PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
MARCH 1, 2007

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 1, 2007.

Closed Session – City Council Chambers
2:00 p.m. Property, personnel and litigation

Work Session – City Council Chambers
4:30 p.m. Council questions/comments
4:40 p.m. Legislative update
4:50 p.m. Water District agreements
5:00 p.m. SR224 & Meadows Drive intersection
5:20 p.m. Walkability update
5:50 p.m. Break

Regular Meeting – City Council Chambers
6:00 p.m.

I ROLL CALL

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

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

IV WORK SESSION NOTES AND MINUTES OF MEETING OF FEBRUARY 8, AND FEBRUARY 15, 2007

V CONSENT AGENDA PUBLIC HEARINGS ***(items listed will be open for public hearing prior to consideration for adoption or rejection; hearings may also be continued by vote of the Council)***

1. Consideration of an Ordinance amending Land Management Code Chapters 2.2 HR-1, 2.7, ROS; 2.23, CT; 4, Supplemental; 5, Architectural Review; 15 Definitions **(motion to continue to March 15, 2007)**

2. Consideration of an Ordinance approving the 255 Ridge Avenue, King Ridge Estates-Plat amendment **(motion to continue to March 29, 2007)**

3. Consideration of an Ordinance approving the 1160 Park Avenue Replat plat amendment combining all of Lot 16 and part of Lot 15 of Block 56 of the Snyder's

Addition to the Park City Survey with a metes and bounds parcel located at 1160 Park Avenue, Park City, Utah

4. Consideration of an Ordinance approving the First Amendment to the Golden Deer Phase 1 Record of Survey Plat, locat4d at 7570 Royal Street East, Park City, Utah

5. Consideration of an Ordinance approving the 1045 Woodside Avenue Replat, combining Lots 11 and 12, Block 9 of Snyder's Addition to the Park City Survey, Park City, Utah

VI 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. Ordinance approving the 1160 Park Avenue Replat plat amendment combining all of Lot 16 and part of Lot 15 of Block 56 of the Snyder's Addition to the Park City Survey with a metes and bounds parcel located at 1160 Park Avenue, Park City, Utah

2. Ordinance approving the First Amendment to the Golden Deer Phase 1 Record of Survey Plat, locat4d at 7570 Royal Street East, Park City, Utah

3. Ordinance approving the 1045 Woodside Avenue Replat, combining Lots 11 and 12, Block 9 of Snyder's Addition to the Park City Survey, Park City, Utah

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

Consideration of authorization to the City Manager to execute a contract with Highland Golf, in a form approved by the City Attorney, in the amount of $278,580 for the purchase of golf cars

VIII ADDITIONAL DISCUSSION – AGENDA ITEMS

IX ADJOURNMENT

PARK CITY WATER SERVICE DISTRICT MEETING
SUMMIT COUNTY, UTAH
MARCH 1, 2007

I ROLL CALL

II PUBLIC INPUT *(any matter of City business not scheduled on agenda)*

III MINUTES OF MEETING OF JANUARY 11, 2007

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

1. Consideration of Contract between the United States of America, Weber Basin Water Conservancy District and Park City Water Service District for the sale of the use of untreated project water, in a form approved by the City Attorney

2. Consideration of Contract between Weber Basin Water Conservancy District and Park City Water Service District for the sale of the use of untreated district water, in a form approved by the City Attorney

3. Consideration of Agreement between Mountain Regional Water Special Service District, Park City Water Service District and Summit County regarding implementation of the Summit County Project, in a form approved by the City Attorney

4. Consideration of an Amendment to the Water Supply Agreement by and among Weber Basin Water Conservancy District, Park City Water Service District – Snyderville Basin Water Project, in a form approved by the City Attorney

V ADJOURNMENT

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

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

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
MARCH 8, 2006

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will **not** hold its regularly scheduled meeting on Thursday, March 8, 2007.

Posted: 02/26/07
See: www.parkcity.org

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

March 2007

8 **No meeting**

15 Closed session - property
Golf course update – work
SR224 signal update – work
Aerie Drive improvements/realignment costs
MFL and street closure lower Main between 9th and Heber April 6 – Rossignol 100th Anniversary Celebration "Rock n Rail"
Continuation of hearing - Ordinance – 654 Woodside Avenue plat amendment
Continuation of hearing - Ordinance - LMC Chapters 2.2 HR-1, 2.7, ROS; 2.23, CT; 4, Supplemental; 5, Architectural Review; 15 Definitions
Continuation of hearing – Ordinance 255 Ridge Avenue King Ridge Estates - BR
Ordinance - 621 Woodside Avenue-Plat amendment KW
Ordinance - The Cove at Eagle Mtn Phase III (Forsey Parcel) Subdivision –RM
Ordinance – 1049 Park Avenue plat amendment - RM
Municipal Code Title 3, Chapter 3, Campaign Disclosure Amendment
Resolution adopting an emergency preparedness and response program

22

29 Special event parking - MP
Ordinance – 1450-1460 Park Avenue Subdivision - KC

April 2007

5

12 **No meeting**

19

26 **No meeting**

May 2007

3

10 **No meeting**

17

24

31

Pending Items:

General Plan - Park/Bonanza
Electronic voting
Main Street/Historic District solid waste update - Jerry
Noise/outdoor decks
Strategic plan for ice arena
MOU between Park City and Summit County for Animal Control Services
Air quality discussion
Brewpub lease assignment – RDA

Regional bus service SLC

Tentative "no meeting" dates:
June 14
July 26
August 16
September 6
October 18
November
December 27

PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
FEBRUARY 8, 2007

Present: **Mayor Dana Williams (excused for a portion of work session); Council members, Marianne Cone; Candace Erickson; Roger Harlan; Jim Hier; and Joe Kernan**

Historic Preservation Board members: Gary Kimball, Todd Ford, Ken Martz, Nancie Putnam, and David White; Planning Commission members: Jack Thomas, Evan Russack, and Mark Sletten

Tom Bakaly, City Manager; Mark Harrington, City Attorney; Patrick Putt, Planning Director; Ron Ivie, Chief Building Official; and Stacey Noonan, Ice Arena Manger

Dina Blasé, consultant

1. Historic District discussion with Planning Commission and Historic Preservation Board. Patrick Putt acknowledged the number of board members and public in attendance and distributed a letter from HPB member Puggy Holmgren who could not be in attendance. He referred to his staff report and stated that the Historic District is an important resource to a variety of stakeholders. The City Council recently discussed the Historic District at its Visioning Workshop held in January and associated issues and alternatives are included in the staff report. Additionally, potential effects are outlined for each option, including associated costs and resources. Recommendations range from changing a process, providing additional training/education, and/or proposing a budget option for a more substantial project like updating our Historic District Guidelines. He suggested moving ahead with program changes that may involve amendments to existing policies, guidelines and the Land Management Code. It is beneficial to clarify this information for neighborhoods, property owners, designers, and staff, specifically as it relates to the Main Street Historic District. Mr. Putt noted that the inventory has been completed and updating the Historic District Guidelines is the next logical step. Mr. Putt strongly recommended a concerted historic preservation program, including education and training, not only for staff, but the Council, HPB and Planning Commission. He urged Council to consider directing staff to begin the process to formally adopt the Historic District Inventory by notifying all affected property owners of scheduled public hearings. The inventory is contemplated to become the official list of the significant properties in Park City.

Mr. Putt addressed the first issue, the Historic District designations. Staff recommends strengthening the Historic District's preservation policies and programs by reinforcing Main Street District programs and policies by adopting the Secretary of Interior's standards for rehabilitation. These standards are applied to evaluate restoration projects or new construction in the Main Street District. It would involve updating the

Historic District Guidelines and using the Grant Program as a financial incentive to encourage compliance with national standards. This could include requiring the removal of modifications to historic structures made over the years. Staff encourages the use of grant monies toward rehabilitation of threatened buildings in the Main Street core. Updating and clarifying the Historic District Guidelines for the residential area, or Thematic District, defining the meaning of *integrity* and illustrating design objectives are contemplated. In developing a new strategy for the guidelines, he recommended a collaborative approach including stakeholders and available local resources. There needs to be involvement and buy-in with regulators, designers, and builders and the changes should be quantifiable and factual, not based on feelings or emotions. Mr. Putt pointed out that there are 25 properties in the Thematic District eligible for listing on the National Register and holding public workshops for property owners is another possibility.

Joe Kernan believes the level of mandatory requirements is important to establish. Gary Kimball, HPB, stated that the preservation of the entire Historic District is important. Todd Ford, HPB, expressed his support of applying higher standards on Main Street than in the residential section and feels updating the Guidelines is also a good step. HPB Chair David White encouraged that the Main Street area become a top priority. The Design Guidelines were crafted in 1983 and need to be updated. Ken Martz, HPB and long-time resident of the Historic District, pointed out that the thinking has gone full circle. The growth and increasing valuations in the Historic District create unique challenges and these recommendations are a step in the right direction. Training is very important. Planning Commissioner Evan Russack and Nancy Putnam, HPB, agreed with the comments made. Mark Sletten felt it would be helpful to get direction from Council first. Roger Harlan stated that an investment in education and training is money well-spent. Jim Hier indicated that he is not in favor of a “stick” approach. There are a number of modified structures in the Historic District that are no longer compliant and the difficulty in economically justifying bringing the building back to an acceptable condition. In an effort to move on, he suggested supporting staff recommendations. Candace Erickson relayed that she prefers the stick approach, acknowledging that there also needs to be an accompanying incentive program. The 25 property owners in the Thematic District should be advised of potential benefits, if applicable. She pointed out that the current grant program is subsidized with RDA funding and a long-term funding source will need to be identified. Marianne Cone agreed with staff’s recommendations. Planning Commissioner Jack Thomas believed that other communities are far ahead of Park City with regard to historic preservation and it is time to take a more professional approach. Joe Kernan encouraged finding a compromise or middle-ground with regard to regulations. Mayor Pro Tem Cone invited public comment.

Tom Peek, developer, asked for clarification on the scope of revisions. Pat Putt explained that this discussion was prompted by the risk of Park City losing its historic designation. The Main Street District and the Thematic District are our two technical areas of discussion. If there is potential for delisting an area, it would probably be Main

Street although the City has not been threatened by the state or any other agency. Since the inventory was completed, a focus on taking appropriate corrective actions to bolster the District is emerging. He added that we can learn from the mistakes made in the past. The residential area is known as the Thematic District which is quite different than the Main Street District, a contiguous historic property group. The Thematic District is a collection of individually listed historic buildings and buildings that could be eligible for the National Register. There is a perception that an historic home surrounded by new or incompatible buildings should be exempted from the list which is not the case. This discussion is geared toward preserving our Main Street designation and taking appropriate steps to preserve historic homes in the residential areas. The goal is to provide livable houses, including practical elements like garages and getting cars off the street for snow removal and emergency access, recognizing that a garage may affect the historic character of the structure.

Jim Hier asked if the Thematic District can be defined by a geographical boundary. Consultant Dina Blasé clarified that the Main Street Historic District contains contiguous properties from the top of Main Street to Heber Avenue, and including some buildings on Heber Avenue. This designation is consistent with the National Park Service Program. The Thematic District includes non-contiguous properties within Park City that meet the National Park Service guidelines for eligibility on the National Register for Historic Places. She acknowledged confusion prompted with the City's duplicate assignment of the word, "District" for its zoning designations. Ms. Blasé added that a period of significance must be identified for a Thematic District, and qualification in Park City is limited to four architectural types from the mining boom era in Park City. Even if a building was built during this period, it must be one of the housing types. The City Manager encouraged direction on developing mandatory approaches or focusing on preservation incentives.

Don Bloxom, designer, emphasized that providing latitude to design professionals may result in better projects in the Thematic District. He pointed out the current challenges in bringing the dwellings in compliance with modern codes. He felt that these only have historic significance as a grouping. He is very concerned about piece-meal changes to the LMC which is a lousy document and should be rewritten. The stick approach could cost property owners millions of dollars and he felt that the money would be better allocated to pedestrianization or parking. There should be an appropriate cost to benefit ratio.

Dina Blasé added that the criteria established for eligibility for the National Register is different than provisions in the LMC. It is important to understand that there are buildings in the inventory listed as *historically significant* which are not eligible for the National Register of Historic Places which creates some confusion for people. She stated that the stock in the Thematic District includes mining boom era residences, some of which are historically significant and some that are not. If they are not, it means that they do not comply with the standard outlined in the LMC. There is no additional level of regulation for the eligible but unlisted 25 properties in the Thematic

District. She explained opportunities to receive federal rehabilitation tax credits and the recognition of being on the National Register of Historic Places. Ms. Blasé reiterated the importance of the properties meeting criteria established in the LMC which guides owners on what is allowed.

Craig Elliott, architect, referred to Mr. Bloxom's comments and felt that there should be some latitude relating to restoration projects. However with regard to the complexities of the LMC document, Mr. Elliott pointed out that it has been generated over time. He felt it is a good document in need of a *tune-up* and the suggestion of forming a task force with professionals and staff is a good solution, which he supports.

Ron Whaley, property owner and realtor, stated that in an effort to better understand this dialog, asked what is *broken*. Pat Putt explained that this public forum is intended to hear comments or concerns about losing important elements of the Historic District, acknowledging that this objective is very broad and invites many different points of view. There are also complaints that recent projects constructed in Old Town are too big or architecturally inappropriate. He discussed the term "*transparency*" or "*predictability*"; implementing goals with easy to understand rules and guidelines so applicants know what to expect in the process. He senses support from the Council, Commission and Board to begin to update the guidelines. Funding this project will be considered during the budget process. There also seems to be support for a stakeholders' group and implementing education and training, which could occur immediately. Jim Hier interjected that the LMC will never be fixed and stable; it is a living working document,

Patrick Putt asked for feed-back on demolition and disassembly of buildings. There are a number of historically significant buildings in different conditions. The Building and Planning Departments require preservation plans to determine if the project is feasible. Disassembly is used as a last resort to preserve historic elements which has raised criticism. Staff is recommending that the Chief Building Official continue to work with architects on disassembly on a case-by-case basis. Staff recommends continuing to allow this as an option because it may contribute to the long-term preservation of the building. Keeping buildings in-tact does not always result in saving them in the future. Staff recommends continuing to use this approach and with the input of the stakeholders' group, will provide upfront clarity on features of a preservation plan.

David White stated that he has experience with both approaches; some buildings can withstand being raised or craned to pour a foundation under the structure. Other dwellings are so fragile, that trying to move them in tact is a big mistake and in that situation he recommended taking the building apart. With the latter, the architect should provide for an additional phase to clearly define what elements are being reused and those that are not. Todd Ford expressed concerns with "*panelization"* of structures. He relayed that is not so much the materials, but the preservation of original form and streetscape. This relates to updating the Design Guidelines and construction needs to be closely monitored and regulated. Gary Kimball felt that buildings should be examined individually but pointed out increases in density with platting parcels. Ken

Martz liked the idea of a preservation plan which needs to be reviewed on the onset by the HPB and the plan should be inspected and monitored.

Evan Russack believes that staff should have *as many arrows as necessary* until we get a firm policy in place. Marianne Cone also supported requiring preservation plans. Candace Erickson referred to previous discussions on the inventory regarding the number of elevated historic buildings with new foundations. Although garages help mitigate on-street parking problems, the dwellings are likely to lose their historic significance designation. Also, historic structures with huge additions are no longer eligible for inclusion in the Thematic District and there should be some balance. Roger Harlan pointed out the successful restorations of historic homes on upper Main Street and expressed that the untrained public isn't likely to be aware of replication.

Kevin King, designer, stated that he agreed with David White's position. Documentation is the key as is measuring and duplicating details like the eves or soffits. It shouldn't matter whether the project is panelized. The UBC provides that anytime the loads are modified greater than 5%, the structure has to be brought up to current code standards. The proposal will require compliance with a preservation plan in addition to shear and seismic regulations. He asked what is preservation; the siding or materials or is it the form. He didn't feel the City should be able to determine if the building should be disassembled or moved. Many larger buildings have been built onto several times. These buildings can not be raised and he suggested replacing historic elements with new pieces milled to the original specifications. There needs to be less emotion and better documentation of the buildings.

Chief Building Official Ron Ivie felt that one of the problems with this discussion is that it is too detailed at this point. These discussions should be held in a technical forum to determine the appropriate approach. He suggested that the word "*integrity"* be defined and that Main Street be viewed differently than the residential district. Define *integrity* and what you expect to have and then focus on writing clear concise standards. He strongly supported a preservation plan, recognizing that each building will be ranked individually on its importance and technical requirements. He reiterated the need for a systematic approach and discouraged education and training until goals are defined. He felt he new inventory is flawed like the others because it doesn't address integrity. There is a list of properties, *but what do we do with them*? After that target is determined, the technical standards can then be applied. He questioned how productive it is to debate panelization or replication at this point because there needs to be some direction on process. Again, a meaningful technical document needs to be written to update current code provisions. Mr. Ivie pointed out that many of these buildings were not built to last.

Patrick Putt explained that the mass and scale of buildings in the Historic District can be addressed by updating the guidelines and providing training and education. It is contemplated that the stakeholders group will address these important issues by analyzing the number of remaining vacant in-fill lots, the number of steep slope conditions, and other factual information. Marianne Cone acknowledged the flurry of opinions in the community on the state of the Historic District. Jack Thomas emphasized that the American Institute of Architects and the Utah State Code both recognize the five phases of construction, which include schematic design, design development, construction documents, construction administration, and bidding/negotiation. In terms of evaluating mass and scale, the board needs to see a complete set of schematics, not sketches, or models in an early stage to better understand the massing before the architectural drawings are rendered. At the schematic stage of an application, there should be complete plans, sections, elevations, and a massing model provided so an early evaluation can be made. Marianne Cone noted that she hears many complaints on the size of additions onto historic structures. Evan Russack pointed out that mass should be considered in the context of the streetscape or surrounding buildings.

Jim Totora described the difficulty in designing a plan to be compatible with adjacent properties when there is the possibility that they will be modified at some point in the future. He doesn't believe there is a problem in Old Town and is happy with the look of Woodside Avenue. People's investments should not be encumbered and there should be an opportunity for discussions before a decision is made.

Susan Gilson, Woodside Avenue resident, commented on eight new condominiums and a duplex constructed near their historic home. These units average about 4,000 square feet and she doesn't feel this size is appropriate.

Roger Durst, architect and former HPB member, commented that addressing just massing and scale is not enough. The visual elements and contextual qualities are also important to consider.

Missy O'Neal, Woodside Avenue resident, relayed that some visitors are not aware of where the Historic District is located because she feels its historic character has been compromised.

Pat Putt stated that there is no simple solution and establishing some complicated formula to reduce size is probably not the answer. The greatest chance of solving this is a holistic approach, and the sizes of buildings are being driven by the LMC. There are situations where a small historic house sits on a large lot and applicants feel compelled to pursue the maximum building footprint. He suggested separating the buildings rather than constructing an addition. Currently, the Code does not allow this approach. Solutions like this should be considered and the stakeholders group may be helpful in identifying other ideas.

The next issue involves the plat amendment process and the density in Old Town. Concerns expressed are that the plat amendment process is a mechanism to increase density. Staff believes that the density in Old Town is established by the Park City Survey and the Snyders Addition, as well as the underlying zoning. He is not recommending changing the underlying density in Old Town, but rather maintaining the existing density entitlements as established by the plat and zoning. However, there could be criteria in the Subdivision Ordinance regarding the existing context of the neighborhood. Standards to evaluate base density for large unplatted lots, unplatted properties, or lots that may not have street access could be formulated. Many vacant lots have no street access or utilities and it may be wise to explore our standards for improving streets in platted but unbuilt rights-of-ways.

Jim Hier stated that he has a hard time visualizing a small house with a new structure on the same lot and maintaining the same density. He supports not increasing density over what platted lots would allow under the LMC. A square footage calculation designed so that the total building square footage is not increased but allowing for more than one structure depending on size may be desired. Todd Ford asked if this initiative would prohibit the subdivision of a 50 foot wide lot into two legal 25 foot wide lots. He added that 25 foot wide lots in Old Town are historically consistent and he would rather have two small homes than one large home in the neighborhood. He likes density in Old Town. Jim Hier clarified that developing 25 foot wide platted lots is different than platting a metes and bounds property into 25 foot wide lots and that is what he believes needs to be examined. Don Bloxom suggested looking at definitions and uses in the LMC.

Marianne Cone discussed the process for plat amendments where the end product and result is unknown at the time of action. Evan Russack stated that he also struggles with this as a Planning Commissioner and felt that additional criteria for review of plats would be helpful. Compatibility criteria would be beneficial in considering applications. Ken Martz spoke about property owners maximizing their building footprints to the extent that there isn't room for landscaping. This results in boring cookie-cutter designs and unappealing living areas. There may be opportunities to create green spaces in the platting process.

Pat Putt addressed the criticism that steep slope lots are too large, visible and disruptive to be compatible in the Historic District. Staff's recommendation is moving forward with the stakeholders' group to look at some of these issues including revisiting the maximum building height permitted through the CUP exception. Right now it is established at 40 feet and there may be a desire to rethink this and to look at criteria for height exceptions not exceeding some standard. He encouraged everyone to read the steep slope criteria in place and believed there are effective tools in this document. It allows the Planning Commission to recommend reduced square footage for projects. Mr. Putt felt that flexibility to arrive at good designs in the steep slope section of the Code should be maintained. Dana Williams pointed out the difficulty in measuring natural grade for steep slope lots and while the floor area ratio is small, the look of the massing of the building appears huge. Pat Putt described the method for measuring height from the highest point of the roof directly down to existing grade (prior to construction). Height exception requests exceeding 27 feet require approval by the Planning Commission, subject to specific criteria outlined in the LMC.

Jim Hier asked the status of applications submitted in the interim. Mr. Putt explained that it is staff's recommendation to move forward but to continue to apply the existing LMC and Historic District Guidelines. He is not recommending consideration of a temporary zoning ordinance. He felt there is clear direction to proceed with the initial phase consisting of noticing all affected property owners of public hearings on the Historic District Inventory document before the Planning Commission and City Council. A strategy for the rewrite of the Guidelines and for establishing the stakeholders group will be formulated. It is contemplated that the task force will be charged with reviewing the integrity issue, establishing criteria for base density for large parcels (mass and scale), access problems, steep slope criteria and processes. Time frames will be assigned for each element and a schedule will be available within three weeks. The training and education programs can be implemented immediately. Joe Kernan supported the concept of the stakeholders' group and hoped the historic character of Old Town can be better protected, specifically with regard to parking.

Marianne Cone asked the consultants for a recommendation on moving houses. Dina Blasé responded that they didn't make a recommendation on moving historic buildings. Ms. Cone believes this also relates to the integrity issue.

Cindy Matsumoto, property owner in the Historic District, stated that at some point she would like to improve her two properties to reap the economic rewards or the rewards of living in a home. She felt that when Council disbanded the Historic District Commission in 2003, the Historic District began to fall apart. Citizens are upset because the public process has been eliminated and reinstating the public back into the process is important. She felt the *status quo* recommendation regarding process is not acceptable. The public feels left out.

Tom Frey, property owner, agreed with Ms. Matsumoto's comments and stated that Alternative 2 should be adopted under the Historic District Process section. Many people felt left out of the 2003 process. He felt the newly formed Historic Preservation Board should not have more review authority than staff. Cindy Matsumoto supported better educating staff and the design community, but other things need to be done.

Joe Tesch, attorney, expressed that individuals are concerned about how their properties will be affected with amending regulations in the Historic District. Jack Thomas encouraged that in an effort to analyze individual buildings that we don't lose sight of how the entire community feels. He suggested thinking in terms of streetscapes and neighborhoods.

Marianne Cone thanked everyone for attending and encouraged the audience to contact Council members with ideas and comments. Peter Barnes spoke about seeking out and utilizing available resource material on contextual planning.

2. Strategic plan for ice arena. Stacey Noonan referred to her staff report and discussed the high demand for ice programs. Scheduled ice events this season include hockey tournaments, college hockey games, speed skating meets, curling open house, figure skating shows, and a sled hockey exhibition. There have been a small number of requests for off-ice events, which would require flooring and Ms. Noonan explained the restaurant tax grant funding approved for flooring. The guiding principals for ice arena usage include (1) being fiscally responsible; (2) developing programs; and (3) using the facility as an economic tool. The City's special warranty deed with Florence J. Gillmor allows for recreational and educational activities and with this in mind, the matrix illustrates current and potential uses and any impacts to programming, revenue generation, staffing, and capital needs. She explained features outlined in Level 1 – Ice Programs, Level 2 – Ice Programs and Ice Events; and Level 3 – Ice Programs and on and Off Ice Events. Ms. Noonan recommended that staff work to achieve Level 2: Ice Programs and Ice Events which incorporates off ice events in the off ice season. She also explained that moving to a year round ice schedule will require more full time staff but increased revenues are forecasted to cover expenses and bring the overall subsidy to $150,000. The Snyderville Basin Recreation District Board has reviewed the plan and are comfortable with this direction.

Roger Harlan expressed his strong interest in encouraging better attendance at events, and suggested an enhanced marketing plan. Mayor Williams stated that the strategic plan is fantastic but expressed concerns regarding enrollment of children from families unable to cover costs and encouraged perhaps exploring free skate sessions. Tom Bakaly felt that Council could adopt the resolution as drafted while staff explores marketing plans and scholarship opportunities. Candace Erickson discussed a Recreation Advisory Board initiative in formulating an outreach program through the schools for Racquet Club programs which could easily be applied to the ice arena. The City Manager explained that $10,000 is budgeted annually for this purpose and its availability could be better promoted. Mayor Williams expressed his confidence in Ms. Noonan's capabilities and the Council then convened in closed session. See regular meeting minutes.

Prepared by Janet M. Scott, City Recorder

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

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 8, 2007. Members in attendance were Dana Williams, Marianne Cone, Candace Erickson, Roger Harlan, Jim Hier, and Joe Kernan. Staff present was Tom Bakaly, City Manager; Mark Harrington, City Attorney; Gary Hill, Budget Manager; Seth Atkinson, Budget Analyst; and Kirsten Whetstone, Planner.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

1. Council comments - Marianne Cone commented on the dog sled race event and enjoyed it at the alternate location on the Rail-Trail this year.

2. Legislative update – Gary Hill stated that in his six years of experience at the legislature, this is the least policy-centered session and unfortunately personal politics seems to be a trend this year. Seth Atkinson advised that the status of HB105, deputizing local police officers to perform federal immigration duties, is likely to die. Gary Hill addressed HB233, environmentally restricted zoning districts, which has the potential of compromising the City's sensitive lands ordinance. ULCT and home builders and realtors associations have expressed opposition to this legislation and there is a concerted effort on this bill. Mr. Atkinson explained that HB238 passed the House and proposed changing the municipal telecommunications tax from 4% to 3.5%; the fiscal impact to the City could be $50,000 to $100,000. HB282 has the potential of negatively affecting the City's resort cities sales tax revenues by $500,000 and is another priority of staff and the ULCT. There was discussion about the form of county government bill and all Council members asked that the City formally oppose this legislation. Mr. Hill explained HB334, imminent domain, which relates to prohibiting condemnation of trails for emergency access or creating *linear parks.* There are proposed amendments to change the Utah Retirement System from a pension plan to a defined benefit plan and the City Manager is seated on this committee. Jim Hier asked staff to look into a school district bill for school regarding the requirement for partisan declarants for candidacy. Mr. Atkinson explained HB437 deals with proving legal residency before receiving any a local public benefits.

