rights impacting our 1998 deal with IMA are all appurtenant to property owned by IMA. Under the terms of the lease to ASC, SITLA will receive a share of the revenue generated by recreational use on the property.

that Iron Mountain will convey the fee property to Park City without regard for the fact that MRWSSD is providing water to the development.

IMA's previous general manager delayed implementing the two agreements while exploring such ideas as amending Park City's open space easement on United Park's Iron Mountain property to allow a gondola designed to connect The Colony to Park City Mountain Resort and / or putting a chair lift to the top of Iron Mountain.

On January 25, 2007, the city council directed staff to file a complaint in district court asking the court to order specific performance of the 1998 agreements. Such performance would include the conveyance of the 600 acres of land to Park City. After notifying IMA of Park City's intention to sue, IMA filed its own lawsuit alleging that a provision in the Open Space Agreement allowed either party to walk away from both agreements without cause. At a hearing on cross-motions for summary judgment in December, 2007, the district court denied both Park City's and IMA's motion and ordered IMA to refile its complaint as a counterclaim to Park City's complaint.

Analysis:
Park City and IMA have negotiated a resolution of the pending litigation on what I feel are acceptable terms. The documents involved in the settlement and conveyance are as follows:

1. Settlement Agreement between IMA and Park City
2. Grant of Open Space Easement
3. Deed to Park City with Open Space Restriction
4. Restrictive Covenant over Recreational Property

I will discuss each in turn (I will have maps available at the city council meeting):

1. **Settlement Agreement between IMA and Park City**

The terms of the Settlement Agreement provide:

- The lawsuit and counterclaim shall be dismissed with prejudice, ie neither party can make the same claims against the other in the future.
- The 1998 Agreements are terminated and are of no further force and effect and the parties are relieved of any and all obligations created by the agreements.
- IMA will convey approximately 327 acres of land within the IMA project boundary to Park City. This land is referred to as the Open Space Property.
    - There will be three parcels totaling 327 acres conveyed in three transactions, with the first occurring immediately; the second in 2011; and the third in 2012.
    - All three deeds will be placed in escrow upon execution of the Settlement Agreement.
    - The conveyances will be made by special warranty deed, which deeds will reserve to IMA an open space easement for the benefit of IMA and owners in The Colony.
    - IMA will grant to Park City open space easements on the parcels to be conveyed in 2011 and 2012; those easements will automatically terminate when the parcels are conveyed to Park City.

At the same time the 2010 property is conveyed, IMA and Park City shall execute a restrictive covenant covering approximately 483 acres adjacent to the Open Space Property.

The terms of the Settlement Agreement survive the closing on all conveyances mentioned above.

The 1998 Agreements also provided that Park City would have the perpetual, exclusive right to approve or reject recreational development on the north and east aspects of Iron Mountain in an area that was depicted in a map attached to the 1998 Agreement. All of the area shown on that map is included in the land that IMA will convey to Park City under the terms of the Settlement. Thus, Park City's discretion over development in those areas remains intact.

2. **<u>Grant of Open Space Easement</u>**

The Open Space Easement is conveyed by IMA in favor of Park City and it covers the parcels that will be conveyed in 2011 and 2012. This Open Space Easement will automatically terminate when those parcels are conveyed to Park City. The deeds conveying all three parcels (2010, 2011, and 2012) include a reservation of an open space easement for the benefit of IMA and the owners of lots in The Colony that will cover all of the Open Space Property perpetually.

The Open Space Easement IMA will convey to Park City has the following permitted uses:

- Passive uses intended to preserve and protect the "open space values." Non-motorized recreational uses, including without limitation hiking, biking, horseback riding, snow-shoeing, skiing and snowboarding, but not including commercially operated alpine skiing and snowboarding activities.
- Protection of vegetation.
- Construction and maintenance of recreational facilities and related infrastructure, including, but not limited to, hiking, biking and equestrian trails, restrooms, and picnic areas, including the use of motorized vehicles but only as required for such construction and maintenance (collectively, "Recreational Development").
- Park City has the discretion to open certain portions of the Property to the public, and the public shall have the right to use the Easement for the permitted uses in such designated areas.
    - All owners of lots in The Colony at White Pine Canyon and their guests shall have the right at any time to access all of the Property for the permitted uses.
- Any use of the Open Space Property that is not a permitted use or is otherwise inconsistent with the purpose of the easement is prohibited.

Recreational Development

- Any recreational development, eg trails for hiking, biking, shall be subject to the prior written approval of the other party.
- The parties agree to the expansion of the Mid-mountain Trail and the conveyance of an easement to Summit County Recreational District; the scope of the easement is limited to the construction, use and maintenance of the Mid-Mountain Trail.
- Each party will give the other sixty (60) days notice of intent to construct any improvements related to recreational development.

- No notice shall be required for the imminent expansion of the Mid-Mountain Trail.