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

None.

IV WORK SESSION NOTES AND MINUTES OF MEETING OF JANUARY 25, 2007

Candace Erickson disclosed that she will be abstaining as she was not in attendance. Joe Kernan, "I move we approve the work session notes and minutes of the meeting of January 25, 2007". Marianne Cone seconded. Motion carried.

Marianne Cone	Aye
Candace Erickson	Abstention
Roger Harlan	Aye
Jim Hier	Aye
Joe Kernan	Aye

V CONSENT AGENDA PUBLIC HEARINGS *(items listed will be open for public hearing prior to consideration for adoption or rejection; hearings may also be continued by vote of the Council)*

1. Consideration of an Ordinance amending the1335 Lowell Avenue survey plat **(motion to continue to February 15, 2007)** – The Mayor requested a motion to continue. Roger Harlan, "I so move". Jim Hier seconded. Motion unanimously carried.

2. Consideration of an Ordinance amending the 654 Woodside Avenue plat **(motion to continue to March 15, 2007)** – Candace Erickson, "I so move". Marianne Cone seconded. Motion unanimously carried.

3. Consideration of an Ordinance approving the Elevator Subdivision, a replat of Lots 8, 9 and 10 and a portion of Lot 7, Block 58, of the Park City Survey, 430 Ontario Avenue 654 Woodside Avenue, Park City, Utah plat amendment – Kirsten Whetstone explained the request to reconfigure 3.5 lots in the HR-1 Zone and the allocation of the remnant parcel will allocated to widen the other lots. There is no application for the design, but the topography indicates that it will require a steep slope review. Ms. Whetstone relayed that resident Ella Sorenson expressed concerns about the stability of Ontario especially with the use of construction equipment and vehicles on the road. Ms. Whetstone explained that a construction mitigation plan can be designed to meet her concerns. The Planning Commission forwards a positive recommendation; there was no public input rendered at its meeting on January 24, 2007 and staff also recommends approval.

There was discussion about appropriate wording on plats. She relayed that a construction mitigation plan will be formulated at the conditional use permit stage. Jim Hier suggested that the building size not increase and the remnant property be used for greater setbacks. Ms. Whetstone explained how the building footprint is determined in the Code and Mr. Hier asked that staff consider a revision to the LMC addressing lot combinations so that there is flexibility to require larger setbacks rather than automatically increasing the house size. Mark Harrington explained that if there is consensus from Council, direction can be give to the planner to look at increased setbacks as a part of the steep slope CUP, and all Council members supported this approach for this application. There was discussion about demolishing the existing structure and the timing of building the three structures. In response to a question from the City Attorney, Ms. Whetstone emphasized that all encroachments on the property will be resolved. The Mayor opened the public hearing, and with no comments, closed the hearing.

VI 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")*

Marianne Cone, "I move that we accept Consent Agenda Items 1 through 3". Joe Kernan seconded. Motion unanimously carried.

1. Consideration of an Ordinance approving the Elevator Subdivision, a replat of Lots 8, 9 and 10 and a portion of Lot 7, Block 58, of the Park City Survey, 430 Ontario Avenue 654 Woodside Avenue, Park City, Utah plat amendment – See staff report and public hearing comments.

2. Resolution adopting strategic plan for Park City Municipal Corporation Ice Arena – See staff report and work session notes.

3. Acceptance of 2007 disclosure statements from the Mayor and City Council members – See staff report.

VII ADDITIONAL DISCUSSION – AGENDA ITEMS

None.

VIII ADJOURNMENT

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

MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 4 p.m. Members in attendance were Mayor Dana Williams, Marianne Cone, Candace Erickson, Roger Harlan, Jim Hier, and Joe Kernan. Staff present was Tom Bakaly, City Manager and Mark Harrington, City Attorney. Jim Hier "I move to close the meeting to discuss property and litigation". Marianne Cone seconded. Motion carried unanimously. The meeting opened at approximately 6 p.m. Marianne Cone, "I move to open the meeting". Roger Harlan seconded. Motion unanimously carried.

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

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
FEBRUARY 15, 2007

Present: **Mayor Dana Williams;Council members, Marianne Cone; Candace Erickson; Roger Harlan; Jim Hier; and Joe Kernan**

Tom Bakaly, City Manager; Mark Harrington, City Attorney; Gary Hill, Budget Manager; and Tom Daley, Deputy City Attorney

David Smith, Esq., legal counsel for Talisker

1. Council questions/comments. Joe Kernan commented on the Complete Streets Seminar held yesterday, which focused on accommodating alternate modes of transportation in a community. Candace Erickson reported that the Envision Utah Steering Committee previewed the Downtown Rising Program and Vision Dixie Programs where identifying development centers and designing effective circulation plans will be addressed in redevelopment efforts. Roger Harlan reported on the City Council/Board of Education Traffic Task Force and Library Board meetings. The walkability meeting during the week was productive. Marianne Cone stated that she met with the Wasatch Back Environmental Alliance last Friday and suggested that the City replace its recycling containers and asked if Council is willing to support this project. There was discussion about associated costs and also considering other green projects. Ms. Cone reported on the Planning Commission meeting where commercial and residential conflicts in the HR-2 zone, more specifically the interface of Main Street and Park Avenue uses, were discussed. Mayor Williams commented on the well-attended Leadership Session during the week. He reported on the successful trip to Washington D C and felt good about the commitment from our congressional delegation on a plan for a military recreational facility in the area that meets everyone's needs and concerns.

2. Legislative update. Gary Hill reported that bills are not moving at this point; things on hold until the Senate and House arrive at a compromise on the size of the tax cut and how that will be accomplished. The proposal is for a reduction in local tax revenue. He explained that HB102, Land and Water Reinvestment Act, is proposed to be appropriated at $3 million. HB233 deals with environmentally restricted zoning districts, and would impact cities' abilities to regulate sensitive lands; the ULCT is opposed to this bill. HB282, sales tax on food, will be debated to remand it to a policy committee. HB334, imminent domain, has the potential of taking the authority away from cities to condemn property for trails and/or emergency access. HB378, sales and uses tax amendments, would create one sales tax throughout the state which will probably die this year, but he believed is a sign of things to come. SB194, partisan election requirements for school districts, would only apply to 1st and 2nd Class Counties and is not likely to pass in this session. Jim Hier stated that he is opposed to this bill and all members concurred.

3. PCMC and UPCM water agreement. City Attorney Mark Harrington explained that the City Council adopted an annexation ordinance on February 1, 2007, which excluded language for Paragraph 7 regarding the water agreement which is before Council tonight. UPCM has 30 days to accept the language. Staff is recommending Option 3 in the meeting packet which is procedurally-based and places protections for the City but allows the project to move forward. In response to a question from Marianne Cone about providing the City with access to all mine workings in perpetuity, Mr. Smith indicated that there is no time limit and Tom Daley added that as long as the agreement is viable, the City has access. Mark Harrington inquired about the status of other mine locations owned by Talisker, and Mr. Smith explained that there is an agreement with JSSD which predates Talisker's acquisition of UPCM, addressing the Ontario Tunnel. UPCM's ownership includes surface and sub-surface rights; there is no deed to the tunnel, for instance.

Mr. Smith emphasized that the proposed water agreement is the result of a productive joint effort and Talisker supports the agreement presented to the City Council. See regular meeting minutes.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
FEBRUARY 15, 2007

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 15, 2007. Members in attendance were Dana Williams, Marianne Cone, Candace Erickson, Roger Harlan, Jim Hier, and Joe Kernan. Staff present was Tom Bakaly, City Manager; Mark Harrington, City Attorney; Eric DeHaan, City Engineer, Ray Milliner, Planner, Brooks Robinson, Planner; and Tom Daley, Deputy City Attorney.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Candace Erickson disclosed that she is employed by Park City Mountain Resort and Joe Kernan relayed that Royal Street, PCMR, and Talisker are among his recycling customers. Jim Hier stated that his wife is an employee of PCMR.

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

None.

IV WORK SESSION NOTES AND MINUTES OF MEETING OF FEBRUARY 1, 2007

Joe Kernan, "<u>I move we approve the minutes from February 1</u>". Marianne Cone seconded. <u>Motion unanimously carried</u>.

V CONSENT AGENDA PUBLIC HEARINGS *(items listed will be open for public hearing prior to consideration for adoption or rejection; hearings may also be continued by vote of the Council)*

1. <u>Consideration of an Ordinance Accepting the Public Improvements at Eagle Pointe Subdivision - Phase 4</u> – Eric DeHaan explained that this is a housekeeping matter dictated by our Code which requires acceptance of public improvements offered to the City in conjunction with subdivision approvals. Maintenance obligations of the City are tied to build-out of 50% of the lots. Eagle Point Phase 4 is the northernmost subdivision in Park City and is the last developed property in the original Park Meadows master plan. The trail easement was identified and the Mayor opened the public hearing. Hearing no comments from the audience, the public hearing was closed.

2. <u>Consideration of an Ordinance approving the Third Amended Record of Survey of the Lowell Record of Survey Plat Amendment, located at 1335 Lowell Avenue, Park City, Utah</u> – Ray Milliner explained that the applicant requests approval of a one story addition to the top of the Lowell Condominiums, formerly known as The Gables. He

distributed additional information on the proposed addition and the number of units. There are no substantive modifications from the staff report in the meeting packet. The Mayor opened the public hearing, and with no response, closed the hearing.

VI 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")*

Jim Hier, "I move we approve Consent Agenda Items 1 and 2". Marianne Cone seconded. Motion unanimously carried.

1. Ordinance Accepting the Public Improvements at Eagle Pointe Subdivision - Phase 4 – See staff report and public hearing comments.

2. Ordinance approving the Third Amended Record of Survey of the Lowell Record of Survey Plat Amendment, located at 1335 Lowell Avenue, Park City, Utah - See staff report and public hearing comments.

VII OLD BUSINESS *(continued items with presentations and/or anticipated detailed discussions)*

Consideration of adoption of the 2007 Water Agreement between Park City Municipal Corporation and United Park City Mines Company relating to the United Park City Mines/Park City Mountain Resort Annexation Agreement – Planner Brooks Robinson stated that on February 1, 2007, the City Council approved the annexation ordinance for lands located within the Park City Mountain Resort, the amended development agreement for Flagstaff Mountain Resort, aka Empire Pass, and the annexation agreement. The 2007 Water Agreement proposed tonight completes the annexation agreement and Mr. Robinson explained that the City and the applicant have reached a compromise through diligent negotiations. Mayor Williams urged Talisker to resolve the conservation easement language in the remaining two weeks and Mark Harrington expressed that the easement will be recorded with the annexation agreement.

Jim Hier felt that the agreement is not ideal from the City's standpoint, but believes it represents a good compromise. Benefits like the open space easement and the 30 acre site for recreational and parking at Richardsons Flats are worth the risk. The City maintains a strong position that impacts from mining are not our responsibility. Council member Hier recommended accepting the proposed water agreement as drafted in the meeting packet. Marianne Cone pointed out the large number of fault lines and tunnels beneath Park City as a result of our mining past. It is impossible to predict the effects on the Judge Tunnel in the future and potential financial consequences to taxpayers if the City accepts responsibility for impacts resulting from mining operations. She stated that she agrees with the advice from our legal staff.

Jim Hier, "I move that we adopt the 2007 Water Agreement between Park City Municipal Corporation and United Park City Mines relating to the United Park City Mines and Park City Mountain Resort Annexation Agreement as it is drafted in our Council packet". Joe Kernan seconded. Motion carried.

Marianne Cone	Nay
Candace Erickson	Nay
Roger Harlan	Aye
Jim Hier	Aye
Joe Kernan	Aye

Doug Clyde, consultant for Talisker, stated that they didn't agree with all of the statements about water in the staff report, but support the agreement.

VIII ADDITIONAL DISCUSSION – AGENDA ITEMS

IX ADJOURNMENT

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

MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 4 p.m. Members in attendance were Mayor Dana Williams, Marianne Cone, Candace Erickson, Roger Harlan, Jim Hier, and Joe Kernan. Staff present was Tom Bakaly, City Manager; Mark Harrington, City Attorney; Gary Hill, Budget Manager; Jerry Gibbs, Pubic Works Director; Kathy Lundborg, Water Manager; Tom Daley, Deputy City Attorney; and Myles Rademan, Public Affairs Director. Jim Hier, "I move to close the meeting to discuss property and litigation". Roger Harlan seconded. Motion carried unanimously. The meeting opened at approximately 5 p.m. Jim Hier, "I move to open the meeting". Marianne Cone 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

PARK CITY WATER SERVICE DISTRICT MEETING
SUMMIT COUNTY, UTAH
JANUARY 11, 2007

I ROLL CALL

Chairman Dana Williams called the regular meeting of the City Council to order at approximately 7:45 p.m. at the Marsac Municipal Building on Thursday, January 11, 2007. Members in attendance were Dana Williams, Marianne Cone, Candace Erickson, Roger Harlan, Jim Hier, and Joe Kernan. Staff present was Tom Bakaly, City Manager and Mark Harrington, City Attorney.

II PUBLIC INPUT

None.

III MINUTES OF MEETING OF JANUARY 12, 2006

The Chairman requested a motion to approve. Roger Harlan, "I so move". Marianne Cone seconded. Motion unanimously carried.

IV CONSENT AGENDA

Resolution establishing a regular meeting date, time, and location for 2007 meetings and appointing officers of the Board of Directors of the Park City Water Service District – The Chairman requested a motion to approve. Jim Hier, "I so move". Marianne Cone seconded. Motion unanimously carried.

V ADJOURNMENT

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

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, Secretary

City Council Staff Report

CITY ENGINEER

Author: Eric DeHaan, P.E.
Department: Executive
Subject: Intersection of S.R. 224 & Meadows Drive
Date: March 1, 2007
Type of Item: Discussion at Work Session

Summary Recommendations:
The City Council should discuss the status of the intersection of S.R. 224 & Meadows Drive and provide direction to the staff to pursue either a traffic signal or a roundabout.

Description:

Topic:

At the November 2, 2006, City Council meeting the Council discussed the possibility of a traffic signal or a roundabout at this intersection. The speed of vehicles, as well as speed limits were discussed. Numerous members of the public spoke at that meeting. (A copy of the work session notes is attached.) The direction from Council at that time was to initiate the process for signalization at the intersection and to research roundabout design and engineering cost estimates so that a roundabout project could be discussed as a budget option.

Background:

As early as 2004 and 2005, City staff studied the subject intersection to see if a signal was "warranted" according to the specific signal "warrants" which UDOT must use. Although the City staff and a consultant, Project Engineering Consultants, Ltd., (PEC) felt that a signal indeed met UDOT's warrants, UDOT did not agree. There has also been concern expressed about the aesthetics of a signal in our entry corridor, one reason a roundabout has been of interest to the Council and citizens. Safety of pedestrians and the speed of vehicles on S.R. 224 are other aspects of this discussion. Further, UDOT installed a signal operating system called SCATS to optimize traffic flow on S.R. 224. UDOT believes SCATS has resulted in 5% to 10% efficiencies on S.R. 224 and is concerned about any changes to any S.R. 224 intersection which would affect SCATS.

Analysis:

Following the November 2 meeting the staff met with UDOT officials and requested a new UDOT traffic signal warrant study. On January 24, 2007 the results of the new signal study were sent to Kris Peterson, P.E., the Region 2 Traffic Operations Engineer for UDOT, who forwarded the results to City staff. A copy of the January 24 warrant study is attached. That study concluded that despite the 32,500 vehicles on S.R. 224 a signal still is not warranted because there are adequate gaps in S.R. 224 traffic for cars to turn left off of Meadows Drive, because the volumes on Meadows Drive are not very high, and because the number of crashes which would be reduced by installation of a signal was not high. Pedestrian volume was not high enough to be applicable.

City staff contacted UDOT's Kris Peterson recently to see if the Corridor Preservation Agreement between Park City and UDOT would hypothetically allow UDOT to warrant the Meadows Drive signal on the basis of a coordinated roadway network. This method is how Summit County and UDOT agreed to warrant the new signal on S.R. 224 at Bobsled Boulevard and Cutter Lane, which did not meet the technical requirements for a traffic signal.

UDOT is concerned about the SCATS operating system on S.R. 224 which attempts to optimize traffic flow on S.R. 224 during busy periods. SCATS is a proprietary software product and users must purchase licenses for that use. Kris Peterson has taken the position (February 6 email, attached) that if Park City will pay for the new SCATS licenses and the improvements to our legs, UDOT would warrant a signal based on the roadway network warrant. The Meadows Drive legs of the intersection need to have some vertical and horizontal improvements so that the opposing lanes align perfectly. This work would be at the City's expense ("partnering up to the improvements" in the February 6 email). SCATS licenses cost up to $50,000 per bundle; it isn't clear whether Park City would be asked to pay for an entire bundle of new licenses.

Department Review:

This report has been reviewed by Public Works, Public Safety, and Sustainability. No staff concerns remain.

Alternatives:

The City Council should discuss the possible signal at S.R. 224 and Meadows Drive. Consistent with Council direction the staff will present a CIP project funding request during the budget process to fund the City's contributions toward a signal. Also consistent with Council direction the staff plans to present a CIP project request for funding to review UDOT's position on a roundabout at the intersection and whether a roundabout is a realistic alternative given UDOT's guidelines. Staff recommends pursing either the signal option or the roundabout option. Unlike many dilemmas facing the City, in this case "doing nothing" is also a viable alternative since the existing intersection can continue to function as it does today, if not perfectly, into the future.

Significant Impacts:

The CIP project for a signal will request $150,000 for the City's share of costs. The CIP project to study a roundabout will request $40,000 for engineering studies relating to a roundabout. Actual construction costs for a roundabout could extend well over one million dollars especially if a pedestrian underpass or overpass is included, but those construction costs will not be ripe for discussion until UDOT eventually changes their guidelines.

Consequence of Not Taking the Recommended Action:

The general public has an expectation of a traffic signal at the subject intersection; people would be disappointed if a signal isn't installed.

Recommendation:

The City Council should discuss the status of the intersection of S.R. 224 and Meadows Drive and provide direction to staff to pursue either a traffic signal or a roundabout.

seniors in the County would offer consistency with Park City's services. He added that the study will address better partnering with planners in terms of incorporating transit-friendly designs and evaluating transit impacts of proposed developments. There is a need to look at the management demands of the para-transit system and maintenance of existing bus stops and shelters. This plan will have a sustainable financial component and improvements may include shelters, stops, a maintenance facility and advanced technology. Roger Harlan pointed out the difficulties in recruiting qualified bus drivers to provide an expanded bus system and Mr. Cashel assured him that this topic will also be addressed in the plan as well as cost-sharing with the County. Joe Kernan asked about expanded service in Park Meadows and Mr. Cashel explained that staff was willing to move forward on this request in 2003 and although neighborhood meetings were well advertised, attendance was poor. As a result, expanded service in Park Meadows wasn't pursued because of the perceived lack of interest and the challenge in balancing current demands with existing resources. He added that at the November 8 meeting, alternatives on the realignment of Landmark Drive will also be discussed.

4. Traffic management issues:

Meadows Drive at SR224 – traffic signal, round-about, and speed limits. Eric DeHaan pointed out that for years, the City has been aware of the volume of traffic at this intersection and has monitored safety records and pedestrian and vehicular counts. In 2005, Project Engineering Consultants was hired by the City to conduct a traffic signal warrant study at the intersection and it was determined that a signal is warranted. There have been numerous meetings with UDOT on this issue and he explained that the signal coordinator system on SR224, enters into the state's analysis of the intersection. He stated that the City Council directed staff to explore the feasibility of a round-about at this intersection given its importance as an entry way to Park City. The counts at this location reflect 30,000 to 36,000 vehicles a day; there isn't a shoulder season here anymore and construction traffic is a large component. The letter from UDOT, included in the meeting packet, does not support a round-about but reserves the possibility of a signal. Mr. DeHaan added that UDOT disputes the results of Project Engineering Consultant's warrant.

He emphasized that in order to install a signal, the profile of the intersecting streets needs to match the elevated banked section on SR224. This will involve reconstruction of the approach legs at the intersection at a cost to the City of approximately $100,000; UDOT would cover the costs of the equipment and installation of poles, lights, signal controllers, and connections. Meadows Drive is horizontally aligned but utility boxes will need to be adjusted because of the turn lanes. Mr. DeHaan advised that reconstruction would also be required with the round-about alternative. UDOT is willing to consider a signalized intersection, but discourages round-abouts on state highways carrying high volumes of traffic.

The City Engineer recognized concerns expressed about the speed limit and pointed out that SR224 was designed for 55 to 60 mph speeds, measured and determined by

UDOT using the 85 percentile traffic engineering standard. In other words, 85% of roughly 30,000 cars a day travel 60 mph until the speed limit drops at Payday Drive. Given UDOT's guidelines for setting speeds, it will be challenging for the City to lower the speed limit through the intersection absent the use of a signal or round-about. He added that there is an underpass further north on SR224 designed for pedestrians to cross the highway. The safety record at the intersection is not abnormal and accidents that have occurred are not the type that would be affected by the installation of a signal. He stated that staff is looking for direction on continuing to pursue a round-about which was the expressed direction of Council members. The Mayor understood that a round-about would cost the City between $2 and $4 million and may take years to be approved while a signal could be installed in about a year, totaling about $200,000 to $300,000 and cost-shared between the City and UDOT. Mr. DeHaan stated that he couldn't guarantee that timeline at this point, but he felt it is a reasonable estimate.

Candace Erickson felt that the SR248/Deer Valley Drive round-about is too tight and asked how much area would be required for a round-about at this intersection and whether it is feasible. The City Engineer indicated the difficulties in meeting UDOT's standards for approach radiuses and curvatures, however, the engineering simply has not been done. Ownership of property is not considered to be problematic, unlike the wetlands, utility impacts and UDOT approvals. With regard to considering a round-about, Roger Harlan pointed out the low traffic volumes on Aspen Springs Drive and Meadows Drive which may not work for a round-about. In response to a question from Council member Cone on future growth in adjoining neighborhoods, Mr. DeHaan responded that traffic volumes from the east and west are not anticipated to substantially increase. The technology for detecting vehicles and activating signals was discussed. In response to a question from Joe Kernan about preparation work, the City Engineer emphasized that the work performed for a signal could not be applied to a round-about in the future; it requires completely different grading. The Mayor invited input from the audience.

Bill Gorton, Aspen Springs resident, stated that he is one of 212 signatures on a petition to install a signal, which he submitted for the record. It requests that the Council prioritize the installation of a traffic signal at the intersection of Meadows Drive, Aspen Springs Drive and SR224. He read a letter into the record thanking the Council for funding the 2005 independent study during the height of ski season warranting a signal, and commented on the UDOT study conducted in May which resulted in not warranting a signal. A September 2005 letter from UDOT stated that while the location does not quite meet the required traffic volume, the state will proceed with a signal project if the City is willing to participate in the cost of the project by constructing the improvements required on the legs of the intersection. He understood that the majority of work would focus on the west side of the intersection and the overall cost of the project is about $300,000 of which the City's share would be $200,000. He noted the significant cost of a round-about estimated at $2 to $4 million and the October 2006 letter from UDOT denying the City's request to consider a round-about at the intersection. While there are a number of reasons cited in the letter, Mr. Gorton emphasized UDOT's argument that installation of a round-about at an intersection of major and minor roadways will result in unacceptable delays on SR224. A round-about will also unfavorably allow priority to the cross-street traffic. Mr. Gorton stated that he shares the desire of Council to make the approach to Park City distinctive; however, unacceptable delays will not result in a desired distinction. This is a dangerous intersection despite the fact that no fatal accidents have occurred, it is only a matter of time before that will happen. He added that it is certain that the traffic on SR224 will continue to grow and adding a traffic signal to the existing eleven lights to Kimball Junction will not cause significant traffic delays and may very well save lives. He requested the City Council to appropriate the necessary funds to improve the intersection and to seek the installation of a traffic signal from UDOT as a matter of immediate priority.

Tom Cahalan, President of Aspen Springs HOA, stated that the Board discussed both the round-about and signal options as methods to make the intersection safer. He indicated that the subdivision is in support of a round-about because it is a more aesthetic option for our entryway statement and would effectively handle traffic problems. He acknowledged that costs have to be considered but a round-about would distinguish Park City from the County. If a round-about is impossible, the neighborhood would support a traffic signal to address safety issues. He submitted a letter for the record.

Vince Desimone, Mountain Top Drive, relayed that he worked as a traffic engineer in California and it is his conclusion that a traffic signal is a way to achieve mobility when coordinated with the other lights on SR224. With regard to the issue of safety, a traffic signal is a positive method of achieving control over vehicles. The round-about would cause motorists to slow down but it has the potential of creating a dangerous situation with vehicles traveling at a high speeds and slower vehicles entering from the side streets. Residents in adjoining neighborhoods often use the signal to the south because they are afraid of turning into the intersection in its current condition. He believed that once a signal is installed, more people will use the intersection; traffic counts will increase at the intersection and accidents occurring within adjoining neighborhoods will decrease. Park City's image as a resort community is very important. Mr. Desimone stated that the intent of maintaining a rural look by not designing SR248 as a four lane highway was a mistake. A round-about would be frustrating and confusing for visitors as well.

Former Mayor Brad Olch, Mountain Top resident, expressed his support and involvement in the Deer Valley round-about, which was significantly funded by the Federal Transit Administration. He asked how the $2 to $4 million cost would be covered. Tom Bakaly explained that the City would apply directly for federal funds; costs would be shared at 80% by the federal government and 20% matched by the City if approved. Mr. Olch emphasized that the round-about was tied to the Olympics and it's difficult to predict the City's success on procuring federal funding for another round-about project. He expressed that UDOT missed opportunities leading up to the Olympics in procuring funding to install round-abouts at Kimball Junction, the Olympic Park, and The Canyons. He urged Council members to consider installing a traffic signal which would be the most cost effective and timely way to address safety issues.

Kent Winterhauler understood that this intersection is identified in the Corridor Preservation Agreement between the City and UDOT as being a major intersection and justifying the installation of a traffic signal. He asked if the Agreement would be violated if a round-about is pursued over UDOT's objections. Mark Harrington advised that the process for obtaining permission for a round-about would require UDOT approval at some point and the Agreement would have to be amended. Eric DeHaan stated that there would be an additional cooperative agreement with UDOT detailing maintenance and landscaping.

Mayor Williams stated that he witnessed a fatality at the intersection 12 years ago when SR224 was a two-lane road. As much as he would like to see a round-about there, he didn't believe the City should wait. Joe Kernan expressed that he would like to continue to pursue a round-about in the long-term but he wholly supports the installation of a traffic signal now. In response to a question from Ms. Erickson about funding the project, Tom Bakaly stated that a dialog would begin with UDOT and the project would be included for consideration with other City capital priorities within budget discussions in the spring. If a favorable decision is rendered in June, the signal would probably be completed until the end of the summer.

Candace Erickson spoke about her commitment to a round-about but one consideration that didn't occur to her before tonight is that providing a pedestrian crossing at the intersection would be impossible. She felt that people will not walk to the Farm and use the underpass to cross SR224. With regard to Mr. Desimone's comments about SR248, she totally supported the City's decision on the two-lane design, because if it were four lanes, the Council would be having this same discussion with Prospector neighborhoods. Two lanes result in slower traffic. Marianne Cone expressed her desire to continue to pursue a round-about. Jim Hier stated that there are a lot of things he would love to have, but can't afford them and the round-about fits in that category. He supports beginning the process for installing a signal and scheduling the project as a part of prioritizing the CIP projects this spring. Roger Harlan agreed with Mr. Hier's comments. He added that a traffic signal will not guarantee that the potential for serious accidents at this intersection will be eliminated and there is documentation that accidents often occur when new lights are installed. Joe Kernan stated that he would still like to pursue a round-about in the long-term. In response to questions from Marianne Cone, Eric DeHaan estimated that a signal could be operational in about a year and reported that there are very few accidents in the Deer Valley round-about. In order to pursue a round-about, he explained that a consultant would have to be hired to interact with UDOT on its policies and the engineering work would probably be in the $100,000 range.

The Mayor acknowledged that the majority of members agree to immediately initiate the process for signalization at the intersection. With regard to direction on pursuing a round-about sometime in the future, Jim Hier asked that this be discussed as a budget option and at that time; a decision can be made about the feasibility of a round-about.

MEMORANDUM **UTAH DEPARTMENT OF TRANSPORTATION**

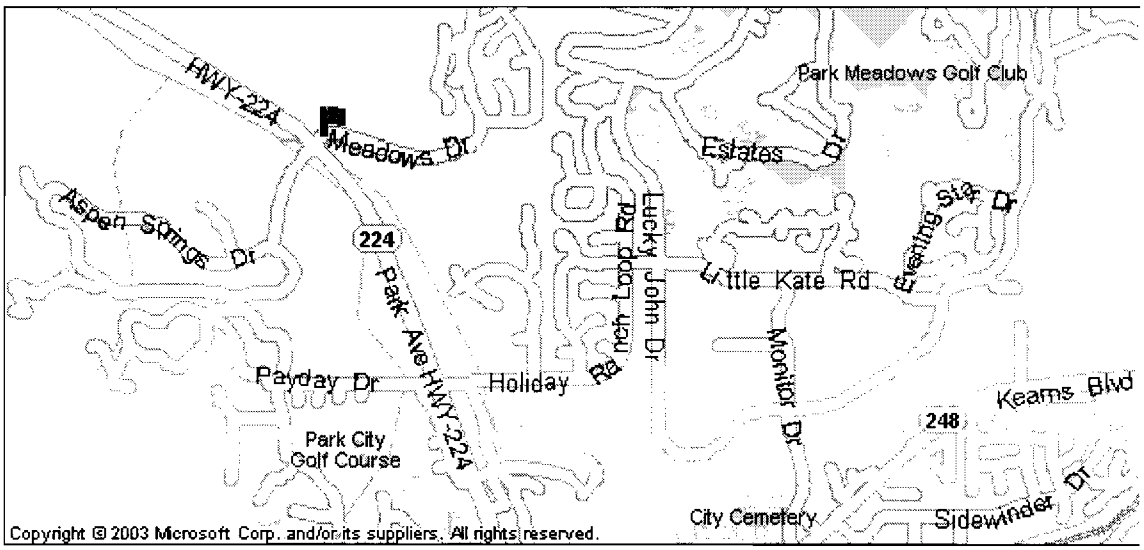
DATE: January 24, 2007

TO: Kris Peterson, P.E.
Region Two Traffic Operations Engineer

FROM: Larry Montoya, P.E.
Traffic and Safety Design Engineer

Larry Montoya
Digitally signed by Larry Montoya
DN. CN = Larry Montoya, C = US, O = Traffic and Safety
Reason. I am approving this document
Date 2007 01 31 10 57 17 -07'00'

SUBJECT: New Signal Study at SR-224 & Meadows Dr. in Park City
Study # 2-308-06



We have studied the intersection of SR-224 & Meadows Dr. in Park City as requested. This intersection **does not** meet the required MUTCD signal warrant criteria for a new traffic signal. Attached are the study results.

If you do not agree with the results of this study or have any questions, please contact the Traffic Studies office expressing your concerns.

LJM/pmj

cc: Robert Hull
Tam Southwick (Attachment)
Peter Jager

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Signal Warrant Analysis

Study No.: **2-308-06**
Intersection: **SR-224 & MEADOWS DR**
City/Town: **PARK CITY**
Date: **13 DEC 2006**

Major Street
No. of Lanes (1 dir): 3
Right Turn Storage: Yes
(If Yes, V2=0)

Minor Street
Approach: WB
No. of Lanes (1 dir): 1
Right Turn Storage: Yes
(If No, Vr = 600-Vo. If Yes, Vr=1200-Vo)

Time	Right Turn Analysis					Minor Street			Major Street		
Hour	NB Rt. Ln. Thrus V1	NB Rt. Turns V2	Rt. Turn Conflicts Vo	Gaps Available Vr *	WB Rts. (actual) Nc	Rts. for Warrant Na	WB Thru & Lefts	Total	NB Total	SB Total	Total
05-06	49	0	49	1151	4	0	3	3	79	92	171
06-07	140	0	140	1060	15	0	9	9	228	553	781
07-08	401	0	401	799	35	0	30	30	653	1303	1956
08-09	454	0	454	746	85	0	29	29	740	1558	2298
09-10	481	0	481	719	60	0	31	31	784	1195	1979
10-11	541	0	541	659	61	0	31	31	882	984	1866
11-12	576	0	576	624	70	0	48	48	939	1057	1996
12-13	757	0	757	443	47	0	47	47	1233	1127	2360
13-14	729	0	729	471	44	0	32	32	1188	1081	2269
14-15	852	0	852	348	72	0	38	38	1389	1089	2478
15-16	943	0	943	257	72	0	31	31	1536	1151	2687
16-17	947	0	947	253	101	0	27	27	1544	1196	2740
17-18	923	0	923	277	64	0	25	25	1504	1067	2571
18-19	573	0	573	627	38	0	25	25	934	961	1895
19-20	410	0	410	790	25	0	21	21	669	578	1247
20-21	446	0	446	754	21	0	16	16	727	430	1157
21-22	280	0	280	920	12	0	17	17	456	413	869

* Vr = 1200 - Vo

WARRANT 1A: Minimum Vehicular Volume** — **Not Met**
Major Street Warranting Volume = 420
Minor Street Warranting Volume = 105
Hours Met (8 Req'd) = 0

WARRANT 1B: Interruption of Continuous Traffic** — **Not Met**
Major Street Warranting Volume = 630
Minor Street Warranting Volume = 53
Hours Met (8 Req'd) = 0

WARRANT 1-Combination of Warrants — **Not Met**
(80% Req'd of Warrant #1A & Warrant # 1B)
Required Hours = 8
Warranted Hours = 0

WARRANT 2: Four Hour Volumes — **Not Met**
Required Hours = 4
Warranted Hours = 0

WARRANT 3: Peak Hour Delay — Not Measured
WARRANT 3: Peak Hour Volume — **Not Met**
Required Hours = 1
Warranted Hours = 0

WARRANT 4: Minimum Pedestrian Volume — **n/a**

WARRANT 5: School Crossing — **n/a**

WARRANT 6: Coordinated Signal System — **n/a**

WARRANT 7: Crash Experience — **Not Met**
Right Angle Accidents 2005 0
(5 or more in one year) 2004 1
2003 1

WARRANT 8: Roadway Network — **n/a**

85% Speed = 54.6 Study By: PAP
** 70% of Required Value

O:\Traffic Studies\2-308-06 SR-224 & Meadows Dr.wb3 24-Jan-07

Signal Warrant Analysis

Study No.: **2-308-06**
Intersection: **SR-224 & MEADOWS DR**
City/Town: **PARK CITY**
Date: **13 DEC 2006**

Major Street
No. of Lanes (1 dir): 3
Right Turn Storage: Yes
(If Yes, V2=0)

Minor Street
Approach: EB
No. of Lanes (1 dir): 1
Right Turn Storage: Yes
(If No, Vr = 600-Vo. If Yes, Vr=1200-Vo)

Time	Right Turn Analysis					Minor Street			Major Street		
Hour	SB Rt. Ln. Thrus V1	SB Rt. Turns V2	Rt. Turn Conflicts Vo	Gaps Available Vr *	EB Rts. (actual) Nc	Rts. for Warrant Na	EB Thru & Lefts	Total	NB Total	SB Total	Total
05-06	54	0	54	1146	0	0	2	2	79	92	171
06-07	323	0	323	877	3	0	1	1	228	553	781
07-08	762	0	762	438	6	0	13	13	653	1303	1956
08-09	911	0	911	289	15	0	11	11	740	1558	2298
09-10	699	0	699	501	20	0	2	2	784	1195	1979
10-11	575	0	575	625	8	0	14	14	882	984	1866
11-12	618	0	618	582	19	0	17	17	939	1057	1996
12-13	659	0	659	541	18	0	21	21	1233	1127	2360
13-14	632	0	632	568	8	0	10	10	1188	1081	2269
14-15	637	0	637	563	17	0	8	8	1389	1089	2478
15-16	673	0	673	527	10	0	19	19	1536	1151	2687
16-17	700	0	700	500	20	0	9	9	1544	1196	2740
17-18	624	0	624	576	10	0	16	16	1504	1067	2571
18-19	562	0	562	638	10	0	14	14	934	961	1895
19-20	338	0	338	862	9	0	5	5	669	578	1247
20-21	251	0	251	949	13	0	8	8	727	430	1157
21-22	242	0	242	958	11	0	8	8	456	413	869

* Vr = 1200 - Vo

WARRANT 1A: Minimum Vehicular Volume** — **Not Met**
Major Street Warranting Volume = 420
Minor Street Warranting Volume = 105
Hours Met (8 Req'd) = 0

WARRANT 1B: Interruption of Continuous Traffic** — **Not Met**
Major Street Warranting Volume = 630
Minor Street Warranting Volume = 53
Hours Met (8 Req'd) = 0

WARRANT 1-Combination of Warrants — **Not Met**
(80% Req'd of Warrant #1A & Warrant # 1B)
Required Hours = 8
Warranted Hours = 0

WARRANT 2: Four Hour Volumes — **Not Met**
Required Hours = 4
Warranted Hours = 0

WARRANT 3: Peak Hour Delay — Not Measured
WARRANT 3: Peak Hour Volume — **Not Met**
Required Hours = 1
Warranted Hours = 0

WARRANT 4: Minimum Pedestrian Volume — **n/a**

WARRANT 5: School Crossing — **n/a**

WARRANT 6: Coordinated Signal System — **n/a**

WARRANT 7: Crash Experience — **Not Met**
Right Angle Accidents 2005 0
(5 or more in one year) 2004 1
2003 1

WARRANT 8: Roadway Network — **n/a**

85% Speed = 54.6
** 70% of Required Value

Study By: PAP

O:\Traffic Studies\2-308-06 SR-224 & Meadows Dr.wb3 24-Jan-07

Traffic Volume Report

Study # 2-308-06
Intersection SR-224 & MEADOWS DR
Study Date 13 DEC 2006

Machine Count Data

Time	Northbound All Traffic	Northbound Left Turns	Northbound Lt. & Thrus	Northbound Right Lane	Northbound Right Turns
00-01	83		83		0
01-02	56		53		3
02-03	25		25		0
03-04	12		12		0
04-05	27		27		0
05-06	79		79		0
06-07	228		222		6
07-08	653		622		31
08-09	740		704		36
09-10	784		746		38
10-11	882		847		35
11-12	939		914		25
12-13	1233		1175		58
13-14	1188		1140		48
14-15	1389		1331		58
15-16	1536		1479		57
16-17	1544		1500		44
17-18	1504		1459		45
18-19	934		900		34
19-20	669		645		24
20-21	727		706		21
21-22	456		438		18
22-23	349		346		3
23-24	193		191		2
Total	16230	0	15644	0	586
%	100.0%	0.0%	96.4%	0.0%	3.6%

Time	Southbound All Traffic	Southbound Left Turns	Southbound Lt. & Thrus	Southbound Right Lane	Southbound Right Turns
00-01	64		64		0
01-02	32		31		1
02-03	16		16		0
03-04	9		9		0
04-05	29		29		0
05-06	92		92		0
06-07	553		547		6
07-08	1303		1290		13
08-09	1558		1537		21
09-10	1195		1175		20
10-11	984		972		12
11-12	1057		1040		17
12-13	1127		1115		12
13-14	1081		1069		12
14-15	1089		1079		10
15-16	1151		1139		12
16-17	1196		1183		13
17-18	1067		1042		25
18-19	961		935		26
19-20	578		565		13
20-21	430		419		11
21-22	413		405		8
22-23	259		255		4
23-24	113		112		1
Total	16357	0	16120	0	237
%	100.0%	0.0%	98.6%	0.0%	1.4%

Time	Eastbound All Traffic	Eastbound Left Turns	Eastbound Lt. & Thrus	Eastbound Right Lane	Eastbound Right Turns
00-01	0		0		0
01-02	1		0		1
02-03	0		0		0
03-04	0		0		0
04-05	0		0		0
05-06	2		2		0
06-07	4		1		3
07-08	19		13		6
08-09	26		11		15
09-10	22		2		20
10-11	22		14		8
11-12	36		17		19
12-13	39		21		18
13-14	18		10		8
14-15	25		8		17
15-16	29		19		10
16-17	29		9		20
17-18	26		16		10
18-19	24		14		10
19-20	14		5		9
20-21	21		8		13
21-22	19		8		11
22-23	5		4		1
23-24	2		2		0
Total	383	0	184	0	199
%	100.0%	0.0%	48.0%	0.0%	52.0%

Time	Westbound All Traffic	Westbound Left Turns	Westbound Lt. & Thrus	Westbound Right Lane	Westbound Right Turns
00-01	0		0		0
01-02	2		1		1
02-03	0		0		0
03-04	1		1		0
04-05	1		1		0
05-06	7		3		4
06-07	24		9		15
07-08	65		30		35
08-09	114		29		85
09-10	91		31		60
10-11	92		31		61
11-12	118		48		70
12-13	94		47		47
13-14	76		32		44
14-15	110		38		72
15-16	103		31		72
16-17	128		27		101
17-18	89		25		64
18-19	63		25		38
19-20	46		21		25
20-21	37		16		21
21-22	29		17		12
22-23	24		9		15
23-24	3		-2		5
Total	1317	0	470	0	847
%	100.0%	0.0%	35.7%	0.0%	64.3%

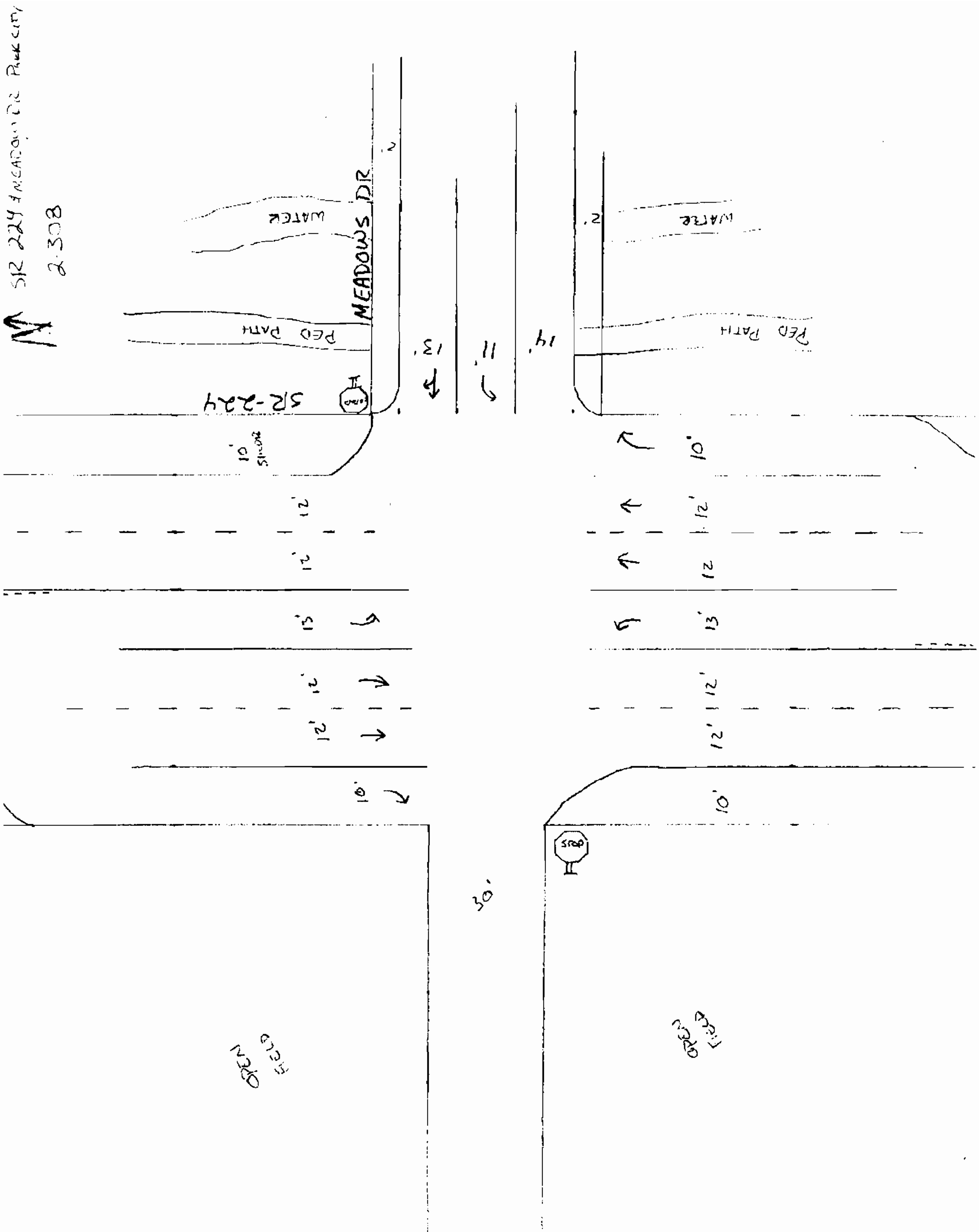
Manual Count Data

Time	Northbound Left Turns	Northbound Thrus	Northbound Right Turns	Southbound Left Turns	Southbound Thrus	Southbound Right Turns	Eastbound Left Turns	Eastbound Thrus	Eastbound Right Turns	Westbound Left Turns	Westbound Thrus	Westbound Right Turns
06-07	2	157	2	7	358	1	4	0	0	9	0	15
07-08	6	454	21	37	1116	10	7	0	7	22	0	36
08-09	10	671	33	60	1356	23	8	0	9	30	1	69
15-16	8	1410	53	58	1045	11	17	0	13	36	0	69
16-17	14	1518	51	55	1144	15	9	1	19	28	4	100
17-18	10	1478	41	53	1012	22	16	1	8	17	0	67

Study By: PAP

O:\Traffic Studies\2-308-06 SR-224 & Meadows Dr wb3

24-Jan-07


SR 224 & MEADOWS DR PARK CITY
2.308
MEADOWS DR
SR-224
WATER
WATER
PED PATH
PED PATH
STOP
STOP
OPEN FIELD
OPEN FIELD
30'

Location : Sr-224 & Meadows Dr.
Notes : signal study
Study ID : 2-308
Operator: Pap
Weather :

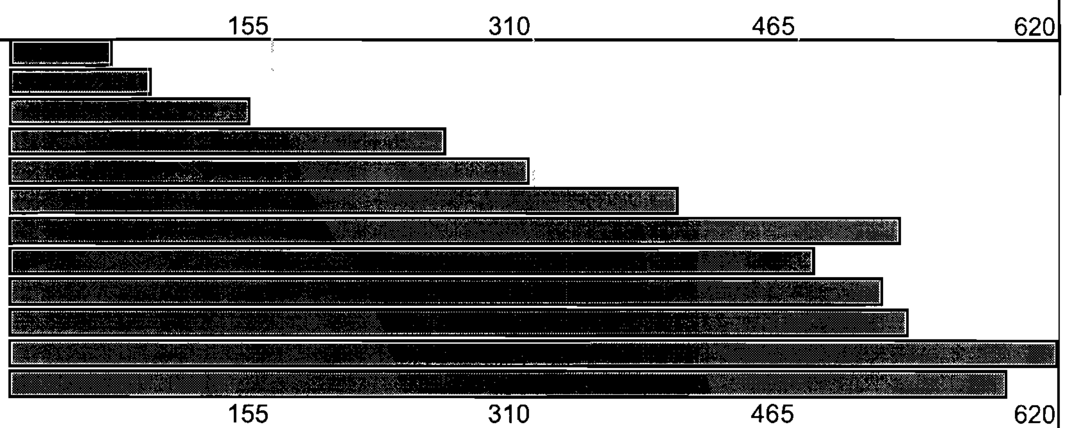
Interval : 15 min Intervals : 12
S/N : 1200
Correction : 1.0

Starts : 12/14/06 at 06:00
Ends : 12/14/06 at 09:00
Type : Open Car, Pedestrian
(Study Type 1)

		From North			From South			From East			From West			
		Left	Thru	Right	Left	Thru	Right	Left	Thru	Right	Left	Thru	Right	Total
06:00	Cars	0	36	0	0	23	0	1	0	2	0	0	0	62
	Peds			*0*			*0*			*0*			*0*	0
06:15	Cars	0	49	0	1	32	0	3	0	0	1	0	0	86
	Peds			*0*			*0*			*0*			*0*	0
06:30	Cars	2	90	0	1	43	1	3	0	4	1	0	0	145
	Peds			*0*			*0*			*0*			*0*	0
06:45	Cars	5	181	1	0	59	1	2	0	9	2	0	0	260
	Peds			*0*			*0*			*1*			*0*	1
Hour	Cars	7	356	1	2	157	2	9	0	15	4	0	0	553
	Peds			*0*			*0*			*1*			*0*	1
	All	7	356	1	2	157	2	9	0	15	4	0	0	553
	%	1.27	64.38	0.18	0.36	28.39	0.36	1.63	0.00	2.71	0.72	0.00	0.00	
07:00	Cars	7	223	1	0	66	3	3	0	7	1	0	0	311
	Peds			*0*			*0*			*0*			*0*	0
07:15	Cars	10	243	0	1	120	4	4	0	12	2	0	3	399
	Peds			*0*			*0*			*0*			*0*	0
07:30	Cars	7	354	4	3	140	4	8	0	7	2	0	1	530
	Peds			*0*			*0*			*0*			*0*	0
07:45	Cars	13	296	5	2	128	10	7	0	10	2	0	3	476
	Peds			*1*			*0*			*1*			*0*	2
Hour	Cars	37	1116	10	6	454	21	22	0	36	7	0	7	1716
	Peds			*1*			*0*			*1*			*0*	2
	All	37	1116	10	6	454	21	22	0	36	7	0	7	1716
	%	2.16	65.03	0.58	0.35	26.46	1.22	1.28	0.00	2.10	0.41	0.00	0.41	
08:00	Cars	13	297	4	3	161	8	13	0	15	3	0	3	520
	Peds			*0*			*0*			*0*			*0*	0
08:15	Cars	15	315	2	4	157	14	5	0	18	1	0	4	535
	Peds			*0*			*0*			*0*			*0*	0
08:30	Cars	14	371	13	0	186	8	6	1	21	2	0	0	622
	Peds			*0*			*0*			*1*			*0*	1
08:45	Cars	18	373	4	3	167	3	6	0	15	2	0	2	593
	Peds			*0*			*0*			*0*			*0*	0
Hour	Cars	60	1356	23	10	671	33	30	1	69	8	0	9	2270
	Peds			*0*			*0*			*1*			*0*	1
	All	60	1356	23	10	671	33	30	1	69	8	0	9	2270
	%	2.64	59.74	1.01	0.44	29.56	1.45	1.32	0.04	3.04	0.35	0.00	0.40	
AM (7:00-8:00)	Cars	55	1279	24	9	632	40	31	1	64	8	0	10	2153
	Peds			*1*			*0*			*2*			*0*	3

Graph of Total Volume per Interval

12/14/06		
06:00	62	1.4%
06:15	86	1.9%
06:30	145	3.2%
06:45	261	5.7%
07:00	311	6.8%
07:15	399	8.8%
07:30	530	11.7%
07:45	478	10.5%
08:00	520	11.4%
08:15	535	11.8%
08:30	623	13.7%
08:45	593	13.1%
Total -	4543	100.0%



Location : Sr-224 & Meadows Dr.
Notes : signal study
Study ID : 2-308
Operator: Pap
Weather :

Interval : 15 min   Intervals : 8
S/N : 1200
Correction : 1.0

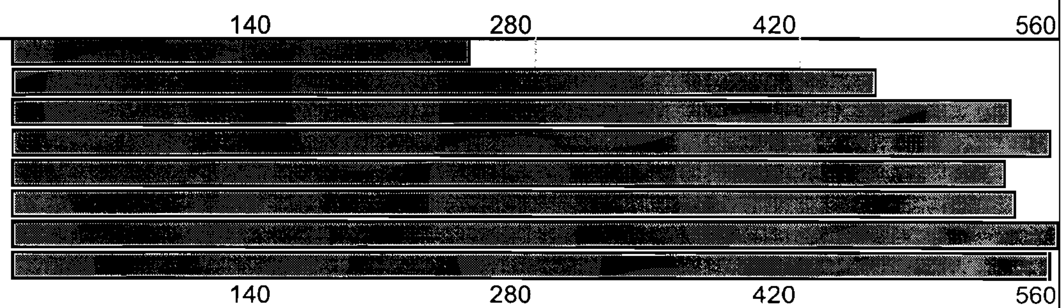
Starts : 12/12/06 at 11:00
Ends : 12/12/06 at 13:00

Type : Open Car, Pedestrian
(Study Type 1)