Mutual Rights of the Parties

- Both Park City and IMA shall have the right to:
    - To preserve and protect the open space values and recreation values of the Open Space Property;
    - To enter upon the Property at reasonable times in order to monitor compliance with and otherwise enforce the terms of the Open Space Easement; provided that such entry shall be upon prior reasonable notice as the case requires, and neither party shall interfere with or impact the other party's use and quiet enjoyment of the Property;
    - To exercise reasonable and diligent efforts to prevent any activity on or use of the Open Space Property that is inconsistent with the easement purpose and/or the permitted uses and to require the restoration of such areas or features of the Open Space Property that may be damaged by prohibited activity or use.

The Open Space Property shall be designated as the "John G. and Demetra Condas Recreation Area" or such other name as IMA may select, subject to Park City's reasonable right to approve a different name; signs shall be installed at all public entrances to the Open Space Property of a quality.

Violations of the Open Space Easement, Enforcement, and Remedies

- If either party determines that the other party is in violation of the terms of the Open Space Easement or that a violation is threatened, the affected party shall give written notice to the other party of such violation and demand corrective action sufficient to cure the violation
- If the violation involves injury to the Property, the notice shall include a demand to restore the portion of the Property so injured.
- If a violation exists, and the party in violation fails to cure or begin curing the violation within thirty (30) days after receipt of notice, the affected party may bring an action at law or in equity in a court of competent jurisdiction to enforce the terms of this Agreement, to enjoin the violation, by temporary or permanent injunction, to recover any damages to which it may be entitled including damages for the loss of scenic, aesthetic, or environmental values, and to require the restoration of the Open Space Property to the condition that existed prior to any such injury.
- The affected party, in its sole discretion, may apply any damages recovered to the cost of undertaking any corrective action on the Property.

Insurance and Indemnification

- Both Park City and IMA shall maintain adequate comprehensive general liability insurance coverage on the Open Space Property to cover liability for each party's use of the Property.
    - Just as with other open space property owned by Park City, Park City shall maintain adequate comprehensive general liability insurance to cover any use of the Open Space Property by the public.
    - Park City and IMA shall indemnify each other for damages resulting from their own acts.

3. Special Warranty Deed

IMA is going to use a special warranty deed to convey the Open Space Property to Park City.

The special warranty deed provides that IMA will reserve a perpetual open space easement over, across, and under the property for the benefit of itself, owners of lots within The Colony, and the general public.

The terms of the easement reserved by IMA are identical to the terms of the Open Space Easement set forth above.

- Park City will not disburse any funds to acquire this Open Space property.

4. Restrictive Covenant

Simultaneous with the conveyance of the 2010 parcel of the Open Space Property (and the reservation of the Easement in favor of IMA on the 2010 parcel) and the Open Space Easements on the 2011 and 2012 parcels, IMA will execute a Restrictive Covenant over 483 acres within the boundaries of The Colony.

Park City will also execute the Restrictive Covenant to memorialize that it has acknowledged and approved the restrictive covenant.

The property covered by the Restrictive Covenant is adjacent to the Open Space Property.

The Restrictive Covenant has the following permitted uses:

- The Property may be used for passive and low impact uses, which consist of those activities that require no, or relatively minor, alterations to the natural condition of the Property.
- Such activities shall include hiking, biking, cross-country and back-country skiing, snowshoeing and horseback riding.
- Minor, low impact alterations to the Property may be undertaken for the purpose of facilitating the passive uses.
- Such low impact alterations may include trail clearing and limited removal and trimming of vegetation, but avoiding wherever reasonably possible the removal of healthy large, specimen trees or other significant vegetation.
- To the extent reasonably possible in furthering such uses, (i) all trails, signs, water bars, stream crossings or other structures shall be constructed with natural, indigenous materials so as to maintain the harmony of the trails with their natural surroundings, and (ii) all trails shall be located so as to avoid noticeable visual impacts to the natural appearance of the Property from adjoining properties and/or from the surrounding community.

The Property may be used for non-motorized recreational activities, including alpine skiing, snowboarding, sledding, other forms of snow-play, ice skating, and other winter outdoor activities.

- Alterations to the Property may be undertaken for the purpose of facilitating the non-motorized recreational activities.

The Restrictive Covenant allows for construction, development, replacement, repair, maintenance, and operation of recreational “support facilities,” including hiking, biking and equestrian trails, fences, barricades, safety devices, ski lifts and related improvements, ski runs and trails, snowmaking facilities (including pipes, lines, nozzles, tanks, pump stations, and related infrastructure and improvements for the operation of such facilities), maintenance, operations, first aid, medical and ski patrol related facilities, ski training and instruction facilities, day lodges, warming huts, restrooms, restaurants, and any other buildings, structures, utilities, personal property fixtures or other improvements and/or support facilities necessary and proper for all such recreational activities and/or associated with the improvements described herein.