		From North			From South			From East			From West			
		Left	Thru	Right	Left	Thru	Right	Left	Thru	Right	Left	Thru	Right	Total
11:00	Cars	5	121	0	0	103	3	4	0	7	0	1	1	245
	Peds			*0*			*0*			*2*			*0*	2
11:15	Cars	10	205	1	0	210	12	5	0	11	3	3	1	461
	Peds			*1*			*0*			*1*			*0*	2
11:30	Cars	24	229	2	3	227	18	5	0	20	4	1	2	535
	Peds			*0*			*0*			*0*			*0*	0
11:45	Cars	10	277	5	0	234	8	6	0	13	2	0	2	557
	Peds			*0*			*0*			*0*			*0*	0
Hour	Cars	49	832	8	3	774	41	20	0	51	9	5	6	1798
	Peds			*1*			*0*			*3*			*0*	4
	All	49	832	8	3	774	41	20	0	51	9	5	6	1798
	%	2.73	46.27	0.44	0.17	43.05	2.28	1.11	0.00	2.84	0.50	0.28	0.33	
12:00	Cars	14	238	1	2	225	14	16	0	14	2	1	5	532
	Peds			*0*			*0*			*0*			*0*	0
12:15	Cars	14	214	7	2	247	15	15	0	18	2	0	4	538
	Peds			*0*			*0*			*0*			*0*	0
12:30	Cars	13	228	7	3	267	11	3	0	18	8	0	2	560
	Peds			*0*			*0*			*0*			*0*	0
12:45	Cars	13	243	2	2	265	9	5	0	13	0	1	3	556
	Peds			*0*			*0*			*0*			*0*	0
Hour	Cars	54	923	17	9	1004	49	39	0	63	12	2	14	2186
	Peds			*0*			*0*			*0*			*0*	0
	All	54	923	17	9	1004	49	39	0	63	12	2	14	2186
	%	2.47	42.22	0.78	0.41	45.93	2.24	1.78	0.00	2.88	0.55	0.09	0.64	
AM (11:00-12:00)	Cars	49	832	8	3	774	41	20	0	51	9	5	6	1798
	Peds			*1*			*0*			*3*			*0*	4
PM (12:00-13:00)	Cars	54	923	17	9	1004	49	39	0	63	12	2	14	2186
	Peds			*0*			*0*			*0*			*0*	0

Graph of Total Volume per Interval

12/12/06		
11:00	247	6.2%
11:15	463	11.6%
11:30	535	13.4%
11:45	557	14.0%
12:00	532	13.3%
12:15	538	13.5%
12:30	560	14.0%
12:45	556	13.9%
Total -	3988	100.0%



Location : Sr-224 & Meadows Dr.
Notes : signal study
Study ID : 2-308
Operator: Pap
Weather :

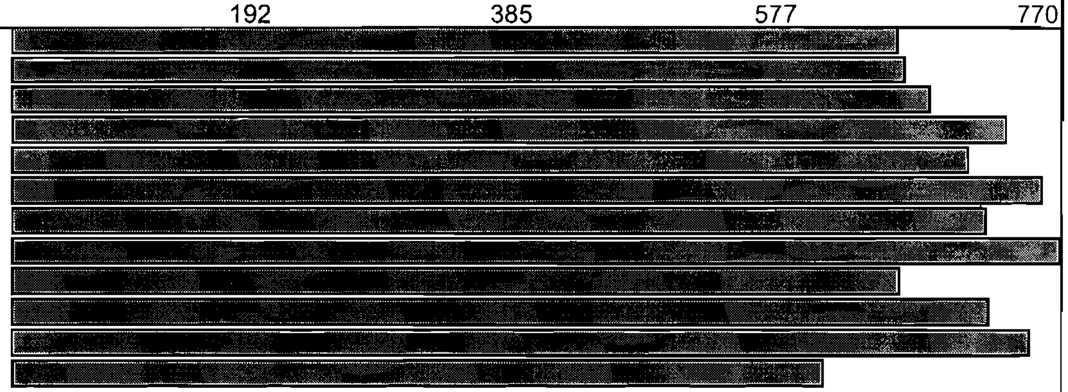
Interval : 15 min Intervals : 12
S/N : 1200
Correction : 1.0

Starts : 12/13/06 at 15:00
Ends : 12/13/06 at 18:00
Type : Open Car, Pedestrian
(Study Type 1)

		From North			From South			From East			From West			
		Left	Thru	Right	Left	Thru	Right	Left	Thru	Right	Left	Thru	Right	Total
15:00	Cars	13	280	6	2	300	18	11	0	16	3	0	2	651
	Peds			*0*			*0*			*2*			*0*	2
15:15	Cars	14	247	3	2	351	9	5	0	17	6	0	3	657
	Peds			*0*			*0*			*1*			*1*	2
15:30	Cars	12	243	0	1	371	15	12	0	19	2	0	3	678
	Peds			*0*			*0*			*0*			*0*	0
15:45	Cars	19	275	2	3	388	11	8	0	17	6	0	5	734
	Peds			*0*			*0*			*0*			*0*	0
Hour	Cars	58	1045	11	8	1410	53	36	0	69	17	0	13	2720
	Peds			*0*			*0*			*3*			*1*	4
	All	58	1045	11	8	1410	53	36	0	69	17	0	13	2720
	%	2.13	38.42	0.40	0.29	51.84	1.95	1.32	0.00	2.54	0.63	0.00	0.48	
16:00	Cars	14	284	3	6	355	15	6	1	16	3	0	3	706
	Peds			*0*			*0*			*0*			*0*	0
16:15	Cars	19	278	6	2	404	16	6	0	22	1	0	6	760
	Peds			*0*			*0*			*1*			*0*	1
16:30	Cars	10	302	4	2	352	10	10	1	22	2	0	4	719
	Peds			*0*			*0*			*0*			*0*	0
16:45	Cars	12	280	2	4	407	10	6	2	40	3	1	6	773
	Peds			*0*			*0*			*0*			*0*	0
Hour	Cars	55	1144	15	14	1518	51	28	4	100	9	1	19	2958
	Peds			*0*			*0*			*1*			*0*	1
	All	55	1144	15	14	1518	51	28	4	100	9	1	19	2958
	%	1.86	38.67	0.51	0.47	51.32	1.72	0.95	0.14	3.38	0.30	0.03	0.64	
17:00	Cars	10	265	4	1	338	7	7	0	15	5	0	2	654
	Peds			*0*			*0*			*1*			*0*	1
17:15	Cars	17	257	3	3	404	11	5	0	19	1	0	1	721
	Peds			*0*			*0*			*0*			*0*	0
17:30	Cars	16	249	8	4	422	19	5	0	21	5	1	1	751
	Peds			*0*			*0*			*0*			*0*	0
17:45	Cars	10	241	7	2	314	4	0	0	12	5	0	4	599
	Peds			*0*			*0*			*0*			*0*	0
Hour	Cars	53	1012	22	10	1478	41	17	0	67	16	1	8	2725
	Peds			*0*			*0*			*1*			*0*	1
	All	53	1012	22	10	1478	41	17	0	67	16	1	8	2725
	%	1.94	37.14	0.81	0.37	54.24	1.50	0.62	0.00	2.46	0.59	0.04	0.29	
PM (16:00-17:00)	Cars	55	1144	15	14	1518	51	28	4	100	9	1	19	2958
	Peds			*0*			*0*			*1*			*0*	1

Graph of Total Volume per Interval

12/13/06			192 385 577 770
15:00	653	7.8%	
15:15	659	7.8%	
15:30	678	8.1%	
15:45	734	8.7%	
16:00	706	8.4%	
16:15	761	9.0%	
16:30	719	8.6%	
16:45	773	9.2%	
17:00	655	7.8%	
17:15	721	8.6%	
17:30	751	8.9%	
17:45	599	7.1%	
Total -	8409	100.0%	192 385 577 770



From: Kris Peterson [krispeterson@utah.gov]
Sent: Tuesday, February 06, 2007 11:48 AM
To: Eric DeHaan
Subject: RE: Traffic Study Results Attached

Attachments: AR-M700U_20070202.pdf

AR-M700U_200702
02.pdf (467 KB)...

I attached the study from Bobsled and Cutter. If you review, it warranted on the corridor warrant. Since it did, we would also consider it for Meadows Dr. If PC is willing to partner up to the improvements needed on the cities legs, I think we would be willing to consider the corridor warrant here as well. There is also an issue in that the next new signal from here out will have to purchase a new package of 16 licences for SCATS, since all of our current licenses are used up. This is a significant cost for that bundle which will be an issue for a signal warranted based on corridor only and no physical warrants. What is the current position with regards to the roundabout request?

>>> "Eric DeHaan" <dehaan@parkcity.org> 2/1/2007 11:39 am >>>
Thanks very much for the signal warrant study at Meadows Drive on S.R. 224. It looks like the intersection is in the ballpark on a couple of the warrants but doesn't yet meet them. Given the level of public interest locally in this intersection, I am hoping you don't mind if I ask a couple of follow-up questions. First, does our Corridor Preservation Agreement allow you to separately warrant a signal (perhaps Warrant #6 or #8) under these circumstances? Second, the local "experts" want to know what warrant the signal farther north on S.R. 224 at Bobsled Boulevard/Cutter Lane met, since to our very casual observers that intersection would have been less likely to meet warrants than Meadows Drive. I hope these questions aren't too annoying, but my City Council is very interested in this issue and I want to have these additional answers available. Thanks very much for your help!!

-----Original Message-----
From: Kris Peterson [mailto:krispeterson@utah.gov]
Sent: Wednesday, January 31, 2007 11:27 AM
To: Eric DeHaan
Subject: Fwd: Traffic Study Results Attached

Eric,

I received the results of this study today. I thought you would be interested. The signal warrant study for SR-224 and Meadows Drive did not meet the warrant criteria.

>>> Peter Jager 1/31/2007 11:06 am >>>
Attached for your use are the results of the recent traffic study in Park City.

Thank you,

Peter Jager, P.E.
Traffic Studies Engineer
801-965-4264 Office
801-633-6411 Mobile
UDOT Traffic and Safety Division

City Council
Staff Report

Author: Jonathan Weidenhamer
Subject: Walkable/ Bikeable Community Study
Date: March 1, 2007
Type of Item: Informational update

Summary Recommendation:
Affirm that project objectives and ranking criteria reflect the appropriate community measures, and provide direction to continue with the Walkable study per the existing contract deliverables and timeline.

Background
The purpose of this update is to provide the City Council with a progress report on the Walkable/Bikeable Community Study. Although a draft project list is included to indicate how the project objectives and ranking criteria were applied to projects and issues raised during the public outreach sessions, staff seeks policy discussion and specific direction on:

1. Intended purpose of the study[1]
2. The proposed prioritization considerations

According to the RFP, there are two main project deliverables. The first is a prioritized list of projects that will further support a walkable and bikable community. The second is an update to the Trails Master Plan (TMP), which is an element of the City's overall Transportation Strategic Plan and tied to the Land Management Code.

Making Park City a more walkable/ bikeability community is one of several elements that make up the Transportation Strategic Plan. The individual elements of the overall Transportation Strategic Plan are neither separate nor independent. For every action taken to improve one area of transportation, there is an impact or reaction to other areas. For example, if a pedestrian

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[1] *Staff finds that it may be appropriate to revisit and reemphasize the purpose of the Study. As expressed in the project scope of work, the fundamental purpose of the Study is to create a clear and detailed list of improvement projects that will ultimately improve Park City into a more walkable and bikeable community.*

Following numerous public meetings and input, an extensive list of possible projects and corresponding problems, and concerns have been identified. Many of these are pedestrian/ bicycle related. Others however relate to traffic calming, traffic circulation, and other matters not directly part of the scope of the study.

Staff does not find it necessary to expand the scope of the study at this time. Staff believes the final report will provide Council the necessary tools to implement an effective strategy to identify and prioritize critical pedestrian/bicycle improvements and programs.

crossing is enhanced at an intersection, vehicular traffic is impacted before, at, and after the intersection.

As the Council considers the Draft List of Walkability/ Bikeability Projects, staff encourages that the interdependent nature of the elements of the City's Transportation Strategic Plan be considered. Likewise, as walkability/ bikeability projects are implemented, staff recommends that Initial decisions be monitored and measured immediately after implementation, so that adjustments, if necessary, may be initiated. The Walkable Study is not intended to be a City-wide traffic or transit study; nor will it be a specific neighborhood traffic calming guide.

Progress Report

Formal work session updates were provided on the Walkable Study on August 17, 2006 (scope of the RFP), and December 21, 2006 (progress update). The Landmark Design Team continues to make significant progress, and is on schedule to complete the study as proposed (Exhibit A – project schedule and Deliverables). Consistent with the contract approved on October 26, 2006, the following tasks have been completed:

- Documentation of Existing Conditions;
- Preparation of Project Base Mapping;
- Review of Existing Studies and Reports; and
- Assessment of Existing Network
- Public Input, including:
  - A telephone survey;
  - A series of neighborhood and community meetings;
  - A Youth open house/workshop; and
  - Direct outreach to the Latino/Spanish-speaking community.
  - Establishment of the project website www.ldi-ut.com/projects/parkcity.htm or www.parkcity.org
  - 2 major Public Forums
    - January 13, 2007
      - Identification of overall project list
      - Identification of 5 project objectives & evaluation criteria to prioritize
    - February 13, 2007
      - Detailed definitions of project objectives and evaluation criteria
      - Preliminary project rankings into Tiers based on application of criteria
      - The list of Draft projects was ranked on four of the five Project objectives (Objective 5 – capital, maintenance, and operational cost would be applied once public input had been received - Following the meeting, costs were applied and the list was revised accordingly)

Process Update – Project Objectives & Considerations

The Consulting Team has worked with the public, the Share the Road group, and a Steering Committee composed of City staff to catalog a complete draft list of walkable and bikable issues. The issue list was broken into 3 general categories: 1) capital projects; 2) operations & maintenance issues; and 3) policy related issues. In most cases the goal was to establish a list of preferred projects. However, in cases where more than one solution was possible, the project list includes alternatives where warranted.

Overriding project Objectives were agreed upon by the Consultant and the Steering Committee. A method of evaluation using criteria that is fair and consistent was then established by the consultant in collaboration with staff. These criteria or Considerations have been defined in detail and were used to prioritize the projects (Exhibit B). They are as follows:

<u>Goals:</u>

1. Safety
2. Efficiency
3. Enhance local & neighborhood connectivity
4. Enhance regional connectivity
5. Capital, operational, and maintenance costs

<u>Considerations:</u>

1. facilitates access to schools
2. facilitates access to shopping and work
3. facilitates access to transit
4. improves or eliminates crossings on busy roads
5. fixes gaps and provides continuity on trails and sidewalks
6. connects major thoroughfares and neighborhoods
7. connects walkable/bikable community design
8. serves a large number of users
9. maximizes underutilized, existing facilities
10. provides added value by solving other traffic and transportation issues

The considerations were then applied to the capital project list in a binary fashion – either the project met the criteria or didn't – if it did, it received one point. In order to be as consistent as possible, a list of definitions was established describing the conditions for which the considerations met the objectives. The considerations were not weighted for importance - each was worth one point.

Once the consideration were applied, the projects were then ranked into 5 tiers. Detailed cost estimates were conducted for only Tiers I and II (highest priority level), This tier system was established to provide flexibility and to help manage expectations – most notably if a concern was voiced that, "if my project is prioritized highest on the list it will be done first", which may not be a feasible expectation. The first two tiers represent approximately 21 of the 104 issues that were considered. Following the public meeting held on February 13th, capital, maintenance, and operational cost criteria were applied to the issues, resulting in 18 issues being represented in the first two tiers.

It is important to note that significant public input was taken at the February 13, 2007 Public forum regarding the status of the Study. In response the Landmark Team has agreed to the following:

- To provide a project list and corresponding cost estimate to reach a "gold standard" of projects.
- To provide additional analysis on other walkable communities to gain an understanding of the types of projects and level of financial commitment they have received.

- To host a 3rd public input session, to be conducted as a round table session to further discuss their recommendations (tentatively scheduled for Wednesday, February 7, from 4:30 – 6:00 pm at City Hall).

The current recommendations from the consultant team are based on a comprehensive approach. They have recommended solutions that provide an appropriate level of service that is both safe and fiscally sound, based on their technical expertise (Exhibit C). Their recommendations are also based on an incremental approach – meaning once implemented, a project can be scrutinized for success, and a more extensive enhancement project can be considered, if warranted by additional study. The Landmark Design Team approach also considered proportionate spending city-wide basis. The list of projects is sensitive to avoiding the allocation of large funding amounts in a single location in favor of a system of comprehensive, city-wide projects that will elevate walking and biking infrastructure on a more global basis.

This is an update to Council on the status of the walkable project list; specifically the overall Objectives of the Study and Considerations used to rank the project list. These Objectives and Considerations will be part of the supporting Trails Master Plan update that is scheduled for Planning Commission and City Council consideration and adoption in April. Staff does not seek specific discussion on the project list or tiered rankings. Final project recommendations will be conducted by the City's CIP Committee during initiation of the budget process, consistent with Council-adopted budget policies and the Transportation Strategic Plan.

Issues for Discussion
Staff seeks specific direction on the accuracy of the project objectives as well as the 10 considerations that were established to prioritize the project list.

Recommendation
Affirm that project objectives and ranking criteria are on target, and provide direction to continue with the Walkable study per the existing contract deliverables and timeline.

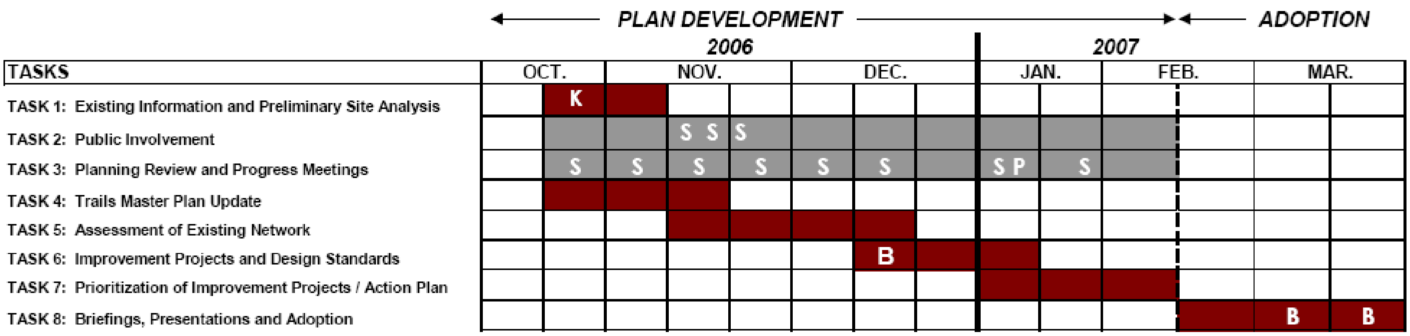
Exhibits:
Exhibit A – Deliverables & Schedule
Exhibit B – Considerations & Definitions to Rank projects
Exhibit C – Methodology to Consultants recommendations
Exhibit D – Complete project list*
Exhibit E – Tier I & II projects*

*11" x 17" color copy to be submitted separately & are available to the public upon request to Jonathan Weidenhamer – 615-5069 or jweidenhamer@parkcity.org or at the Landmark website: www.ldi-ut.com/projects/parkcity.htm

Exhibit A – Project Deliverables & Schedule

The Landmark Design Team understands that in order to meet PCMC budgetary deadlines, the List of Prioritized Projects should be ready by approximately February 15, 2007, with Final Plan adoption to occur immediately thereafter. As illustrated in the accompanying schedule, we are prepared to meet this schedule, assuming that a Notice-to-Proceed is provided by October 19, 2006 as described in the RFP.

Proposed Schedule



K - Kickoff Meeting
S - Staff Review Meeting
N - Neighborhood Workshop
P - Public Open House
B - Briefings/ Presentations to Planning Commission and City Council

Project Kickoff Date - October 19, 2006
Work Completion - February 15, 2007
Adoption Process - February 15 - March 30 2007

Walkability/Bikeability Considerations Detailed Definitions:

Facilitates access to schools
- Located within one mile of school zone
- Includes either walking or biking improvement

Facilitates access to shopping and work
- Located on route near shopping (Albertson's/Dan's) or work (Downtown, etc.)
- Includes either walking or biking improvement

Facilitates access to transit
- Located along or near a bus route or bus stop

Improves or eliminates crossings on busy roads
- Busy roads include highways and other primary routes to and through town
- Does not generally include local roads or residential neighborhood roads

Fixes gaps and provides continuity on trails and sidewalks

Connects major thoroughfares and neighborhoods
- Provides pedestrian/ bicycle link between neighborhoods and SR-224, SR-248 (Kearns Blvd.), Bonanza Drive, etc.

Connects regional trails and paths
- Provides pedestrian/ bicycle link to regional "spines", which include SR-224, SR-248 (Kearns Blvd.), Rail Trail and Poison Creek Trail

Supports walkable/ bikeable community design
- Located within or near a neighborhood that is mixed-use, dense, and small in scale (Old Town, for example). Large lot residential neighborhoods and neighborhoods with poorly-connected and winding road systems do not meet this criteria.

Serves a large number of users
- Located within or near neighborhoods that are dense and mixed-use (includes Old Town and higher-density residential areas)
- Located within close proximity to major destinations (living, shopping, working, schools, etc.)

Maximizes underutilized, existing facilities
- Builds upon or enhances an existing walking or biking facility
- Is not a "stand-alone" or unconnected improvement

Provides added value by solving other traffic and transportation issues

EXHIBIT - B

How were recommendations determined?

Each Tier I and Tier II issue was looked at individually by both the consulting team and Park City's Project Steering Committee. Recommendations shown here have been made based on many factors:

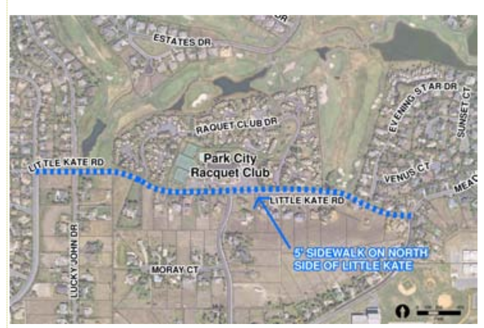
- Provides consistent solutions relative to other issues
- Minimizes the need for private property acquisition by the City
- More likely to be implemented than other alternatives given constrained resources
- Does not preclude future larger-scale improvements
- Incorporates industry and professional standards
- Likely to be approved by related entities such as UDOT