- In the 1998 Agreement, all of the uses set forth in the preceding paragraph were allowed on all six-hundred (600) acres intended to be conveyed by IMA to Park City.
- No other use of motorized vehicles is allowed anywhere within the property covered by the Restrictive Covenant.

Existing Ski Resort Easement

- The property covered by the Restrictive Covenant is subject to a Ski Resort Easement in favor of ASC Utah, Inc.
- The Restrictive Covenant shall in no way supersede or impair the rights granted under the Ski Resort Easement and the Ski Resort Easement can be expanded anywhere within the property covered by the Restrictive Covenant.
- The terms of the Ski Resort Easement are not inconsistent with the terms of the Restrictive Covenant.
- Any future amendments to the existing Ski Resort Easement or creation of future easements within the property covered by the Restrictive Covenant shall be subject to the terms of the Restrictive Covenant.

SITLA Rights

- The property covered by the Restrictive Covenant is subject to a SITLA patent which reserves to the State of Utah School and Institutional Trust Lands Administration rights to revenue generated by recreational activity on the SITLA parcels.
- The Restrictive Covenant shall in no way supersede or impair the rights reserved under the Patent.

Buildings

- Prior to construction of a Building on the Property covered by the Restrictive Covenant, IMA shall submit to the City for approval plans describing such Building.
- A “Building” shall only include structures that are enclosed and consist of at least 500 square feet and have a height of at least 12 feet above finished grade.
- The City Manager shall have thirty (30) days to review and approve the proposed plans, which approval may be granted by the City Manager and shall not require the review or approval of any other City department, board, commission or council in any public meeting.
- Such approval may not be unreasonably withheld.
- If the City Manager fails to respond to the proposed plans within such thirty (30) day period, the plans shall be deemed approved.

Restrictive Covenant is Perpetual

- The Restrictive Covenant shall run with the land, as a burden on the Property, and shall be perpetually binding upon all parties who hereafter acquire any interest any portion of the Property.

Enforcement and Remedies

- If there is a breach of the Restrictive Covenant, in addition to any other remedies available at law or in equity, IMA and / or Park City shall be entitled to petition for and obtain injunctive relief, or an order of specific performance, which shall either prohibit the action constituting such breach or require such action as shall be required to cure such breach, as applicable.
- If any action is brought or counsel otherwise employed to enforce this Covenant or any provision thereof, the prevailing party in such action shall be entitled to the costs and expenses of enforcing the Covenant, including the payment of attorney's fees and costs.

Amendment

- The Restrictive Covenant may be amended only with the prior written consent of both the City and IMA, and recorded in the Office of the Summit County Recorder.

Department Review:
This report has been reviewed by the City Manager.

Alternatives:

A. Approve:
This is my recommendation. By authorizing the Mayor to execute the documents described above, the intent of the 1998 Agreements will be fulfilled and, in fact, Park City will be getting 327 acres of open space that may not have been conveyed under the terms of the 1998 Agreements.

B. Deny:
By denying the item, Park City would resume prosecution of the pending litigation. Prevailing in that litigation would mean the court ordering IMA to fulfill the terms of the 1998 deals. It is my opinion that the negotiated settlement set forth in this staff report is a better result than specific performance of the 1998 deals.

C. Modify:
City Council could modify the terms of the documents set forth in this staff report and I could return to the negotiating table with IMA. It is unlikely, in my opinion, that IMA will be amenable to significant changes to the terms set forth in the draft settlement documents. Taking additional time to negotiate would also result in resuming the prosecution of the lawsuit.

D. Continue the Item:
City Council could continue the item, but such a delay in resolving the litigation would result in resuming prosecution of the lawsuit as the district court is unwilling to stay prosecution for indefinite and/or protracted periods of time.

E. **Do Nothing:**
   If you choose not to decide, you still have made a choice. Doing nothing would have the same impacts as in paragraphs B, C and D above.

Significant Impacts:
The three most significant impacts are: 1) Park City acquires ownership of an additional 327 acres of land that will be protected by an open space easement containing terms which are substantively similar to the open space easements in place in and near Park City; Park City acquires discretion over the use of the additional property to be covered by the restrictive covenant; and the goals of the 1998 Agreements, most notably the protection of Park City's entry corridor, will be fulfilled (Park City will not disburse any funds to acquire this Open Space property).

Consequences of not taking the recommended action:
Please refer to Paragraphs A – E under the "Alternatives" heading above.

Recommendation:
Authorize the Mayor to execute the documents described herein to: 1) effectuate the dismissal of pending litigation between Park City Municipal Corporation and Iron Mountain Associates, LLC; 2) receive title to 327 acres of land on Iron Mountain; and 3) execute a restrictive covenant which limits activities on approximately 483 acres.