EXHIBIT-C

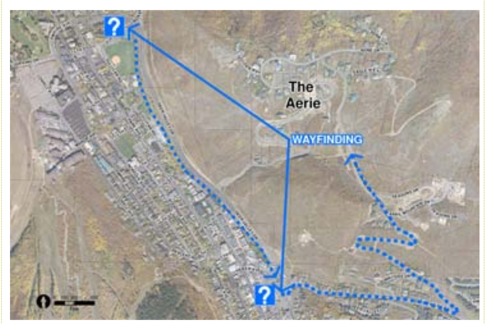
Issues

Tier	Issue #	Type	Issue	Location
Capital Projects Proposed projects that are intended to solve a specific issue at a precise location and that are large enough in scope that they need to be individually approved and included in the City's capital projects budge process				
I	1	Bike Facility	Lack of bike facility on Bonanza Drive	Bonanza Drive, from Kearns Blvd to Deer Valley Dr
II	2	Bike Facility	Lack of bike facility on Deer Valley Drive	Deer Valley Drive, from Park Ave to Deer Valley
II	3	Bike Facility	Lack of bike facility on Park Ave	Park Avenue, from Kearns Blvd to Old Town
IV	4	Bike Facility	Lack of bike facility on Kearns Blvd	Kearns Blvd, from Park Ave to US 40
V	6	Bike Facility	Incomplete connections between city and mountain trails	Park City Golf Course
II	8	Bike Facility	Lack of bike facility around Round Valley	Round Valley
III	10	Bike/Pedestrian Facility	Lack of alternative route for bikes and pedestrians	Between Prospector Sq. and Payday
V	11	Bike/Pedestrian Facility	Need residential access to Kearns Blvd trail	Doc Holiday & Prospector Park Area as whole
I	12	Bike/Pedestrian Facility	Lack of ped/bike facilities - connect to schools and Racquet Club	Little Kate
II	14	Bike/Pedestrian Facility	Lack of trail connection from Park Meadows to Rail Trail	Park Meadows/Prospector
IV	15	Bike/Pedestrian Facility	Need to connect bike path Olympic Village Plaza	Snow Creek Path near Key Bank & Squatters
V	16	Bike/Pedestrian Facility	Circuitous route for non-recreational users of trail	west side of SR-224
IV	17	Bike/Pedestrian Facility	Gap between county and city trail systems	west side of SR-224 at St. Mary's
V	18	Bike/Pedestrian Facility	Lack of trail connection between Park Ave. and Deer Valley Dr.	Condos on west side of Park Ave.
I	19	Bike/Pedestrian Facility	Gap in existing trail system	Dan's, north of cemetery
I	20	Bike/Pedestrian Facility	No access to Rail Trail from Iron Horse Condos	Bridge across Poison Creek at condos
III	21	Bike/Pedestrian Facility	Inadequate sidewalks/bike trails on both sides of street	Park Ave. - Silver King to Heber Ave.
V	22	Bike/Pedestrian Facility	Illegal parking on street blocks safe/continuous walking/cycling	Eagle Head Drive (north Park Mead.)
V	23	Bike/Pedestrian Facility	Lack of parking at Cove Trail Head	Meadows Drive at Cove Trail Head
V	24	Pedestrian Facility	Gap in popular walking route	Top of town connecting Marsac and Park Ave.
II	25	Pedestrian Facility	On-street parking displaces needed sidewalks	Comstock
V	26	Pedestrian Facility	On-street parking creates hazards for pedestrian walking in street	Lucky John
III	27	Pedestrian Facility	Sidewalks too close to road are perceived as unsafe	SR-248
I	28	Pedestrian Facility	Need to improve walking safety with more pedestrian facilities	Prospector neighborhood
III	29	Pedestrian Facility	Need for better pedestrian access from Swede Alley to Main St.	Swede Alley
V	30	Pedestrian Facility	On-street exercise loop around Park Meadows Golf Course is unsafe	Park Meadows
III	31	Pedestrian Facility	No sidewalk on north side of road	Deer Valley Drive Near Old Town
IV	32	Pedestrian Facility	Need a continuous bike lane /pedestrian walk	Deer Valley Road (entire loop)
II	33	Pedestrian Facility	Sidewalks are missing or unsafe on both sides of street	Marsac Avenue
I	34	Crossing	Unsafe ped/bike crossing of Bonanza Drive	Bonanza Drive, Poison Creek Trail to Rail Trail
V	35	Crossing	Unsafe trail crossing of Meadows Drive	Meadows Drive, east side of SR-224
V	36	Crossing	Unsafe ped/bike/ski crossing of Meadows Drive	Meadows Drive, west side of SR-224
I	37	Crossing	Unsafe ped/bike crossing of SR-224	Payday Drive/Holiday Ranch Loop Rd
V	38	Crossing	Unsafe ed/bike/ski crossing of Payday Drive	Payday Drive/Holiday Ranch Loop Rd
V	39	Crossing	Lack of ped/bike/ski crossing of SR-224 near St. Mary's Church to connect east and west side trails	SR 224 near St. Mary's church
I	40	Crossing	Confusing connection between Aerie and Poison Creek Trails	Deer Valley Drive
I	41	Crossing	Unsafe ped/bike crossing of SR-248 near schools	SR-248, eastern end near schools
I	42	Crossing	Unsafe ped/bike crossing of SR-248 near west end	SR-248, western end between Park Ave and Bonanza
V	43	Crossing	Unsafe ped/bike/ski crossing of Thayne's Drive	Thayne's Drive at trail crossing
IV	44	Crossing	Unsafe pedestrian crossing of Swede Alley at China Bridge parking structure	Swede Alley at China Bridge
I	45	Crossing	Students crossing SR-248 unsafely	High school
III	47	Crossing	Unsafe/ difficult to cross street	Marsac Ave./ Shorty's Stairs
III	48	Crossing	Unsafe/ difficult to cross street	Marsac Ave./ Wasatch & Ontario Stairs
V	54	Traffic calming	Cut through traffic in Prospector Area	from SR-248
V	55	Traffic calming	Congestion in Old Town	Main Street/Swede Alley
V	56	Traffic calming	Vehicles speeding as they enter Park City	SR-224
IV	57	Traffic Calming	Unsafe intersection	Monitor/Little Kate (at Racket Club)
V	71	Road improvements	Left-turning traffic on both roads backs up considerably	Bonanza Drive & Prospector intersection
II	72	Road improvements	Congestion at schools	Schools
V	73	Regional Coordination	Lack of connection between city trails and county trails	Regional
IV	74	Regional Coordination	Park and ride at SR-248 and Hwy 40	SR-248 and Highway 40
IV	75	Bike/Pedestrian Facility	Need traffic signal like "Freemont Street" that allows all bikes and pedestrians to go through the intersection at once	Main Street/Heber Intersection
V	76	?	Build gondola that stops at key destination points throughout City	Citywide
IV	77	Crossing	Need to improve crossing	Park Avenue at the Skate Park
III	78	Pedestrian Facility	Need sidewalks and bike facilities in Old Town (Woodside, Norfolk, Empire)	Old Town
V	81	Bike Facility	Lack of bike facility - sign and stripe bike route	Park Meadows loop
IV	84	Bike Facility	Need paved connection between Rail Trail and N.A.C.	Richardson's Flat Road
IV	85	Traffic calming	Little Kate needs traffic calming	Little Kate
III	86	Crossing	Need improved crossing	Park Avenue at Library bulb-out
III	87	Crossing	Need improved crossing	Poison Creek Trail along Deer Valley Drive, crossing of Heber as you turn right onto Swede Alley
III	88	Crossing	Need improved crossing	From Transit Center across Swede Alley
II	90	Pedestrian Facility	Gap in sidewalk/trail in front of LDS Church	Lucky John, east of Monitor
I	91	Crossing	Unsafe crossing	Holiday Village between Dan's & Albertson's
II	92	Crossing	No access to crosswalk at 224/248 - need safe connections through this area	By Albertson's
III	94	Pedestrian Facility	Need access to Bridal Veil Trail	Holiday Ranch
V	96	Bike/Pedestrian Facility	Need trail connection along east side of Deer Valley Drive	Deer Valley Drive
V	99	Bike/Pedestrian Facility	Need neighborhood access to trail without using Holiday Ranch Loop Racetrack	Holiday Ranch, North of Creek Drive
III	105	Pedestrian Facility	Gap in sidewalk	Park Avenue south of City Park entrance, east side of street
V	106	Bike/Pedestrian Facility	Unsafe crossing of Rail Trail at Wyatt Earp Way	Intersection of Wyatt Earp Way and Rail Trail
IV	107	Bike/Pedestrian Facility	Need safe bike/ped facilities	SR-224 to Little Kate on Holiday Ranch Loop Road
I	108	Bike/Pedestrian Facility	Need safe bike/ped facilities	Holiday Ranch Loop Road to Monitor Dr. on Little Kate
I	109	Bike/Pedestrian Facility	Need safe bike/ped facilities	Little Kate to Kearns Blvd. on Monitor Drive
V	110	Bike/Pedestrian Facility	Need safe bike/ped facilities	Little Kate to American Saddler on Lucky John Drive
V	111	Bike/Pedestrian Facility	Need safe bike/ped facilities	Lucky John to Meadows Drive on American Saddler
III	112	Bike/Pedestrian Facility	Need safe bike/ped facilities	Monitor to where road changes to Meadows Drive on Lucky John Drive
V	113	Bike/Pedestrian Facility	Need safe bike/ped facilities	American Saddler to SR-224 on Meadows Drive
Budgetary/Maintenance Issues Projects that are smaller in scope than "Capital Projects" and can more efficiently be implemented with funding through general fund and budgetary process				
	5	Bike Facility	Need more bike racks and facilities	Citywide, but at major destinations.
	7	Bike Facility	Inadequate accessibility	Poison Creek Trail
	13	Bike/Pedestrian Facility	Poor drainage at underpass	McPolin Farm
	46	Crossing	Poor bike connection across curb to trail system	Cyclocross Park/Holiday Ranch Loop Rd
	49	Wayfinding	Poor signage for pedestrians in Old Town	Old Town
	50	Wayfinding	Poor signage for Rail Trail	Old Town/Rail Trail
	51	Wayfinding	Poor signage on recreational trails	Solamere
	52	Wayfinding	Cyclists do not know when/how to access Poison Creek Trail	Deer Valley Road/ 10th Street
	53	Wayfinding	Cyclists and pedestrians do not know how to access major trail system	City-wide, esp. near "spines'
	58	Maintenance (Improvement)	Unsafe - Remove existing rumble strip on bike lane	Holiday Ranch Loop Road
	59	Maintenance	Poor winter maintenance of sidewalks	Deer Valley Drive
	60	Maintenance	Poor maintenance of sidewalks	Citywide
	61	Maintenance	On-road bike lanes are hazardous due to poor repairs	Citywide
	62	Maintenance	On-road bike lanes are not maintained	Citywide
	66	Policy	On-road bike lanes are not visible enough	Citywide
	67	Policy (Traffic calming)	Excessive vehicle speeds and disregard for pedestrians and bikers	Citywide
	68	Policy (Improvement)	Poor visibility of pedestrian crossings	Citywide
	69	Policy (Improvement)	Lack of awareness by drivers for pedestrians	Citywide
	70	Policy (Improvement)	Unsafe pedestrian crossings of roadways	Citywide
	93	Maintenance	Snow Creek Trail is not plowed in winter	Snow Creek Drive
	95	Pedestrian Facility	248/Snow Creek area not meeting ADA standards for connection and maintenance	Snow Creek/248
	100	Maintenance	North side of Prospector Avenue -sidewalks plowed over from parking lots	Prospector Avenue
Policy Issues Items that are not "projects" in that they are not elements that can be built, but instead can be addressed through City policies, regulations, ordinances, etc.				
	63	Policy	Lack of pedestrian facilities in new development	Citywide
	64	Policy	Lack of pedestrian facilities in existing development	Citywide
	65	Policy	Lack of sufficient budget for trail maintenance	Citywide
	79	Policy	Need to promote and market cycling in Park City	Citywide
	89	Policy	Need to use open space money or future bond money to buy additional property or easements to create off-street bike/ped lanes or critical trail connections	Citywide
	82	Policy	Need to promote walking/biking to school by improving facilities	Citywide
	83	Policy	Need to promote park and ride lots for people to bike into city	Citywide
	94	Policy	Need public access to Bridle Veil Trail	Park Meadows - changing plat notice of subdivision
Outside the Scope of This Project Projects or policies that do not fit within the walkable, bikeable, or trails scope of this project				
	101	Policy	Need to expand park and ride lots outside of City (as during Olympics)	Citywide
	102	Policy	Need to eliminate all parking at resorts and events	Citywide
	103	Policy	Access to transit - Reverse bus route in Park Meadows or a a few buses in morning hours for students	Park Meadows
	104	Policy	Stricter enforcement of leash laws needed	Citywide

Capital Projects

TIER	ISSUE NUMBER	ISSUE/LOCATION	ALTERNATIVES	CAPITAL COST	TOTAL COST	ANNUAL O & M COST
I	34 CROSSING	 **Unsafe pedestrian/bike crossing of Bonanza Drive**	a Lights in surface of road to draw drivers' attention to crossing	$18,000	**$244,000**	$1,000
			b Raised crosswalk to slow vehicles and call attention to crossing	$3,000		$300
			c Pedestrian activated signal that stops vehicle traffic on Bonanza Dr.	**$125,000**		**$2,700**
			d New overpass	$1,850,000		$1,700
			e New underpass	$2,760,000		$1,700
			f Barrier such as fencing to funnel bikers/peds to cross at one point	**$37,000**		**$500**
			g Improve existing sidewalk on east side of Bonanza to 8' asphalt trail	**$82,000**		**$800**
I	41 45 CROSSING	 **Unsafe pedestrian/bike crossing of SR-248 near schools**	**a Install a Hawk Beacon pedestrian signal at existing crossing between LDS seminary and high school**	**$125,000**	**$197,000**	**$2,700**
			b New overpass	$1,910,000		$1,800
			c New underpass	$3,050,000		$1,800
			d Barrier such as fencing to funnel bikers/peds to cross at one point	**$72,000**		**$2,100**
			e New parking near high school to minimize SR-248 crossings	$300,000		$15,000
			f Parking sticker program for neighborhood residents only.	N/A		$30,000
			g Coordinate with PC Transit to encourage use of public transit	N/A		10,000
I	12 108 BIKE/PEDESTRIAN FACILITY	 **Lack of bike/pedestrian facilities – connect to schools & Racquet Club**	a Re-stripe "edge of roadway" lines to approx 8' buffer on north side of road	$2,400	**$325,000**	$15,400
			b Add 5' sidewalk on north side of Little Kate from Holiday Ranch Loop to existing Monitor Dr. sidewalk. Fill in gap in sidewalk at LDS church.	$163,200		$8,000
			c Rework road crown and cross-section to make roadway narrow enough to install an 8' bike/ped path	$1,341,000		$15,400
			d Separated 8' asphalt trail with 4' landscaped buffer at edge of pavement	$1,520,000		$15,400
			e Add 5' sidewalk entire length of Little Kate within existing ROW on north side and east side of Lucky John from Little Kate to school drop off	**$325,000**		**$15,400**
			f Implement one-way roads with striped bike/ped only in opposing lane	$10,060		$15,200
			g Pedestrian "share the road" campaign	$30,000		$2,000
			h Traffic calming to slow vehicle traffic in neighborhood	$85,000		$1,800
I	42 91 CROSSING	 **Unsafe pedestrian/bike crossing of SR-248**	a Painted crosswalk across SR-248 at Snow Creek Drive	$500	**$900**	$50
			b In-roadway lights with crosswalk at Snow Creek Drive	$25,000		$1,200
			c Street lighting at proposed crosswalk location at Snow Creek Drive	$10,000		$1,000
			d Pedestrian signal at proposed crosswalk location at Snow Creek Drive	$125,000		$2,700
			e New overpass	$1,910,000		$1,800
			f New underpass	$3,050,000		$1,800
			g Wayfinding signage to direct pedestrians to cross at Park Ave/Kearns Blvd intersection	**$900**		**$50**

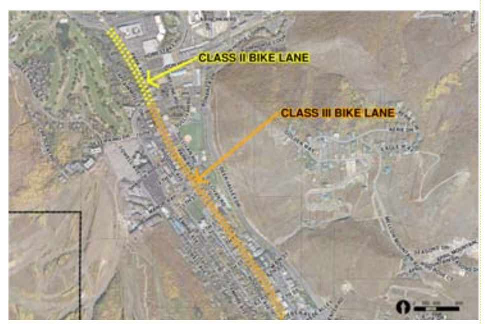
Capital Projects

TIER	ISSUE NUMBER	ISSUE/LOCATION	ALTERNATIVES	CAPITAL COST	TOTAL COST	ANNUAL O & M COST
II	1 BIKE FACILITY	 **Lack of bike facility on Bonanza Drive**	a Multi-use path separate from road	$595,000	**$20,000**	$5,500
			b On street bike facility (overlapping lanes with painted pavement)	**$20,000**		**$700**
II	40 CROSSING	 **Confusing connection between Aerie & Poison Creek Trails across Deer Valley Drive**	a Painted crosswalk on Deer Valley Drive	$500	**$900**	$50
			b Raised crosswalk on Deer Valley Drive	$5,000		$500
			c Painted crossing and pedestrian signal indicating crossing on Deer Valley Drive	$125,000		$2,700
			d New overpass over Deer Valley Drive to connect to Aerie Dr.	$1,980,000		$1,900
			e New underpass under Deer Valley Drive	$3,420,000		$1,900
			f Install new sidewalk on west side of Deer Valley Drive from 9th Street to Aerie Drive	$156.000		$1,700
			g Wayfinding signage to direct riders to correct crossing point(s)	**$900**		**$50**
II	90 PEDESTRIAN FACILITY	 **Gap in sidewalk/trail in front of church**	**a Realign sidewalk for improved connectivity to trail**	**$78,000**	**$78,000**	**$900**
II	20 BIKE/PEDESTRIAN FACILITY	 **No access to Rail Trail from Iron Horse Condos**	a Culvert inserted in creek to provide bike/ped crossing	$35,000	**$85,000**	$300
			b Bike/pedestrian bridge structure over Poison Creek	**$85,000**		**$300**

Capital Projects

TIER	ISSUE NUMBER	ISSUE/LOCATION	ALTERNATIVES	CAPITAL COST	TOTAL COST	ANNUAL O & M COST
II	25 PEDESTRIAN FACILITY	 **On-street parking displaces needed sidewalks**	**a New sidewalk on east side of Comstock - Eliminate on-street parking one side of street**	**$185,000**	**$185,000**	**$4,400**
II	28 PEDESTRIAN FACILITY	 **Prospector neighborhood needs safer pedestrian facilities**	a New paved trail separated from the road on one side of all through-streets in neighborhood	$6,510,000	**$2,500**	$44,500
			b Add sidewalk on one side of street within existing right-of-way	$1,870,000		$44,500
			c Implement one-way roads with striped bike/ped only in opposing lane (Wyatt Earp and Buffalo Bill)	**$2,500**		**$300**
			d Pedestrian "share the road" campaign	$30,000		$2,000
			e Traffic calming to slow vehicle traffic in neighborhood	$129,000		$2,800
			f Tunnel under Kearns Blvd. at Comstock intersection	$3,050,000		$1,800
II	37 CROSSING	 **Unsafe pedestrian/bike crossing of SR-224**	**a Install countdown timer on existing signal at intersection**	**$2,000**	**$2,000**	**$300**
			b New overpass over SR-224	$2,000,000		$1,900
			c New underpass under SR-224	$3,490,000		$1,900

Capital Projects

TIER	ISSUE NUMBER	ISSUE/LOCATION	ALTERNATIVES	CAPITAL COST	TOTAL COST	ANNUAL O & M COST
II	14 BIKE/PEDESTRIAN FACILITY	 Lack of trail connection from Park Meadows to Rail Trail	a New trail from Park Meadows to Rail Trail b Stripe and sign bike lane through school road system to Comstock intersection	$337,000 $2,500	$200	$2,700 $200
II	3 BIKE FACILITY	 Lack of bike facility on Park Avenue	a New 8' asphalt trail separated from the road b Class II bike lane from Kearns Blvd to Deer Valley Drive with parking on one side of street only (requires UDOT approval) c Class III bike lane south of Deer Valley Drive	$2,490,000 $4,000 $11,000	$15,000	$23,000 $500 $1,300
II	92 CROSSING	 No access to crosswalk at SR-224/SR-248 – need safe connections	a New sidewalk on south side of Kearns from Park Avenue to existing sidewalk at Holiday Village	$322,000	$322,000	$3,600

City Council
Staff Report

PARK CITY 1884
PLANNING DEPARTMENT

Author: Ray Milliner
Subject: 1160 Park Ave. Replat
Date: March 1, 2007
Type of Item: Administrative – Plat Amendment

Summary Recommendations
Staff recommends the City Council hold a public hearing for the 1160 Park Ave. Replat and consider approving it based on the findings of fact, conclusions of law and conditions of approval as found in the draft ordinance.

Topic

Applicant:	Joel and Sandy Spokes
Location:	1160 Park Avenue
Zoning:	Historic Residential Medium (HRM)
Adjacent Land Uses:	Residential to the east, south and west, parking lot to the north
Reason for Review:	Plat amendments require Planning Commission review and City Council approval

Background
On December 11, 2006 the City received a completed application for the 1160 Park Ave. Replat plat amendment. The property is located at 1160 Park Avenue in the Historic Residential Medium (HRM) zone. The proposed plat combines all of lot 16 and a portion of lot 15 of Block 56 of the Snyder's Addition to the Park City Survey into one lot of record. There is an existing historic home on the property.

The applicant wishes to combine the lots into one lot of record to facilitate the renovation and expansion of the historic home. The applicant has submitted an application for historic district design guideline review that is currently under review by staff. No building permits will be issued for the home until this plat amendment is recorded and the design review application is approved.

The Planning Commission reviewed this application on February 14, 2007. The Commission conducted a public hearing and forwarded a positive recommendation to the City Council.

Analysis
Staff finds good cause for this plat amendment as several lots will be combined into one lot of record so that additions to the house will not cross lots lines. The lot size is consistent with the pattern of development in the neighborhood.

Land Management Code Compliance

	Permitted/Existing	Proposed
Height	27’	27’
Front setback	15’	15’
Rear setback	10’	10’
Side setbacks	5’	5’
Lot size	2,812 square feet	4,200 square feet
Lot Width	37.5’ minimum	40’
Parking	None required for Historic House	Two in the garage

The applicant is proposing to access the property from existing 12th Street. There will be no road cut from Park Avenue. No access is proposed from Sullivan Road. The property will have 3 front yards and one side yard.

Department Review
This project has gone through an interdepartmental review. No further issues were brought up at that time.

Notice
The property was posted and notice was mailed to property owners within 300 feet. Legal notice was also put in the Park Record.

Public Input
No public input has been received by the time of this report.

Alternatives

- The City Council may approve the 1160 Park Ave. Replat plat amendment as conditioned or amended; or
- The City Council may deny the 1160 Park Ave. Replat plat amendment and direct staff to make Findings for this decision; or
- The City Council may continue the discussion on 1160 Park Ave. Replat plat amendment.

Significant Impacts
There are no significant fiscal or environmental impacts from this application.

Consequences of not taking the Suggested Recommendation
The house would remain as is and no construction could take place across the existing lot lines.

Recommendation
Staff recommends the City Council hold a public hearing for the 1160 Park Ave. Replat and consider approving it based on the findings of fact, conclusions of law and conditions of approval as found in the draft ordinance.

Ordinance No. 07-

AN ORDINANCE APPROVING THE 1160 PARK AVE. REPLAT PLAT AMENDMENT COMBINING ALL OF LOT 16 AND PART OF LOT 15 OF BLOCK 56 OF THE SNYDER'S ADDITION TO THE PARK CITY SURVEY WITH A METES AND BOUNDS PARCEL LOCATED AT 1160 PARK AVENUE, PARK CITY, UTAH.

WHEREAS, the owners of the property located at 1160 Park Avenue have petitioned the City Council for approval of the 1160 Park Ave. Replat plat amendment; and

WHEREAS, the property was properly noticed and posted according to the requirements of the Land Management Code; and

WHEREAS, proper legal notice was sent to all affected property owners; and

WHEREAS, the Planning Commission held a public hearing on February 14, 2007, to receive input on the plat amendment;

WHEREAS, the Planning Commission, on February 14, 2007, forwarded a positive recommendation to the City Council; and,

WHEREAS, on March 1, 2007, the City Council approved the 1160 Park Ave. Replat plat amendment; and

WHEREAS, it is in the best interest of Park City, Utah to approve the plat amendment.

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

SECTION 1. APPROVAL. The above recitals are hereby incorporated as findings of fact. The 1160 Park Ave Replat plat amendment as shown in Exhibit A is approved subject to the following Findings of Facts, Conclusions of Law, and Conditions of Approval:

Findings of Fact:
1. The property is located at 1160 Park Avenue, in the Historic Residential Medium (HRM) zone.
2. The HRM zone is a residential mix of small historic homes and larger contemporary homes.
3. One purpose of the HRM zone is to encourage the rehabilitation of historic structures.
4. The proposed lot is 4,200 square feet in size.
5. The minimum lot size for a single family home in the HRM zone is 2,812 square feet.
6. The allowed height for a single family home is 27 feet above existing grade.

7. The allowed setbacks for a single family home are 15' in the front, 10' in the rear and 5' on the sides.
8. This plat amendment will remove existing lot lines on the property, by combining all of lot 16 a portion of lot 15 and a metes and bounds parcel into one lot of record.
9. There is an existing historic home on the property.
10. Access to the property is proposed from existing 12th Street. No vehicle access is proposed from Park Avenue

Conclusions of Law:
1. There is good cause for this plat amendment.
2. The plat amendment is consistent with the Park City Land Management Code and applicable State law regarding subdivisions.
3. Neither the public nor any person will be materially injured by the proposed plat amendment.
4. Approval of the plat amendment, subject to the conditions stated below, does not adversely affect the health, safety and welfare of the citizens of Park City.

Conditions of Approval:
1. The City Attorney and City Engineer will review and approve the final form and content of the plat amendment for compliance with State law, the Land Management Code, and the conditions of approval, prior to recordation of the plat.
2. The applicant will record the plat amendment (or Record of Survey) at the County within one year from the date of City Council approval. If recordation has not occurred within one year's time, this approval for the plat will be void.

SECTION 2. EFFECTIVE DATE. This Ordinance shall take effect upon publication.

PASSED AND ADOPTED this 1st day of March, 2007.

PARK CITY MUNICIPAL CORPORATION

____
Dana Williams, MAYOR

ATTEST:

____
Jan Scott, City Recorder

APPROVED AS TO FORM:

____
Mark Harrington, City Attorney

Exhibits
Exhibit A – Record of Survey plat

City Council
Staff Report

Author: **Ray Milliner**
Subject: **7570 Royal Street East**
Date: **March 1, 2007**
Type of Item: **Administrative – Record of Survey Amendment**

PLANNING DEPARTMENT

Summary Recommendations

Staffs recommends the City Council conduct a public hearing for the First Amendment to the Golden Deer Phase 1 record of survey plat and consider approving it based on the findings of fact, conclusions of law and conditions of approval as found in the draft ordinance.

Topic

Applicant:	Hope Eccles
Location:	7570 Royal Street East
Zoning:	Residential Density (RD)
Adjacent Land Uses:	Multi – Unit residential and Commercial
Reason for Review:	Record of Survey plat amendments require Planning Commission review and City Council approval

Background

On December 6, 2006 the City received a completed application for the First Amendment to the Golden Deer Phase 1 record of survey plat amendment. The property (commonly known as the Goldener Hirsch Inn) is located at 7570 Royal Street East in the Residential Density – Master Planned Development (RD-MPD) zone. The proposed record of survey will reflect an existing addition to the restaurant, changing approximately 300 square feet of the common area to private. Although a condominium, the entire Goldener Hirsch Inn property is owned by one single owner.

This application was reviewed by the Planning Commission on February 14, 2007. They conducted a public hearing and forwarded a positive recommendation to the City Council.

Analysis

There is an existing platted access easement around the building. No changes to this easement are proposed.

Staff finds good cause with the application because there is no expansion of the existing footprint and the existing pedestrian easement is maintained.

The applicant was issued a building permit to construct the addition with the condition that she submits a plat application, and with the understanding that the construction was at her risk. Therefore, if the Planning Commission and City Council do not approve the plat amendment, the addition will need to be removed.

Department Review
This project has gone through an interdepartmental review. No further issues were brought up at that time.

Notice
The property was posted and notice was mailed to property owners within 300 feet. Legal notice was also put in the Park Record.

Public Input
No public input has been received by the time of this report.

Alternatives

- The City Council may approve the First Amendment to the Golden Deer Phase 1 record of survey plat as conditioned or amended; or
- The City Council may deny the First Amendment to the Golden Deer Phase 1 record of survey plat and direct staff to make Findings for this decision; or
- The City Council may continue the discussion on First Amendment to the Golden Deer Phase 1 record of survey plat.

Significant Impacts
There are no significant fiscal or environmental impacts from this application.

Consequences of not taking the Suggested Recommendation
The plat would remain as is, and the addition would have to be removed.

Recommendation
Staffs recommends the City Council conduct a public hearing for the First Amendment to the Golden Deer Phase 1 record of survey plat and consider approving it based on the findings of fact, conclusions of law and conditions of approval as found in the draft ordinance.

Ordinance No. 07-

AN ORDINANCE APPROVING THE FIRST AMENDMENT TO THE GOLDEN DEER PHASE 1 RECORD OF SURVEY PLAT LOCATED AT 7570 ROYAL STREET EAST, PARK CITY, UTAH.

WHEREAS, the owners of the property located at 7570 Deer Valley Drive have petitioned the City Council for approval of the First Amendment to the Golden Deer Phase 1 record of survey plat; and

WHEREAS, the property was properly noticed and posted according to the requirements of the Land Management Code; and

WHEREAS, proper legal notice was sent to all affected property owners; and

WHEREAS, the Planning Commission held a public hearing on February 14, 2007, to receive input on the plat amendment;

WHEREAS, the Planning Commission, on February 14, 2007, forwarded a positive recommendation to the City Council; and,

WHEREAS, on March 1, 2007, the City Council approved the First Amendment to the Golden Deer Phase 1 record of survey plat; and

WHEREAS, it is in the best interest of Park City, Utah to approve the plat amendment.

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

SECTION 1. APPROVAL. The above recitals are hereby incorporated as findings of fact. The First Amendment to the Golden Deer Phase 1 record of survey plat as shown in Exhibit A is approved subject to the following Findings of Facts, Conclusions of Law, and Conditions of Approval:

Findings of Fact:

1. The property is located at 7570 Royal Street East, in the Residential Density Master Planned Development (RD) zone as part of the Deer Valley Master Planned Development.
2. The RD zone is a residential larger contemporary homes, and large multi-unit properties.
3. There is an existing non-historic condominium on the property.
4. The City allowed construction of the addition provided the applicant submit a record of survey plat amendment, the owner assumes risk.
5. All utilities, including sewer and water are available on site.

Conclusions of Law:
1. There is good cause for this record of survey amendment.
2. The record of survey amendment is consistent with the Park City Land Management Code and applicable State law regarding subdivisions.
3. Neither the public nor any person will be materially injured by the proposed record of survey amendment.
4. Approval of the record of survey amendment, subject to the conditions stated below, does not adversely affect the health, safety and welfare of the citizens of Park City.

Conditions of Approval:
1. The City Attorney and City Engineer will review and approve the final form and content of the plat amendment for compliance with State law, the Land Management Code, and the conditions of approval, prior to recordation of the plat.
2. The applicant will record the Record of Survey at the County within one year from the date of City Council approval. If recordation has not occurred within one year's time, this approval for the plat will be void.

SECTION 2. EFFECTIVE DATE. This Ordinance shall take effect upon publication.

PASSED AND ADOPTED this 1st day of March, 2007.

PARK CITY MUNICIPAL CORPORATION

____
Dana Williams, MAYOR

ATTEST:

____
Jan Scott, City Recorder

APPROVED AS TO FORM:

____
Mark Harrington, City Attorney

Exhibits
Exhibit A – Record of Survey plat

City Council Staff Report

Author: Katie Cattan
Subject: 1045 WOODSIDE AVENUE REPLAT
Date: March 1, 2007
Type of Item: Administrative Plat Amendment

PLANNING DEPARTMENT

Summary Recommendations

Staff recommends that the City Council conduct a public hearing and consider approving the 1045 Woodside Avenue replat based on the findings of fact, conclusions of law and conditions of approval outlined in the attached ordinance.

Topic

Applicant:	Daniel Smith
Location:	1045 Woodside Avenue
Zoning:	Historic Residential (HR-1)
Adjacent Land Use:	HR-1
Reason for Review:	Plat amendments require Planning Commission review and City Council approval

Background

The applicant is the owner of Lots 11 and 12 of Block 9, of Snyder's Addition to the Park City Survey. On December 5, 2006, the City received a completed application to combine these properties into one lot of record. The two existing lots are 25' x 75' in dimensions. By combining the two lots into one lot of record the new dimensions of the proposed lot would be approximately 50' x 75'. There is one existing historic single family home located on the two lots.

The applicant wishes to combine the lots into one lot of record to facilitate an addition onto the historic home. The addition would be across a lot line and a building permit cannot be issued for construction across a lot line.

The applicant has also submitted an application for a Historic District Design Review for the proposed addition.

Analysis

The purpose of the application is to combine the two properties into one lot of record. This plat amendment will create one lot of record with 50' x 75' (3,750 square feet) in dimensions. The lot will be required to have 5' side yard setbacks, 10' front and rear setbacks and a maximum footprint of 1,519 square feet. The maximum height allowed for the lot will be 27' above existing grade.

Planning Staff finds there is good cause for the application as the lot combination will bring the lot into compliance with state law by removing all interior lot lines and enabling the proposed addition to the home. Staff finds that the plat will not cause undo harm on any adjacent property owners because the proposal meets the requirements of the Land Management Code and all future development will be reviewed for compliance with requisite Building and Land Management Code requirements.

	Permitted	Proposed
Height	27'	27'
Front setback	10'	10'
Rear setback	10'	10'
Side setbacks	5' min, 10' total	6' on north, 5' on south
Lot size	1,875 square feet minimum	3,750 square feet
Footprint	1,519 square feet	1,505 square feet
Parking	None required for Historic House	One in the garage, second tandem on driveway

The property is located in the HR-1 zone. Therefore, the applicant must meet the criteria for the construction of a single-family home in the Historic District Design Guidelines and Land Management Code Chapter 15-2.2 prior to the issue of a building permit.

Department Review
The Planning Department has reviewed this request. The City Attorney and City Engineer will review the plat for form and compliance with the LMC and State Law prior to recording. The request was discussed at a Staff Review Meeting on December 12, 2006 where representatives from local utilities and City Staff were in attendance. No further issues were brought up at that time.

Notice
Notice of this hearing was sent to property owners within 300' on January 24, 2007. Legal notice was also put in the Park Record.

Public Input
No comments were made by the public during the Planning Commission meeting on February 14, 2007. No comments have been received by staff at the date of this writing.

Alternatives
1. The City Council my approve the 1045 Woodside Avenue plat amendment as conditioned or amended; or
2. The City Council may deny the 1045 Woodside Avenue plat amendment and direct staff to make Findings for this decision; or
3. The City Council may continue the discussion on the 1045 Woodside Avenue plat amendment.

Significant Impacts
There are no significant fiscal or environmental impacts from this application.

Consequences of not taking the Suggested Recommendation

The house would remain as is and no construction could take place across the existing lot lines.

Recommendation

Staff recommends that the City Council hold a public hearing for the 1045 Woodside Avenue plat amendment and approve the plat amendment based on the findings of fact, conclusions of law and conditions of approval outlined in the attached ordinance.

Exhibits

Exhibit A – Proposed Ordinance
Exhibit B – Proposed Plat Amendment

Ordinance No. 07-

AN ORDINANCE APPROVING THE 1045 WOODSIDE AVENUE REPLAT COMBINING LOTS 11 AND 12, BLOCK 9 OF SNYDER'S ADDITION TO THE PARK CITY SURVEY, PARK CITY, UTAH

WHEREAS, the owner of the property known as 1045 Woodside Avenue, has petitioned the City Council for approval of a plat amendment; and

WHEREAS, the property was properly noticed and posted according to the requirements of the Land Management Code; and

WHEREAS, proper legal notice was sent to all affected property owners; and

WHEREAS, the Planning Commission held a public hearing on February 14, 2007 to receive input on the 1045 Woodside Avenue plat amendment.

WHEREAS, the Planning Commission, on February 14, 2007, forwarded a positive recommendation to the City Council; and

WHEREAS, on March 1, 2007 the City Council approve the 1045 Woodside Avenue plat amendment; and

WHEREAS, it is in the best interest of Park City Utah to approve the 1045 Woodside Avenue plat amendment.

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

SECTION 1. APPROVAL The above recitals are hereby incorporated as findings of fact. The 1045 Woodside Avenue plat amendment as shown in Exhibit A is approved subject to the following Findings of Facts, Conclusions of Law, and Conditions of Approval:

Findings of Fact:

1. The property is located at 1045 Woodside Avenue.
2. The zoning is Historic Residential (HR-1).
3. The HR-1 zone is a residential zone characterized by a mix of contemporary residences and smaller historic homes.
4. The amendment will combine two lots into one lot of record.
5. There is an existing historic single family home on the property.
6. Access to the property is from Woodside Avenue.
7. The proposed lot measures 50' x 75'.
8. The proposed lot is 3,750 square feet in size.
9. The minimum lot size for a single family home in the HR-1 zone is 1,875 square feet.
10. The maximum building footprint for the proposed lot is 1,519 square feet.

11. The maximum height limit in the HR-1 zone is 27 feet above existing grade.
12. Setbacks for the lot are 5’ on the sides, and 10’ in the front and rear.
13. Minimal construction staging area is available along Woodside Avenue.

Conclusions of Law:

1. There is good cause for this plat amendment.
2. The plat amendment is consistent with the Park City Land Management Code and applicable State law.
3. Neither the public nor any person will be materially injured by the proposed plat amendment.
4. As conditioned the plat amendment is consistent with the Park City General Plan.

Conditions of Approval:

1. The City Attorney and City Engineer review and approval of the final form and content of the plat for compliance with the Land Management Code and conditions of approval is a condition precedent to recording the plat.
2. Prior to the receipt of a building permit for construction on this lot, the applicant shall submit an application for Historic Design Review for review and approval by the Planning Department for compliance with applicable Historic District Design Guidelines.
3. The applicant will record the plat amendment at the County within one year from the date of City Council approval. If recordation has not occurred within one year’s time, this approval and the plat will be void.

SECTION 2. EFFECTIVE DATE. This Ordinance shall take effect upon publication.

PASSED AND ADOPTED this 1st day of March 2007.

Mountain Hideaway Subdivision
Snyder's Addition to
the Park City Survey
An Amendment to Block 9

NEW LEGAL DESCRIPTION

Mountain Hideaway Subdivision
Lot 1

All of Lots 11 & 12, Block 9 of Snyder's Addition to the Park City Survey, according to the official plat thereof, on file and of record in the office of the Summit County Recorder.
More particularly described as follows.
Beginning at the Northerly corner of Lot 12, Block 9, of said Snyder's Addition to the Park City Survey and running thence S 35°59" E along the Westerly right of way line of Woodside Avenue, 50.00 feet to the Easterly corner of Lot 11 of said Block 9; thence S 54°01' W along the line common to Lots 10 & 11 of said Block 9, 75.00 feet to the Southerly corner of said Lot 11, thence N 35°59' W along the line common to Lots 11, 23, 12 & 22 of said Block 9, 50.00 feet to the Westerly corner of said Lot 12; thence N 54°01' E along the line common to Lots 12 & 13 of said Block 9, 75.00 feet to the point of beginning; containing 0.086 acres, more or less

OWNER'S DEDICATION AND CONSENT TO RECORD

Know all men by these presents that the undersigned is a managing partner of The Victorian Home, L.L.C., the owner of the hereon described Mountain Hideaway Subdivision, Block 9, Snyder's Addition to the Park City Survey, and having caused this Plat Amendment to be made, does hereby consent to the recordation of this Record of Survey Plat in the office of the County Recorder of Summit County, Utah, in accordance with Utah Law.
Also, the owners hereby irrevocably offer for dedication to the City of Park City all the streets, land for local government uses, utilities and easements shown on the plat in accordance with an irrevocable offer of dedication.

In witness whereof, the undersigned has set his hand this ____ day of __________, 2006.

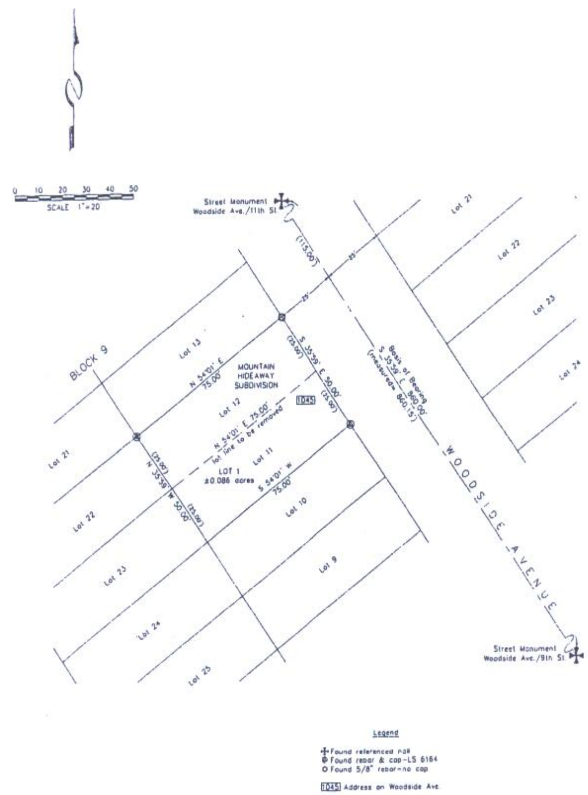
By ____________________________
Daniel A. Smith
Managing Partner, The Victorian Home, L.L.C.

ACKNOWLEDGEMENT

STATE OF UTAH
County of Summit

On this __ day of ____, 2006, Daniel A. Smith personally appeared before me, the undersigned Notary Public in and for said State and County, who after being duly sworn, acknowledged to me that he is a Managing Partner of The Victorian Home, L.L.C., that he has signed the above Owner's Dedication and Consent to Record on behalf of The Victorian Home, L.L.C., that he has been duly appointed as Managing Partner by The Victorian Home, L.L.C., that he executed this document in his capacity as Managing Partner as the act of The Victorian Home, L.L.C., for the purposes set forth hereon.

My commission expires: __________ ______________________
NOTARY PUBLIC
RESIDING IN ______ COUNTY.____



NARRATIVE

1. Survey requested by: Don Smith.
2. Purpose of survey: lot line amendment.
3. Basis of survey: found property monuments as shown. Block dimensions from the Amended Park City Monument Control Map by Bush & Gudgell, Inc., recorded as Entry No. 197765 in the office of the Summit County Recorder. Subdivision of Block 9 from the Map of Snyder's Addition to Park City by R.A. Jones, County Surveyor, dated September 15, 1912
4. Date of survey: July 9, 2006
5. Property monuments found as shown
6. Located in the Northeast Quarter of Section 16, Township 2 South, Range 4 East, Salt Lake Base & Meridian
7. See the official plats of Snyders Addition to the Park City Survey for other possible easements and restrictions
8. The owner of the property should be aware of any items affecting the property that may appear in a title insurance report
9. See the previous boundary survey on file as Entry File No. S-151 in the office of the Summit County Recorder

DEED DESCRIPTION

All of Lots 11 & 12, Block 9 of Snyder's Addition to the Park City Survey, according to the official plat thereof, on file and of record in the office of the Summit County Recorder; each Lot containing 0.043 acres, more or less

SURVEYOR'S CERTIFICATE

I, J.D. Gailey, a Registered Land Surveyor as prescribed by the laws of the State of Utah and holding License No. 359005, do hereby certify that I have supervised a survey of the hereon described property and that this plat is a true representation of said survey.

______________ Date

______________ J.D. Gailey RLS#359005

Alpine Survey, Inc. 19 Prospector Dr. Park City, Utah 84060 (435) 655-8016	SNYDERVILLE BASIN WATER RECLAMATION DISTRICT	PLANNING COMMISSION	ENGINEER'S CERTIFICATE	APPROVAL AS TO FORM	CERTIFICATE OF ATTEST	COUNCIL APPROVAL AND ACCEPTANCE	RECORDED
	REVIEWED FOR CONFORMANCE TO SNYDERVILLE BASIN WATER RECLAMATION DISTRICT STANDARDS ON THIS ____ DAY OF ______ 2006 BY: ______ SNYDERVILLE BASIN WATER RECLAMATION DISTRICT	APPROVED BY THE PARK CITY PLANNING COMMISSION THIS ____ DAY OF ________, 2006 A.D. BY ______ CHAIRMAN	I FIND THIS PLAT TO BE IN ACCORDANCE WITH INFORMATION ON FILE IN MY OFFICE THIS ____ DAY OF ________, 2006 A.D. BY ______ PARK CITY ENGINEER	APPROVED AS TO FORM THIS ____ DAY OF ________, 2006 A.D. BY ______ PARK CITY ATTORNEY	I CERTIFY THIS RECORD OF SURVEY MAP WAS APPROVED BY PARK CITY COUNCIL THIS ____ DAY OF ________, 2006 A.D. BY ______ PARK CITY RECORDER	APPROVAL AND ACCEPTANCE BY THE PARK CITY COUNCIL THIS ____ DAY OF ______ 2006 A.D. BY ______ MAYOR	STATE OF UTAH, COUNTY OF SUMMIT, AND FILED AT THE REQUEST OF ________ DATE ____ TIME ____ BOOK ____ PAGE ____ ______ FEE ______ RECORDER

EIVED

Author: Craig Sanchez
Subject: Golf Car Purchase
Date: March 1, 2007
Type of Item: Administrative

Summary Recommendation:

- Authorize the City Manager to execute a purchase contact with Highland Golf to purchase 75 new golf cars at a cost of $278,580.
- Authorize a loan agreement $139,290, in a form approved by the Legal Department, between the Capital Improvement Fund and the Golf Fund to fund half of the purchase of 75 new golf cars.

Topic:
Golf Car purchase approval and loan agreement at the Park City Golf Club.

Background
In 2002, when golf course operations moved into the new facilities, new cars were leased from Highland Golf. It was also decided because of environmental concerns to move to an all electric fleet. At that time the course did not have the financial resources to purchase the cars. The lease on the current fleet of 73 cars expired this year. This 5 year lease was paid for out of the golf fund on an annual basis.

Analysis
Staff put out a Request for Proposal for this item. This RFP was published in the Park Record for two weeks. Packets were also delivered to Highland Golf (Yamaha) and Intermountain Golf (Club Car). The applicants were required to provide sale and lease numbers, service availability and references. This proposal is for 73 electric cars and 2 gas cars. One proposal was received.

- Highland Golf: cars would include: charger, sun canopy, scuff plates, sweater basket, 4 cup consoles, message holder, logo, numbers, windshields, and ball and club washers. The purchase proposal is $278,580. The lease proposal is Conventional 5 year: $51,406 per year, 4 year: $60,344 per year. Conditional lease (City retains ownership at end of lease), 5 year: $61,701 per year, 4 year: $75,210 per year. Highland golf did deliver a new cart for staff to inspect, this is a new model and addressed some concerns that golf courses communicated. The two main issues were the metal battery holders and the bolts that held the canopy.

An analysis by Golf Course staff and the Budget and Grants department determined that the best plan is to purchase the cars and enter into a program to purchase new batteries for the fleet in five years. With one battery replacement, each car has 4 batteries, we can achieve approximately 10 years of use per car. Battery replacement will be between $700-$1000 per car. We would replace batteries as needed, and would budget this cost over three years. This program is popular with courses that have the resources to purchase carts. There are cost savings in lease payments and there are substantial long term cost savings, as only the batteries are being replaced instead of the entire golf car.

Service: Highland Golf will provide service on an as needed basis. Staff and volunteers will be responsible for the daily upkeep of the cars. Highland gold in located in Salt Lake City and has performed maintenance on the carts in the past and have always provided prompt service when needed.

Financing: The golf course would pay for half of the cost of these cars out of the golf fund. The course is requesting a loan, in a form as approved by legal, for the remaining balance. This loan would be from the City's capital improvement fund, and the term of this loan would be: 5 years at 5%. The interest rate of 5% is based upon the City's investment portfolio earning rate. The payment on this loan would be $2628.57 per month. Total amount of the loan would be $139,290 plus interest. The cost of the loan would be paid out of revenue from golf car rentals which is budgeted at $187,000 per year.

Department Review:
The City Mangers Office, the Legal Department, Budget and Grants Department, Finance Department, and the Recreation – Library Department have reviewed this report.

Alternatives:

A. Approve the Request:

B. Deny the Request:
This would require staff to seek alternative financing and put out a new Request for Proposal.

C. Continue the Item:
Council could continue the item and direct staff to provide further information at a future date.

D. Do Nothing:
Council could choose to do nothing. This would have the same effect as alternative B.

Recommendation:

- Approve the proposal received from Highland Golf to purchase 75 golf cars at a cost of $278,580.
- Approve loan agreement for $139,290 as approved by Legal, between the Capital Improvement Fund and the Golf Fund to purchase 75 new golf cars.

Attachments:

A. Proposed Loan Payment Schedule
B. Promissory Note

Attachement A

Golf Cart Loan Proposed Payment Schedule

Principal	$139,290
Interest	5.00%
Term	60 months
Annual Pmt	$31,543

Pmt Date	Pmt	Principal	Interest	Princ Rem	Pmt Date	Pmt	Principal	Interest	Princ Rem
4/1/2007	$2,628.57	$2,048.20	$580.38	$137,241.80	10/1/2009	$2,628.57	$2,320.31	$308.26	$71,662.83
5/1/2007	$2,628.57	$2,056.73	$571.84	$135,185.07	11/1/2009	$2,628.57	$2,329.98	$298.60	$69,332.86
6/1/2007	$2,628.57	$2,065.30	$563.27	$133,119.76	12/1/2009	$2,628.57	$2,339.69	$288.89	$66,993.17
7/1/2007	$2,628.57	$2,073.91	$554.67	$131,045.86	1/1/2010	$2,628.57	$2,349.44	$279.14	$64,643.73
8/1/2007	$2,628.57	$2,082.55	$546.02	$128,963.31	2/1/2010	$2,628.57	$2,359.23	$269.35	$62,284.51
9/1/2007	$2,628.57	$2,091.23	$537.35	$126,872.08	3/1/2010	$2,628.57	$2,369.06	$259.52	$59,915.45
10/1/2007	$2,628.57	$2,099.94	$528.63	$124,772.14	4/1/2010	$2,628.57	$2,378.93	$249.65	$57,536.53
11/1/2007	$2,628.57	$2,108.69	$519.88	$122,663.45	5/1/2010	$2,628.57	$2,388.84	$239.74	$55,147.69
12/1/2007	$2,628.57	$2,117.48	$511.10	$120,545.97	6/1/2010	$2,628.57	$2,398.79	$229.78	$52,748.89
1/1/2008	$2,628.57	$2,126.30	$502.27	$118,419.67	7/1/2010	$2,628.57	$2,408.79	$219.79	$50,340.11
2/1/2008	$2,628.57	$2,135.16	$493.42	$116,284.51	8/1/2010	$2,628.57	$2,418.82	$209.75	$47,921.28
3/1/2008	$2,628.57	$2,144.06	$484.52	$114,140.46	9/1/2010	$2,628.57	$2,428.90	$199.67	$45,492.38
4/1/2008	$2,628.57	$2,152.99	$475.59	$111,987.47	10/1/2010	$2,628.57	$2,439.02	$189.55	$43,053.36
5/1/2008	$2,628.57	$2,161.96	$466.61	$109,825.51	11/1/2010	$2,628.57	$2,449.19	$179.39	$40,604.17
6/1/2008	$2,628.57	$2,170.97	$457.61	$107,654.54	12/1/2010	$2,628.57	$2,459.39	$169.18	$38,144.78
7/1/2008	$2,628.57	$2,180.01	$448.56	$105,474.53	1/1/2011	$2,628.57	$2,469.64	$158.94	$35,675.15
8/1/2008	$2,628.57	$2,189.10	$439.48	$103,285.43	2/1/2011	$2,628.57	$2,479.93	$148.65	$33,195.22
9/1/2008	$2,628.57	$2,198.22	$430.36	$101,087.21	3/1/2011	$2,628.57	$2,490.26	$138.31	$30,704.96
10/1/2008	$2,628.57	$2,207.38	$421.20	$98,879.84	4/1/2011	$2,628.57	$2,500.64	$127.94	$28,204.32
11/1/2008	$2,628.57	$2,216.57	$412.00	$96,663.26	5/1/2011	$2,628.57	$2,511.06	$117.52	$25,693.27
12/1/2008	$2,628.57	$2,225.81	$402.76	$94,437.45	6/1/2011	$2,628.57	$2,521.52	$107.06	$23,171.75
1/1/2009	$2,628.57	$2,235.08	$393.49	$92,202.37	7/1/2011	$2,628.57	$2,532.03	$96.55	$20,639.72
2/1/2009	$2,628.57	$2,244.40	$384.18	$89,957.97	8/1/2011	$2,628.57	$2,542.58	$86.00	$18,097.15
3/1/2009	$2,628.57	$2,253.75	$374.82	$87,704.22	9/1/2011	$2,628.57	$2,553.17	$75.40	$15,543.98
4/1/2009	$2,628.57	$2,263.14	$365.43	$85,441.08	10/1/2011	$2,628.57	$2,563.81	$64.77	$12,980.17
5/1/2009	$2,628.57	$2,272.57	$356.00	$83,168.51	11/1/2011	$2,628.57	$2,574.49	$54.08	$10,405.68
6/1/2009	$2,628.57	$2,282.04	$346.54	$80,886.47	12/1/2011	$2,628.57	$2,585.22	$43.36	$7,820.46
7/1/2009	$2,628.57	$2,291.55	$337.03	$78,594.92	1/1/2012	$2,628.57	$2,595.99	$32.59	$5,224.47
8/1/2009	$2,628.57	$2,301.10	$327.48	$76,293.83	2/1/2012	$2,628.57	$2,606.81	$21.77	$2,617.67
9/1/2009	$2,628.57	$2,310.68	$317.89	$73,983.15	3/1/2012	$2,628.57	$2,617.67	$10.91	$0.00

PARK CITY GOLF CART PROMISSORY NOTE

This Park City Golf Cart Promissory Note (Agreement) is a binding contract, by and between Park City Municipal Corporation (City) and the Park City Golf Fund (Borrower).

Whereas the City has established an enterprise fund called the Park City Golf Fund from which to administer the operations and capital improvements and purchases related to the Park City Golf Course, and

Whereas the City Council has set aside general fund revenues in its Capital Improvement Fund for capital improvement or capital investment.

Whereas the City has an interest in the success of the Park City Golf Fund, as well as an interest in responsibly investing City funds, and

Whereas Borrower has entered into a binding Purchase and Sale Agreement dated April 1, 2007 for the purchase of 75 new electric and gas golf cars from Highland Equipment Co.; and

Whereas, Park City Municipal Corporation agrees to loan to the Park City Golf Fund one half of the amount necessary to fulfill the Purchase and Sale Agreement dated April 1, 2007; and

Now, therefore in return for disbursement of the loan, Borrower hereby promises as follows:

1. **Borrower's Promise to Pay.** Borrower promises to repay to the City One Hundred Thirty-Nine Thousand Two Hundred Ninety dollars and 0/100 cents ($139,290.00), plus interest on the unpaid principal at the annual percentage rate of five percent (5%), which shall compound monthly, from the date of disbursement April 1 2007, throughout the term of the loan.

2. **No Prepayment Penalty**. The Borrower has the right to pre-pay the loan in full or in part at any time.

3. **Late Payment Penalty**. Each monthly payment shall be considered late if not received by the City within fifteen (15) days of the date on which it is due. The Borrower agrees to pay late charges of five percent (5%) of the monthly payment amount (principal and interest) for each day past the fifteenth day on which it is due.

4. **Default/Default Rate**. Failure to make payment within thirty (30) days of the date on which payment is due shall constitute Borrower's material default on this Agreement. Upon material default, interest shall accrue and compound at the default rate of one percent (1%) per month, compounded annually.

5. **No Waiver**. City's acceptance of late payments under this Agreement or City's

failure to accelerate repayment of the principal and accrued interest under this Agreement shall not constitute City's waiver of City's absolute right to accelerate the principal and accrued interest upon Borrower's default.

6. **Attorney Fees and Costs of Collection**. Should Borrower default on this Agreement, Borrower agrees to pay all administrative costs and attorney fees the City may incur to collect the balance of principal and accrued interest due and owing pursuant to this Agreement.

7. **Amortization, Repayment, and Method of Payment**. Repayment shall be made by a lump sum payment to the City via an automated inter-fund transfer to be established and maintained by the City. Once repayment begins, it shall continue consistently, from the Initial Installment Date until repayment in full, according to the amortization schedule. Borrower shall repay the loan in full, in equal monthly installments to the City, within 60 months of the Initial Installment Date. Borrower shall request, and the City will prepare, an amortization schedule of not more than 60 months, which shall further establish the terms of repayment. The Borrower may establish a shorter amortization schedule. However, once the amortization schedule is established, Borrower shall repay the principal and accrued interest as provided in the amortization schedule.

Face Amount: $139,290.00	**Interest Rate: 5.0 %**
Term of Loan: 60 months	**Loan Initiation Date: April 1, 2007**
Immediate Repayment Option **(Initial Installment May 1, 2007)**	**Beginning Principal: $139,290.00** **Amortized: 5 years** **Monthly Payment: $2,628.57**

BORROWER:

_____________________________ _____________________
Park City Golf Fund Date

STATE OF UTAH)
)ss.
COUNTY OF SUMMIT)

On this day of , 2007, _________________personally appeared before me, the undersigned notary public, who after being duly sworn, acknowledged to me that he has the authority to sign on behalf of the Park City Golf Fund and that he executed this document in his capacity as an authorized representative of said Park City Golf Fund for the purpose set forth herein.

____
Notary Public

PARK CITY MUNICIPAL CORPORATION:

________________________________ ________________________
Thomas B. Bakaly, City Manager Date

Attest:

____
Janet M. Scott, City Recorder

Approved as to Form:

____
Mark D. Harrington, City Attorney

PCWSD Staff Report

Author: Jerry W Gibbs
Kathy Lundborg
Tom Daley
Subject: WATER SALES AGREEMENT
Date: March 1, 2007
Type of Item: Administrative

Public Works

Summary Recommendations:
Authorize the Chairman to sign a

1. WBWCD Water Conservancy District (WBWCD) Water Sales Agreement for 1,250 ac-ft of WBWCD's "district water" and 1,250 ac-ft of Bureau of Reclamation "project water."
2. Mountain Regional Water Special Service District (MRWSSD) Agreement for the delivery of 3,100 gpm of water from MRWSSD's Expanded Lost Creek Canyon Project.
3. Amendment to WBWCD/Park City/MRWSSD (three-party) Water Supply Agreement to reflect WBWCD financing of the river diversion and the upgrade to the Mt Regional pump station.

Description:

Topic:
Water Sales Agreements

Background:
WBWCD, Park City, MRWSSD, and Summit County conceived a water project over a decade ago and entered into an MOU on November 27, 1996. WBWCD agreed to reserve 5,000 acre feet of water from Smith-Morehouse Reservoir and other WBWCD surface sources in addition to 1,600 acre feet of exchange water rights allowing the diversion of underground water. By way of example, an exchange right allows a water user to divert water in the Snyderville Basin while letting an equivalent amount of water flow downstream from Rockport Reservoir.

The MOU required:

- Reservation fees for the reserved acre-feet of water
- Reservation fees applied to project costs

A committee of staff members from Park City and Summit County formed in 1999 to finalize the details of an interlocal agreement. Numerous meetings were held with the County and WBWCD. By the end of 1999 the County and the City had decided to move forward with WBWCD in a 5000 ac-ft project designed to import water from WBWCD sources.

In 2000, the County's water manager released a document entitled "Long Range Strategic Water Plan" which called for the development of the Upper Weber River Project and created Basin Regional Water Special Service District from the Atkinson Water Service District. The Upper Weber River Project used a groundwater approach to meet the initial demands for the county. The surface diversion was identified as Phase IV of the Upper Weber River Project; it would be constructed only if the wells called for in Phase I did not produce a sufficient amount of water. The groundwater approach did not produce the required amount of water and in the spring of 2002, MRWSSD began construction of the Lost Creek Canyon Pipeline, pump station and treatment facility to convey surface water to be used within the Promontory area. A treatment plant was constructed on Signal Hill to meet Promontory culinary water demands.

The original three-party MOU expired the end of 2003. A bridge agreement was adopted on November 20, 2003 to keep WBWCD's obligation to provide 5000 ac-ft of water alive. A new agreement was adopted on May 13, 2004, and is in place between MRWSSD, Park City and WBWCD requiring:

- Cooperation between the Parties and Bureau of Reclamation (BOR).
- BOR to complete a feasibility study to determine the preferred alternative to bring water to the Snyderville Basin.
- Continue to reserve 2500 ac-ft of water for Park City and 2500 ac-ft of water for Mt Regional
- Parties agree to cooperate in all Federal and State approval processes
- Annex into WBWCD Water Conservancy District all properties within the water service district boundaries.
- Park City and Mt Regional to sign a petition agreement upon completion of the feasibility study prior to moving into a design phase
- Parties may cancel if Federal and State approvals are not timely forthcoming with 60 days written notice.
- Opportunity to cancel at the end of the feasibility study and the completion of design upon approval of all parties. Reservation fees would be forfeited.

Analysis:
The following items have been completed or in progress as required in the May 13, 2004 agreement:

- BOR completed the "*Snyderville Basin Water Supply Study Special Report*" in February 2006 identifying a Snyderville Basin projected annual deficit of 17,100 acre-feet by 2050, the BOR Study identified the Lost Creek Canyon Pipeline Project (5,000 AF) as the preferred alignment for initial import water and the East Canyon Pipeline Project (12,100 AF) to immediately follow.
- WBWCD, Park City, MRWSSD, Snyderville Basin Water Reclamation District and other water providers in the Basin participated in the "*Snyderville Basin Transport Study*", funded with Corp of Engineers 595 funding, to develop an intra-basin-wide master plan to deliver imported water.

- WBWCD contracted with BOR to complete the "*Rockport Reservoir Environmental Assessment*" for delivery of up to 7500 ac-ft of water. A FONSI is anticipated by late winter 07.
- WBWCD anticipates filing a change application immediately upon MRWSSD and Park City approving the Water Sales Agreements.
- Engineering work, bidding, award of contract and notice to proceed by May 2007
- The construction of the Weber River diversion structure to be completed by November 15, 2007.

This is the next decision point on whether to move forward or not with WBWCD and MRWSSD. Park City and WBWCD will need to adopt two separate Water Sales Agreements, one for 1250 ac-ft of District water ($177.14/ac-ft/year) and one for 1250 ac-ft of BOR Project water ($86.27/ac-ft/year) and amend the three-party agreement to reflect WBWCD financing of the river diversion and the upgrade to the Mt Regional pump station. The estimated construction cost of the river diversion is $2,900,000 and will add an estimated $28.58/ac-ft to the annual cost of water. The $3,000,000 upgrade to Mt Regional's pump station will add an estimated additional cost of $78.06/ac-ft to Park City's annual cost of water.

The water sales agreement with WBWCD can be summarized as follows:

- 40 year term
- 1,250 acre feet of District and 1,250 ac-ft of Bureau of Reclamation water annually
- Cost for District water is the WBWCD standard rate ($177.14), cost for Bureau of Reclamation water ($86.27), plus 38% of the development costs of the Snyderville Basin Project and plus 38% of the construction costs of the Snyderville Basin Project.
- Take or Pay (i.e., PCWSD will pay the above-listed cost regardless of whether the water is taken).
- Takedown Schedule, i.e., some water would be left under reservation as initial water is taken down and used. (This provision may be unnecessary due to the passage of so many years.)
- Water is measured at the WBWCD intake and the point of delivery is the Mountain Regional Water Special Service District (MRWSSD) pump station.
- Maximum delivery amount is 3,100 gallons per minute (gpm) and 4,464,285 gallons per day (gpd).
- Water delivered under this contract is available under WBWCD water rights.
- Water must be used within the WBWCD boundaries.
- Return flows belong to WBWCD, i.e., no reuse without WBWCD's permission.
- PCWSD agrees to annex all land within both the PCWSD and Summit County boundaries into the WBWCD.
- Delivery reductions based on drought are on same percentage basis used throughout the entire WBWCD system.
- 900 ac-ft of additional water may be made available by WBWCD. The water allocation will be based on agreement by all three parties.

The water delivery agreement with Mt Regional allows Park City to pay for water to be delivered through the Expanded Lost Creek Canyon Project and other MRWSSD infrastructure to Park City at a point near the Promontory property line. The agreement would supersede the 2004 agreement with the following terms:

- PCWSD would pay for water based on the costs of the existing MRWSSD system which is comprised of a pump station above the Rockport Reservoir and a 24" transmission line running from the pump station to the MRWSSD treatment plant on Signal Hill.
- PCWSD would finance the estimated $3 million upgrade to the MRWSSD pump station through WBWCD; the upgrade would include the replacement of the existing pumps in the MRWSSD pump station and the necessary upgrades to the electric utility.
- Park City's contribution to the capital cost of the pump station and 24" transmission would depend on the year of implementation of the agreement. If the agreement began in 2008, the annual payments would be $92,994 annually for 25 years, or, alternatively, a lump sum payment in 2007 of $1,326,556.
- An asset management plan under which PCWSD would contribute $46,523 and MRWSSD would contribute $76,301 annually until a reserve fund reached $1,000,000; this money would be used for major repairs and replacement of facilities.
- PCWSD's ongoing costs of operation, maintenance, and repair of the pump station and transmission line would be based on MRWSSD's actual operation costs.
- PCWSD would be guaranteed up to 3,100 gpm of water and would share proportionately in any reduction of capacity / volume with MRWSSD and Promontory.
- PCWSD would be guaranteed no less than 2,500 acre feet annually and would share proportionately in any reduction of capacity / volume with MRWSSD and Promontory.
- Point of delivery would be in the vicinity of the Rail Trail, below Promontory.
- Park City has requested Promontory/Pivitol sign an estoppel letter acknowledging that no existing commitment or agreement between MRWSSD and Promontory would impact the final agreement between PCWSD and MRWSSD.

The following points were recent additions:

- PCWSD and MRWSSD agree the delivery of any potential Excess Water shall be governed by a separate agreement.
- MRWSSD shall pay any costs associated with upsizing or otherwise modifying the raw water pipeline from Signal Hill to the point of delivery near the rail trail at the Promontory property line to meet the needs of an entity other than Park City Water. Following completion and dedication to Mountain Regional, any future modifications to this line shall be approved in writing by Park City Water.
- The annual payment for the capital buy-in component to be paid by PCWSD is based on the current MRWSSD bonding rate and will be paid until December 2033, which is the retirement date of Mountain Regional's existing bonds. MRWSSD wanted any reference to their bonds deleted from the agreement. If language was included linking the annual payment to the financing of the bond, it would give the option to have PCWSD annual payments adjusted up or down based on any adjustments, up or down, to MRWSSD financing.
- Expedited remedy language was added to cover the situation of PCWSD not receiving the guaranteed 3100 gpm flow.

Table A below shows the anticipated fixed and variable costs per ac-ft based on the estimated construction and operating costs.

Table A
SNYDERVILLE BASIN PROJECT WATER COST
Feb-07

	Volume (ac-ft)	Capital	Fixed Annual Cost (ac-ft)	Variable Annual Cost (ac-ft)	PC Annual Cost @ Full Utilization	PC Cost Prior to Using Water (2008 Start)	Impact Fee Eligible
WBWCD District Water	1250		($177.14)		($221,425.00)	($221,425.00)	($221,425.00)
WBWCD BOR Project Water	1250		($86.27)		($107,837.50)	($107,837.50)	($107,837.50)
Coanda Diversion & pump station	2500	$2,900,000	($28.58)		($71,458.02)	($71,458.02)	($71,458.02)
MR Pump Station Upgrade	2500	$3,000,000	($78.06)		($195,154.31)	($195,154.31)	($195,154.31)
Coanda Pumping Cost	0-2500			($20)	($50,000.00)		
MR Buy-in Cost 2008	2500	$ 1,326,556	($37.20)		($92,993.58)	($92,993.58)	($92,993.58)
MR Asset Replacement	2500		($18.61)		($46,522.66)	($46,522.66)	
MR Fixed O&M	2500		($29.29)		($73,234.39)	($73,234.39)	
MR Pumping Cost	0-2500			($93.18)	($232,950.00)		
MR variable O&M	2500			($4.89)	($12,227.88)		
Totals		$ 7,226,556.00	($455.16)	($118.07)	($1,103,803.33)	($808,625.45)	($688,868.40)
MR-PC Pipeline	2500	$10,217,000	($265.85)		($664,630.51)		($664,630.51)
Total PC Project Cost	2500	$17,443,556.00	($725.26)	($118.07)	($1,768,433.84)	($808,625.45)	($1,353,498.91)

WBWCD Financing- 5%, 30 years
Park City's share is 37.9% of WBWCD project
Average cost of WBWCD water is $131.70/ac-ft

A. Department Review:
The agreements have been reviewed by Legal, Public Works and Executive Departments.

Alternatives:

A. Approve the Request:

1. Authorize the Chairman to sign two water sales agreements with WBWCD for a total of 2,500 ac-ft (Staff Recommended)
2. Authorize the Chairman to sign an agreement with Mt Regional for the delivery of 3,100 gpm in their Expanded Lost Creek Canyon Project. (Staff Recommended)
3. Authorize the Chairman to sign an Amendment to WBWCD/Park City/MRWSSD (three-party) Water Supply Agreement to reflect WBWCD financing of the river diversion and the upgrade to the Mt Regional pump station. (Staff Recommended)

B. Deny the Request:
Direct staff to pursue an alternative water supply.

C. Continue the Item:

D. Do Nothing:

Significant Impacts:
The Bureau of Reclamation Study included both the Lost Creek Canyon Project and the Summit Water East Canyon Project in the "Preferred Plan". The Lost Creek Canyon Project was determined to have a greater likelihood of meeting the critical time constraints imposed by rapid growth within the Snyderville Basin. A departure from the Bureau of Reclamation study recommendations may adversely affect Park City's chances to secure Federal funding, WBWCD may be restricted or choose not to provide water and a different project will add expense, time and possible controversy depending on where and how the water is delivered.

Park City has only three choices to import water from reasonably close water sources, Rockport, East Canyon or Jordannelle. The entities controlling the water rights from each reservoir are receiving intense pressure to allocate water to developments outside of the Snyderville Basin. The Lost Creek Canyon Project is the most cost effective water delivery system for Park City. Park City must secure and develop the infrastructure to deliver water from outside of the Basin to ensure Park City has adequate water to meet long term needs. Quality Water is a top priority identified by the City Council. Continuing efforts to import water from Rockport Reservoir is consistent with the Park City's Strategic Water Plan.

Capital related costs will be impact fee eligible. Operating cost will be paid by city-wide user fees. The city is pursuing Federal funding opportunities. Park City will be obligated to WBWCD and MRWSSD for construction of capital facilities and water in the amount of approximately $327.70/ac-ft ($819,264.24) annually on a take or pay contract for 2500 ac-ft. A combination of Federal funding, water user fees, water impact fees and a water revenue bond will be needed to cover fixed and variable O&M, WBWCD water fees, construction costs and engineering costs. A water revenue bond will need to be guaranteed by water user rates. The amount of revenue from water user fees required to support capital cost will vary depending on the success and level of Federal funding. The level of revenue required from water user fees will determine the potential impact to water user rates.

Consequences of not taking the recommended action:
Changing environmental issues, greater demands outside of the Basin, escalating construction costs, limited funding alternatives and timing will continue to add cost to solutions to bring in additional water resources. All other alternatives are substantially more expensive and will add many years on to the project. Some of these projects could offer greater security to Park City

Recommendation:
Authorize the Chairman to sign:

1. WBWCD Water Conservancy District (WBWCD) Water Sales Agreement for 1,250 ac-ft of WBWCD's "district water" and 1,250 ac-ft of Bureau of Reclamation "project water."
2. Mountain Regional Water Special Service District (MRWSSD) Agreement for the delivery of 3,100 gpm of water from MRWSSD's Expanded Lost Creek Canyon Project.
3. Amendment to WBWCD/Park City/MRWSSD (three-party) Water Supply Agreement to reflect WBWCD financing of the river diversion and the upgrade to the Mt Regional pump station.

CONTRACT BETWEEN THE UNITED STATES OF AMERICA,
WEBER BASIN WATER CONSERVANCY DISTRICT AND
PARK CITY WATER SERVICE DISTRICT

FOR THE SALE OF THE USE OF UNTREATED PROJECT WATER

*****

THIS CONTRACT made this ____ day of ________________, 2006, between the UNITED STATES OF AMERICA, acting by and through the Bureau of Reclamation, Department of the Interior, pursuant to the provisions of the Act of January 17, 1902, and acts amendatory and supplemental thereto, particularly the Act of August 29, 1949 ("Reclamation"), WEBER BASIN WATER CONSERVANCY DISTRICT, a water conservancy district organized and existing pursuant to the provisions of §17A-2-1401 *et seq*., Utah Code Annotated, 1953, as amended ("Weber Basin"), and PARK CITY WATER SERVICE DISTRICT, a special service district organized and existing pursuant to the provisions of §17A-2-1301 *et seq*., Utah Code Annotated, 1953, as amended ("Purchaser") (Weber Basin and Purchaser being herein sometimes collectively referred to as the "Parties"),

WITNESSETH:

A. WHEREAS, Weber Basin, Purchaser and Mountain Regional Water Special Service District, a special service district organized and existing pursuant to the provisions of §17A-2-1301 *et seq*., Utah Code Annotated, 1953, as amended ("Mountain Regional") have entered into a Water Supply Agreement dated May 13, 2004, as amended (the "Water Supply Agreement"), to provide to Purchaser and Mountain Regional from a project to be constructed by Weber Basin, to consist of an intake structure and pump station (the "Weber Basin Pump Station") near or on property owned by Reclamation on the Weber River near the inlet to Rockport Reservoir, a pipeline from the Weber Basin Pump Station to the existing pump station owned by Mountain Regional (the "Mountain Regional Pump Station"), and additional pumps and other improvements to the Mountain Regional Pump Station as needed to accommodate the water to be supplied to Purchaser and Mountain Regional pursuant to the Water Supply Agreement and this and other related water sales contracts (collectively, the "Snyderville Basin Project"), a supply of untreated water which Weber Basin administers under agreement with Reclamation ("Project Water") and other water developed independently by Weber Basin ("District Water"), and

B. WHEREAS, pursuant to the Water Supply Agreement, Weber Basin has reserved from its supply a limited amount of Project Water and District Water for the purpose of selling the use thereof to Purchaser, and

C. WHEREAS, Purchaser desires to purchase from District the right to use One Thousand Two Hundred Fifty (1,250) acre-feet of Project Water, on the terms and conditions herein set forth,

NOW, THEREFORE, in consideration of the mutual and dependent promises and undertakings herein contained, Purchaser hereby applies to Weber Basin for an allotment of Project Water upon the following terms and conditions:

1. Purchase of Right to Use Water. Weber Basin shall sell to Purchaser, for a period of forty (40) years commencing upon completion of the Snyderville Basin Project, the right to use the amount of Project Water specified in the Takedown Schedule attached hereto and by this reference incorporated herein (the "Snyderville Basin Project Water"), and shall deliver the same in the manner and at the place hereinafter provided, and Purchaser shall purchase from District the right to use said Snyderville Basin Project Water in each calendar year during said forty (40) year period. The purchase of the right to use annually the quantities of Project Water specified on the Takedown Schedule represents minimum annual contract amounts. Purchaser may accelerate its purchases hereunder by notifying Weber Basin in writing ninety (90) days prior to the end of any calendar year of its intent to so accelerate and specifying the amount of additional water the right to the use of which Purchaser desires to purchase commencing with the next calendar year; provided, however, that in the event purchases are so accelerated, Purchaser shall not be relieved of its obligation to purchase the minimum contract amount provided for in the Takedown Schedule for each succeeding year.

2. Obligation of Purchaser to Pay for Water. Purchaser shall annually pay Weber Basin for its right to use the water under this Contract in conformance with the following:

(a) Snyderville Basin Project Water Rate. Purchaser shall pay for the right to use Snyderville Basin District Water under this Contract at the "Snyderville Basin Project Water Rate", which shall be determined by adding to Weber Basin's Project Water Rate, as determined annually by Weber Basin's Board of Trustees (which consists of Weber Basin's cost for source development, including, but not limited to, Weber Basin's repayment obligations to the United States and other lenders, and operation, repair, replacement and maintenance throughout Weber Basin's system, as the same are determined annually by Weber Basin's Board of Trustees for its other customers), one-fourth (1/4) of: (i) the annual amount of all capitalized costs relating to project development of the Snyderville Basin Project (to the extent the same are not covered by Reservation Fees paid to Weber Basin under the Water Supply Agreement); and (ii) the annual amount of all capitalized costs of construction of the Snyderville Basin Project.

(b) Annual Payment. The Snyderville Basin Project Water Rate shall be determined each year by Weber Basin's Board of Trustees, subject to the terms of this Contract, to take effect on January 1 of the following calendar year. The annual obligation to be paid by Purchaser under this Contract shall then be determined by multiplying the Snyderville Basin Project Water Rate by the amount of Snyderville Basin District Water the use of which Purchaser is required to purchase (or allowed to purchase, in the case of any accelerated purchases pursuant to paragraph 1 above) under this Contract for the following calendar year (the "Annual Payment"). If Weber Basin's estimate of the operation, maintenance, replacement and repair costs used determining the Snyderville Basin Project Water Rate is more or less than the actual costs thereof, an appropriate adjustment will be made in the Annual Payment for the year following the year for which the estimate was made. Notwithstanding the foregoing, the Snyderville Basin Project Water Rate for the calendar year in which the Project Completion Date occurs shall be effective on the Project Completion Date, and the amount of the Annual Payment for the year in which the Project Completion Date occurs shall be prorated for the number of days remaining in that year. Weber Basin's determinations of the Annual Payment and any adjustment or supplement thereto shall be final and conclusive.

(c) Annual Billing Statement; Payment Due Date. A notice setting forth a statement of the amount of the Annual Payment for the calendar year in which the Project Completion Date occurs and the next succeeding calendar year shall be furnished to Purchaser within sixty (60) days following the Project Completion Date. The amount of the Annual Payment for the year in which the Project Completion Date occurs shall be due and payable to Weber Basin within ninety (90) days of such notice. The amount of the Annual Payment for the next succeeding calendar year shall be due and payable to Weber Basin on or before the first business day of January of such next succeeding calendar year or, if later, on the date which is ninety (90) days after the Project Completion Date. A notice setting forth a statement of the amount of the Annual Payment for each succeeding calendar year shall be furnished to Purchaser on or before March 1 of the previous calendar year. The amount of the Annual Payment as set forth in the notice shall be due and payable to Weber Basin on or before the first business day of January of such succeeding year during the remainder of the forty (40) year period of this Contract.

(d) Supplemental Operating Charge. In addition to the Annual Payment, Weber Basin's Board of Trustees may from time to time impose an additional charge (the "Supplemental Operating Charge") to cover any additional expenses incurred in connection with the Snyderville Basin Project (including, but not limited to, any wheeling, conveyance or other similar charge payable to the United States for the use of its facilities to deliver the water hereunder), and Purchaser shall pay such supplemental operating charge on or before the date specified in the supplemental notice.

(e) Take-or-Pay Basis. The Annual Payment and any Supplemental Operating Charge shall be paid in full by Purchaser to Weber Basin whether or not all or any part of the annual allocation of Snyderville Basin Project Water set forth in the Takedown Schedule is called for or used by Purchaser.

(f) Refusal of Water in the Event of Default. No water will be delivered to or for Purchaser if Purchaser has not paid all Reservation Fees required by the Water Supply Agreement or if Purchaser is in arrears in any Annual Payment, Supplemental Operating Charge or other obligations due and owing to Weber Basin under this Contract for more than thirty (30) days. The provisions of this paragraph are not exclusive and shall not in any manner prevent Weber Basin from exercising any other remedy given by this Contract or by law to enforce the collection of any payments due under the terms of this Contract.

(g) Penalty for Delinquency. Every installment or charge required to be paid to Weber Basin under this Contract which shall remain unpaid after its due date shall bear interest from date of delinquency at the existing prime interest rate as of January 1 of each year.

3. Water Rate Covenant. Purchaser shall levy impact fees, water service fees and other fees and charges in connection with the sale of Snyderville Basin Project Water to its customers and customer agencies in amounts sufficient to pay all obligations due and owing to Weber Basin each year in addition to such amounts as shall be necessary to cover administrative, contract, operation, maintenance and replacement costs, expenses and reserve accounts relative to its own water distribution system.

4. Collection of Fees and Charges by Purchaser. Purchaser shall exercise all of its lawful powers and authority to collect all fees and charges levied by it and otherwise take such action as shall be necessary in order to ensure that there are sufficient revenues on hand to pay all amounts owing to Weber Basin hereunder as the same become due.

5. Delivery and Use of Water. Water furnished under this Contract shall be measured at the Weber Basin Pump Station and delivered at the Mountain Regional Pump Station. Weber Basin reserves the right to substitute and use any of its sources of water to make the delivery. It shall not be the responsibility of Weber Basin to provide facilities to convey water from such point of delivery to the place of use. Purchaser shall be charged a pro-rata share of all conveyance and operation losses from District storage reservoirs to said point of delivery. Purchaser shall have no right to hold over or accumulate from year to year water covered hereby. Weber Basin shall not guarantee pressures or be responsible for fluctuations in pressure including failure of devices regulating pressure. Purchaser shall give Weber Basin not less than forty-eight (48) hours prior notice of any desired change in the flow rate of water then being delivered. Purchaser shall provide sufficient storage, at its own expense, to maintain a flow rate from Weber Basin not to exceed One Thousand Five Hundred Fifty (1,550) gallons per minute. At no time shall the Snyderville Basin District Water be delivered at a flow rate exceeding Two Million Two Hundred Twenty-Five Thousand (2,225,000) gallons per day. Purchaser shall not sell the use of Snyderville Basin District Water to any person or entity for use outside Weber Basin's boundaries, as now or hereafter fixed, either on a permanent or temporary basis.

6. Operation and Maintenance of Purchaser's Facilities. Purchaser shall operate, maintain, replace and repair, without cost to Weber Basin, all of Purchaser's facilities necessary to take and utilize its water, including the water purchased under this Contract.

7. Accounting and Water Supply Records. Purchaser shall maintain a standard set of books (a) to account for money received and expended as provided by law and (b) to keep and furnish suitable records of water supply and the disposition thereof.

8. Annexation. Purchaser agrees to take all action necessary to annex into the Weber Basin Water Conservancy District all property in Summit County that is now or in the future may become within the boundaries of Purchaser.

9. Beneficial Use. The basis, measure, and limit of the right of Purchaser to the use of Snyderville Basin Project Water shall rest perpetually in the beneficial application thereof. Purchaser shall put the Snyderville Basin Project Water to beneficial use in accordance with law for wholesale and retail sale and delivery and to supplement its existing municipal water supply for present and future, planned and permitted development.

10. Waste Water, Seepage Water and Return Flow. The reuse of Snyderville Basin Project Water pursuant to this Agreement is not allowed except upon the prior written authorization of Weber Basin and the United States. The waste, seepage, or return flow from water delivered pursuant to this Contract shall belong to the United States for the use and benefit of the Weber Basin Project. Weber Basin may substitute in lieu of stored water any other water available to the Weber Basin Project to the extent that it can be delivered at points where it can be used, provided such water is of quality suitable for project municipal irrigation use. All of Purchaser's water users who accept the benefits of this Contract shall be deemed thereby to have consented to such substitution of water, and Purchaser shall obtain the written consent of all such users of Snyderville Basin Project Water to such substitution of water.

11. Compliance with Applicable Pollution Laws and Regulations. Purchaser agrees to fully comply with all applicable Federal laws, orders and regulations, and the laws of the State of Utah, all as administered by appropriate authorities, concerning the pollution of streams, reservoirs, ground water, or water courses with respect to thermal pollution or the discharge of refuse, garbage, sewage effluent, industrial waste, oil, mine tailings, mineral salts, or other pollutants.

12. Water Shortage. In the event there is a shortage of water caused by drought, inaccuracies in distribution not resulting from negligence, hostile diversion, prior or superior claims, or other causes not within the control of the District, no liability shall accrue against the United States or the District or any of its officers, agents or employees for any damage, direct or indirect, arising therefrom, and the payments to the District provided for herein shall not be reduced because of any such shortage or damage. During periods of water shortage, allocations of treated and untreated water for municipal, domestic, and industrial use shall have priority over irrigation water deliveries. If there

should ever be any shortage of municipal water, deliveries to Purchaser shall be reduced in the proportion that the number of acre-feet of such shortage as determined by Weber Basin bears to the total number of acre-feet allocated for municipal use within the total Weber Basin system. Notwithstanding the foregoing, Weber Basin shall use its best efforts to remedy said inability to provide a full supply of Snyderville Basin Project Water at the earliest possible date.

13. Subject to Water Conservancy Act and Reclamation Law. This Contract, and any amendments thereto, shall be subject to the Utah Water Conservancy Act, 17A-2-1401 et seq., Utah Code Annotated, 1953, as amended, and the rules and regulations of Weber Basin as the same have been and may be supplemented or amended from time to time. The delivery of water or the use of Federal facilities pursuant to this Contract is subject to Reclamation law, as amended and supplemented, and the rules and regulation promulgated by the Secretary of the Interior to administer Reclamation Law. Purchaser agrees to abide by such final rules and regulation lawfully adopted.

14. Notice. Any and all notices or other communications to be given to either of the Parties hereto shall be personally delivered to such Party or mailed to such Party by registered or certified mail, return receipt requested, at the address indicated below:

Notices to Weber Basin:

Weber Basin Water Conservancy District
2837 East Highway 193
Layton, Utah 84040

Notices to Purchaser:

Park City Water Service District
445 Marsac Avenue
Park City, Utah 84060

Either Party may change the place of address aforesaid by written notice to the other Party. Notice shall be deemed to have been given upon the date of personal delivery thereof or upon depositing the same in the United States mails as aforesaid.

15. Relationship to Water Supply Agreement. The Water Supply Agreement is not cancelled or superceded by this Contract, but shall remain in full force and effect. However, if there are any contradictions or inconsistencies between the terms and provisions of this Contract and the terms and provisions of the Water Supply Agreement, the terms and provisions of this Contract shall govern.

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

17. Assignment Limited. The provisions of this Contract shall apply to and bind the respective successors and assigns of the Parties; however, but no assignment or other transfer of this Contract or any part thereof or interest therein shall be valid unless and until approved by Weber Basin, whose approval shall not be unreasonably withheld.

18. Expenses of Enforcement. In any proceeding to enforce, interpret, rescind or terminate this Contract or in pursuing any remedy provided hereunder or by applicable law, the prevailing Party shall be entitled to recover from the other Party all costs and expenses, including a reasonable attorney's fee, whether such proceeding or remedy is pursued by filing suit or otherwise, and regardless of whether such costs, fees and/or expenses are incurred in connection with any bankruptcy proceeding.

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

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

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

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

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

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

25. No Third Party Beneficiaries. This Contract shall not be deemed to create any right in any person who is not a Party (other than the permitted successors and

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

26. Effective Upon Acceptance and Execution by Weber Basin and United States. This Contract shall become the binding obligation of the Parties upon acceptance and execution hereof by Weber Basin and the United States Bureau of Reclamation, as evidenced by their respective signatures below.

[Signature Page Follows]

IN WITNESS WHEREOF, this Contract has been executed by the Parties hereto as of the day and year first above written.

ATTEST:

____
Recorder

PARK CITY WATER SERVICE DISTRICT

By: ______________________________
Chairman

APPROVED AS TO FORM:

____
Park City Water Attorney

ATTEST:

____
Tage I. Flint, Secretary

WEBER BASIN WATER CONSERVANCY DISTRICT

By: ______________________________
President

APPROVED AS TO FORM:

____
Weber Basin Attorney

THE UNITED STATES OF AMERICA,
Bureau of Reclamation

By: ______________________________
Regional Director, Upper Colorado Region

APPROVED AS TO FORM:

____
Office of the Solicitor

CONTRACT BETWEEN WEBER BASIN WATER CONSERVANCY DISTRICT

and

PARK CITY WATER SERVICE DISTRICT

FOR THE SALE OF THE USE OF UNTREATED DISTRICT WATER

*****

THIS CONTRACT made this ____ day of ________________, 2006, between WEBER BASIN WATER CONSERVANCY DISTRICT, a water conservancy district organized and existing pursuant to the provisions of §17A-2-1401 *et seq*., Utah Code Annotated, 1953, as amended ("Weber Basin") and PARK CITY WATER SERVICE DISTRICT, a special service district organized and existing pursuant to the provisions of §17A-2-1301 *et seq*., Utah Code Annotated, 1953, as amended ("Purchaser"), Weber Basin and Purchaser being herein sometimes collectively referred to as the "Parties",

WITNESSETH:

A. WHEREAS, Weber Basin, Purchaser and Mountain Regional Water Special Service District, a special service district organized and existing pursuant to the provisions of §17A-2-1301 *et seq*., Utah Code Annotated, 1953, as amended ("Mountain Regional") have entered into a Water Supply Agreement dated May 13, 2004, as amended (the "Water Supply Agreement"), to provide to Purchaser and Mountain Regional from a project to be constructed by Weber Basin, to consist of an intake structure and pump station (the "Weber Basin Pump Station") near or on property owned by the United States Bureau of Reclamation ("Reclamation") on the Weber River near the inlet to Rockport Reservoir, a pipeline from the Weber Basin Pump Station to the existing pump station owned by Mountain Regional (the "Mountain Regional Pump Station"), and additional pumps and other improvements to the Mountain Regional Pump Station as needed to accommodate the water to be supplied to Purchaser and Mountain Regional pursuant to the Water Supply Agreement and this and other related water sales contracts and petitions (collectively, the "Snyderville Basin Project"), a supply of untreated water which Weber Basin administers under agreement with Reclamation ("Project Water") and other water developed independently by Weber Basin ("District Water"), and

B. WHEREAS, pursuant to the Water Supply Agreement, Weber Basin has reserved from its supply a limited amount of Project Water and District Water for the purpose of selling the use thereof to Purchaser, and

C. WHEREAS, Purchaser desires to purchase from District the right to use One Thousand Two Hundred Fifty (1,250) acre-feet of District Water, on the terms and conditions herein set forth,

NOW, THEREFORE, in consideration of the mutual and dependent promises and undertakings herein contained, it is agreed between the District and Purchaser as follows:

1. Purchase of Right to Use Water. Weber Basin shall sell to Purchaser, for a period of forty (40) years commencing on the date that the construction of the Snyderville Basin Project is completed and Weber Basin is first able to deliver water (the "Project Completion Date"), the right to use the amount of District Water specified in the Takedown Schedule attached hereto and by this reference incorporated herein (the "Snyderville Basin District Water"), and shall deliver the same in the manner and at the place hereinafter provided, and Purchaser shall purchase from District the right to use said Snyderville Basin District Water in each calendar year during said forty (40) year period. The purchase of the right to use annually the quantities of Snyderville Basin District Water specified on the Takedown Schedule represents minimum annual contract amounts. Purchaser may accelerate its purchases hereunder by notifying Weber Basin in writing ninety (90) days prior to the end of any calendar year of its intent to so accelerate and specifying the amount of additional water the right to the use of which Purchaser desires to purchase commencing with the next calendar year; provided, however, that in the event purchases are so accelerated, Purchaser shall not be relieved of its obligation to purchase the minimum contract amount provided for in the Takedown Schedule for each succeeding year.

2. Obligation of Purchaser to Pay for Water. Purchaser shall annually pay Weber Basin for its right to use the water under this Contract in conformance with the following:

> (a) Snyderville Basin District Water Rate. Purchaser shall pay for the right to use Snyderville Basin District Water under this Contract at the "Snyderville Basin District Water Rate", which shall be determined by adding to Weber Basin's District Water Rate, as determined annually by Weber Basin's Board of Trustees (which consists of Weber Basin's cost for source development, including, but not limited to, Weber Basin's repayment obligations to the United States and other lenders, and operation, repair, replacement and maintenance throughout Weber Basin's system, as the same are determined annually by Weber Basin's Board of Trustees for its other customers), one-fourth (1/4) of: (i) the annual amount of all capitalized costs relating to project development of the Snyderville Basin Project (to the extent the same are not covered by Reservation Fees paid to Weber Basin under the Water Supply Agreement); and (ii) the annual amount of all capitalized costs of construction of the Snyderville Basin Project.
>
> (b) Annual Payment. The Snyderville Basin District Water Rate shall be determined each year by Weber Basin's Board of Trustees, subject to the terms of this Contract, to take effect on January 1 of the following calendar year. The annual obligation to be paid by Purchaser under this Contract shall then be

determined by multiplying the Snyderville Basin District Water Rate by the amount of Snyderville Basin District Water the use of which Purchaser is required to purchase (or allowed to purchase, in the case of any accelerated purchases pursuant to paragraph 1 above) under this Contract for the following calendar year (the "Annual Payment"). If Weber Basin's estimate of the operation, maintenance, replacement and repair costs used determining the Snyderville Basin District Water Rate is more or less than the actual costs thereof, an appropriate adjustment will be made in the Annual Payment for the year following the year for which the estimate was made. Notwithstanding the foregoing, the Snyderville Basin District Water Rate for the calendar year in which the Project Completion Date occurs shall be effective on the Project Completion Date, and the amount of the Annual Payment for the year in which the Project Completion Date occurs shall be prorated for the number of days remaining in that year. Weber Basin's determinations of the Annual Payment and any adjustment or supplement thereto shall be final and conclusive.

(c) Annual Billing Statement; Payment Due Date. A notice setting forth a statement of the amount of the Annual Payment for the calendar year in which the Project Completion Date occurs and the next succeeding calendar year shall be furnished to Purchaser within sixty (60) days following the Project Completion Date. The amount of the Annual Payment for the year in which the Project Completion Date occurs shall be due and payable to Weber Basin within ninety (90) days of such notice. The amount of the Annual Payment for the next succeeding calendar year shall be due and payable to Weber Basin on or before the first business day of January of such next succeeding calendar year or, if later, on the date which is ninety (90) days after the Project Completion Date. A notice setting forth a statement of the amount of the Annual Payment for each succeeding calendar year shall be furnished to Purchaser on or before March 1 of the previous calendar year. The amount of the Annual Payment as set forth in the notice shall be due and payable to Weber Basin on or before the first business day of January of such succeeding year during the remainder of the forty (40) year period of this Contract.

(d) Supplemental Operating Charge. In addition to the Annual Payment, Weber Basin's Board of Trustees may from time to time impose an additional charge (the "Supplemental Operating Charge") to cover any additional expenses incurred in connection with the Snyderville Basin Project (including, but not limited to, any wheeling, conveyance or other similar charge payable to the United States for the use of its facilities to deliver the water hereunder), and Purchaser shall pay such supplemental operating charge on or before the date specified in the supplemental notice.

(e) Take-or-Pay Basis. The Annual Payment and any Supplemental Operating Charge shall be paid in full by Purchaser to Weber Basin whether or not all or any part of the annual allocation of Snyderville Basin District Water set forth in the Takedown Schedule is called for or used by Purchaser.

(f) Refusal of Water in the Event of Default. No water will be delivered to or for Purchaser if Purchaser has not paid all Reservation Fees required by the Water Supply Agreement or if Purchaser is in arrears in any Annual Payment, Supplemental Operating Charge or other obligations due and owing to Weber Basin under this Contract for more than thirty (30) days. The provisions of this paragraph are not exclusive and shall not in any manner prevent Weber Basin from exercising any other remedy given by this Contract or by law to enforce the collection of any payments due under the terms of this Contract.

(g) Penalty for Delinquency. Every installment or charge required to be paid to Weber Basin under this Contract which shall remain unpaid after its due date shall bear interest from date of delinquency at the existing prime interest rate as of January 1 of each year.

3. Water Rate Covenant. Purchaser shall levy impact fees, water service fees and other fees and charges in connection with the sale of Snyderville Basin District Water to its customers and customer agencies in amounts sufficient to pay all obligations due and owing to Weber Basin each year in addition to such amounts as shall be necessary to cover administrative, contract, operation, maintenance and replacement costs, expenses and reserve accounts relative to its own water distribution system.

4. Collection of Fees and Charges by Purchaser. Purchaser shall exercise all of its lawful powers and authority to collect all fees and charges levied by it and otherwise take such action as shall be necessary in order to ensure that there are sufficient revenues on hand to pay all amounts owing to Weber Basin hereunder as the same become due.

5. Delivery and Use of Water. Water furnished under this Contract shall be measured at the Weber Basin Pump Station and delivered at the Mountain Regional Pump Station. Weber Basin reserves the right to substitute and use any of its sources of water to make the delivery. It shall not be the responsibility of Weber Basin to provide facilities to convey water from such point of delivery to the place of use. Purchaser shall be charged a pro-rata share of all conveyance and operation losses from District storage reservoirs to said point of delivery. Purchaser shall have no right to hold over or accumulate from year to year water covered hereby. Weber Basin shall not guarantee pressures or be responsible for fluctuations in pressure including failure of devices regulating pressure. Purchaser shall give Weber Basin not less than forty-eight (48) hours prior notice of any desired change in the flow rate of water then being delivered. Purchaser shall provide sufficient storage, at its own expense, to maintain a flow rate from Weber Basin not to exceed One Thousand Five Hundred Fifty (1,550) gallons per minute. At no time shall the Snyderville Basin District Water be delivered at a flow rate exceeding Two Million Two Hundred Twenty-Five Thousand (2,225,000) gallons per day. Purchaser shall not sell the use of Snyderville Basin District Water to any person or entity for use outside Weber Basin's boundaries, as now or hereafter fixed, either on a permanent or temporary basis.

6. Operation and Maintenance of Purchaser's Facilities. Purchaser shall operate, maintain, replace and repair, without cost to Weber Basin, all of Purchaser's facilities necessary to take and utilize its water, including the water purchased under this Contract.

7. Accounting and Water Supply Records. Purchaser shall maintain a standard set of books (a) to account for money received and expended as provided by law and (b) to keep and furnish suitable records of water supply and the disposition thereof.

8. Annexation. Purchaser agrees to take all action necessary to annex into the Weber Basin Water Conservancy District all property in Summit County that is now or in the future may become within the boundaries of Purchaser.

9. Beneficial Use. The basis, measure, and limit of the right of Purchaser to the use of Snyderville Basin District Water shall rest perpetually in the beneficial application thereof. Purchaser shall put the Snyderville Basin District Water to beneficial use in accordance with law for wholesale and retail sale and delivery and to supplement its existing municipal water supply for present and future, planned and permitted development.

10. Waste Water, Seepage Water and Return Flow. The reuse of Snyderville Basin District Water pursuant to this Agreement is not allowed except upon the prior written authorization of Weber Basin. The waste, seepage, or return flow from water delivered pursuant to this contract shall belong to Weber Basin for the use and benefit of the Weber Basin Project. Weber Basin may substitute in lieu of stored water any other water available to the Weber Basin Project to the extent that it can be delivered at points where it can be used, provided such water is of quality suitable for project municipal irrigation use. All of Purchaser's water users who accept the benefits of this Contract shall be deemed thereby to have consented to such substitution of water, and Purchaser shall obtain the written consent of all such users of Snyderville Basin District Water to such substitution of water.

11. Compliance with Applicable Pollution Laws and Regulations. Purchaser agrees to fully comply with all applicable Federal laws, orders and regulations, and the laws of the State of Utah, all as administered by appropriate authorities, concerning the pollution of streams, reservoirs, ground water, or water courses with respect to thermal pollution or the discharge of refuse, garbage, sewage effluent, industrial waste, oil, mine tailings, mineral salts, or other pollutants.

12. Water Shortage. In the event there is a shortage of water caused by drought, inaccuracies in distribution not resulting from negligence, hostile diversion, prior or superior claims, or other causes not within the control of the District, no liability shall accrue against the United States or the District or any of its officers, agents or employees for any damage, direct or indirect, arising therefrom, and the payments to the District provided for herein shall not be reduced because of any such shortage or damage. During periods of water shortage, allocations of treated and untreated water for municipal, domestic, and industrial use shall have priority over irrigation water deliveries. If there

should ever be any shortage of municipal water, deliveries to Purchaser shall be reduced in the proportion that the number of acre-feet of such shortage as determined by Weber Basin bears to the total number of acre-feet allocated for municipal use within the total Weber Basin system. Notwithstanding the foregoing, Weber Basin shall use its best efforts to remedy said inability to provide a full supply of Snyderville Basin District Water at the earliest possible date.

13. <u>Subject to Water Conservancy Act and Reclamation Law</u>. This Contract, and any amendments thereto, shall be subject to the Utah Water Conservancy Act, 17A-2-1401 et seq., Utah Code Annotated, l953, as amended, and the rules and regulations of Weber Basin as the same have been and may be supplemented or amended from time to time. The delivery of water or the use of Federal facilities pursuant to this Contract is subject to Reclamation law, as amended and supplemented, and the rules and regulation promulgated by the Secretary of the Interior to administer Reclamation Law. Purchaser agrees to abide by such final rules and regulation lawfully adopted.

14. <u>Notice</u>. Any and all notices or other communications to be given to either of the Parties hereto shall be personally delivered to such Party or mailed to such Party by registered or certified mail, return receipt requested, at the address indicated below:

Notices to Weber Basin:

Weber Basin Water Conservancy District
2837 East Highway 193
Layton, Utah 84040

Notices to Purchaser:

Park City Water Service District
445 Marsac Avenue
Park City, Utah 84060

Either Party may change the place of address aforesaid by written notice to the other Party. Notice shall be deemed to have been given upon the date of personal delivery thereof or upon depositing the same in the United States mails as aforesaid.

15. <u>Relationship to Water Supply Agreement</u>. The Water Supply Agreement is not cancelled or superceded by this Contract, but shall remain in full force and effect. However, if there are any contradictions or inconsistencies between the terms and provisions of this Contract and the terms and provisions of the Water Supply Agreement, the terms and provisions of this Contract shall govern.

16. <u>Binding Effect</u>. The provisions of this Contract shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

17. Assignment Limited. The provisions of this Contract shall apply to and bind the respective successors and assigns of the Parties; however, but no assignment or other transfer of this Contract or any part thereof or interest therein shall be valid unless and until approved by Weber Basin, whose approval shall not be unreasonably withheld.

18. Expenses of Enforcement. In any proceeding to enforce, interpret, rescind or terminate this Contract or in pursuing any remedy provided hereunder or by applicable law, the prevailing Party shall be entitled to recover from the other Party all costs and expenses, including a reasonable attorney's fee, whether such proceeding or remedy is pursued by filing suit or otherwise, and regardless of whether such costs, fees and/or expenses are incurred in connection with any bankruptcy proceeding.

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

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

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

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

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

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

25. No Third Party Beneficiaries. This Contract shall not be deemed to create any right in any person who is not a Party (other than the permitted successors and

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

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

ATTEST:	PARK CITY WATER SERVICE DISTRICT
____________________________	By: ____________________________________
Recorder	Chairman
APPROVED AS TO FORM :	
____________________________	
Park City Water Attorney	
ATTEST:	WEBER BASIN WATER CONSERVANCY DISTRICT
____________________________	By: ____________________________________
Tage I. Flint, Secretary	President
APPROVED AS TO FORM:	
____________________________	
Weber Basin Attorney	

Agreement Between Mountain Regional Water Special Service District, Park City Water Service District and Summit County Regarding Implementation of the Summit County Project

This Agreement is entered into this ___ th day of _____, _______, by and between Mountain Regional Water Special Service District (**Mountain Regional**), a special service district organized and existing pursuant to the provisions of Section 17A-2-1301 *et seq*. Utah Code Annotated 1953, as amended; Park City Water Service District (**Park City Water**), a special service district organized and existing pursuant to the provisions of Section 17A-2-1301 *et seq*. Utah Code Annotated 1953, as amended and Summit County (**Summit County**), a county and political subdivision of the State of Utah pursuant to Section 17-50-1 *et seq*. Mountain Regional, Park City Water, and Summit County are hereinafter sometimes referred to as a **Party** and collectively as the **Parties**.

Whereas, Mountain Regional (as successor in interest to the Atkinson Special Service District and Basin Regional Water Special Service District), Park City Municipal Corporation (**Park City**), Summit County, and Weber Basin Water Conservancy District (**Weber Basin**) entered into a certain Memorandum of Understanding and Agreement, dated November 27, 1996 (the **MOU**), which sets forth the framework for the development of a water project to deliver water, made available from Bureau of Reclamation (**BOR**) and Weber Basin sources, for distribution within Summit County, and

Whereas, Mountain Regional financed and completed the Lost Creek Canyon Project portion of the Summit County Project, and

Whereas, Summit County, Mountain Regional, and Park City Water entered into a certain agreement dated March 10, 2004 further clarifying the MOU and acknowledging the need for Weber Basin and the BOR to conduct a feasibility study for the remainder of the Summit County Project, and outlining the related financial obligations of the Parties, and

Whereas, Mountain Regional, Park City Water, and Weber Basin entered into a water supply agreement dated May 13, 2004 further clarifying the MOU and a March 10, 2004 agreement regarding the financing, construction and operation of the remainder of the Summit County Project, now referred to as the Snyderville Basin Project, by Weber Basin.

Whereas, the development of the Snyderville Basin Project by Weber Basin is currently underway, and

Whereas, the Parties agree that the intent and purpose of the MOU shall be fulfilled upon the construction of the Snyderville Basin Project and the Expansion of Capacity in the Lost Creek Canyon Project to provide water to Mountain Regional and Park City Water as provided below, and

Wherefore, the Parties agree as follows:

SECTION I. INTEGRATION, TERMINATION OF MOU

A. Entire Understanding. In addition to the agreement dated May 13, 2004, as amended prior to or concurrently with the execution of this Agreement, this Agreement constitutes the entire understanding and of the Parties concerning the Expanded Lost Creek Canyon Project and the Summit County Project, and specifically supersedes the March 10, 2004 agreement among the Parties, representations or understandings by and among them, whether written or oral, pertaining to the subject matter hereof.

SECTION II. CAPACITY RIGHTS

A. Mountain Regional Capacity Rights. Mountain Regional shall have capacity rights to 4,100 acre feet annually, or 5,085 gallons per minute peak day demand in the Snyderville Basin Project and Expanded Lost Creek Canyon Project.

B. Park City Water Capacity Rights. Park City Water shall have capacity rights to 2,500 acre feet annually, or 3,100 gallons per minute peak day demand in the Snyderville Basin Project and Expanded Lost Creek Canyon Project.

C. Allocation of Capacity Rights in Event of Water Shortage. In the event of a shortage of water supply of either short or long term duration caused by problems such as drought or other natural or man-caused disasters; unplanned failure of physical infrastructure; or planned repairs and downtimes; water deliveries shall be provided on a pro-rata basis based upon each Party's capacity rights outlined above.

D. Water Use in Excess of Capacity Rights. If Park City Water's or Mountain Regional's average gallon per minute use in any calendar week, measured from Monday morning to Sunday night, is in excess of its capacity rights as set forth in paragraphs A and B of this Agreement, then that Party will pay the other Party Mountain Regional's then adopted wholesale rate for the excess capacity so used. In the event Park City Water does not receive its water when requested, Mountain Regional agrees to provide the requested water within seventy-two (72) hours of receiving notice, provided, however, that this paragraph is subject to the water shortage provisions in Section II C of this Agreement and further provided that this paragraph does not preclude the exercise of any legal right otherwise available to the Parties.

E. System Capacity in Excess of Capacity Rights. The Parties acknowledge and agree that the total amount of water developed by both the Expanded Lost Creek Canyon Project and the Snyderville Basin Project could exceed the 6,600 acre feet (8,185 gpm) capacity rights of the Parties as set forth in paragraphs A and B of this Agreement ("Excess Water"). The Parties agree the delivery of Excess Water shall be governed by a separate agreement wherein the Parties agree a) to share equally in such Excess Water; b) either Party may sell such Excess Water to a third party with the prior written consent of the other Party; c) the sale of Excess Water to a third party shall reduce the non-selling Party's proportional cost allocation for the projects described in Section III of this Agreement; and d) that any Excess Water shall be represented by Weber Basin Water Conservancy District water rights, unless otherwise agreed in writing by the Parties.

F. Project Expansion and Operations Costs. All capital, operations, maintenance, repairs, and replacement costs for current and future infrastructure shared by Mountain Regional and Park City Water shall be allocated according to each Party's capacity rights in each component of the shared infrastructure.

SECTION III – PROJECT DEFINITIONS

A. Lost Creek Canyon Project. This project consists generally of a shallow well collection system above the Rockport Reservoir, a booster pump station, a twenty-four inch pipeline, a treatment plant with capacity of three million gallons per day, and all facilities necessary to transport and deliver water from the shallow wells to the raw water reservoir and treatment plant located within the Promontory Development.

B. Expanded Lost Creek Canyon Project. This project consists of three components that shall increase capacity in the Lost Creek Canyon Project to at least 6,600 acre feet annually and 8,185 gallons per minute peak day demand.

1. Surge Protection and Pigging Upgrades to the Existing Rockport Booster Pump Station.
2. Expansion of Capacity in the Existing Rockport Booster Pump Station.
3. Construction of a Raw Water Pipeline within the Promontory Development to the Promontory Property Line.

C. Snyderville Basin Project. This project consists generally of an intake, pipeline and booster station to transport water from the Rockport Reservoir to the Rockport Booster Pump Station with a capacity of at least 6,600 acre feet annually and 8,185 gallons per minute peak day demand.

D. Raw Water Pipeline within Promontory Development. Park City Water shall construct a raw water pipeline that connects to an existing raw water pipeline within the Promontory Development and extends to the Promontory property line. This shall be the point of delivery of water from Mountain Regional to Park City Water. Mountain Regional shall provide all easements required for the construction of the raw water pipeline within the Promontory Development. Upon completion, Mountain Regional shall own and operate this raw water pipeline. Mountain Regional shall pay any costs associated with upsizing or otherwise modifying this raw water pipeline to meet the needs of an entity other than Park City Water. Following completion and dedication to Mountain Regional, any future modifications to this line shall be approved in writing by Park City Water.

Park City Water shall be responsible to construct whatever infrastructure is required to transport water from the Promontory property line to its customers at its sole cost and expense.

SECTION IV. LOST CREEK CANYON PROJECT

Mountain Regional has constructed and owns the Lost Creek Canyon Project. Mountain Regional shall continue to own, operate, maintain, repair and replace all related infrastructure at its sole cost and expense. Park City Water shall reimburse Mountain Regional for its proportionate share of capital, operations, maintenance, repair and replacement costs as set forth in Section VIII of this Agreement.

The existing capacity of the Lost Creek Canyon Project is sufficient to provide 4,100 acre feet of water. However, the existing pumping capacity in the Rockport Booster Pump station is not sufficient to deliver the 6,600 acre feet of water to be developed by the Expanded Lost Creek Canyon Project and the Snyderville Basin Project.

SECTION V. EXPANDED LOST CREEK CANYON PROJECT

A. Surge Protection and Pigging Upgrades to Existing Rockport Booster Pump Station. Weber Basin has agreed to complete the upgrades to the surge protection and pigging capability of the existing Rockport booster pump station concurrently with the construction of the Snyderville Basin Project.

The capital costs for the surge protection and pigging upgrade shall be paid upfront by Weber Basin and allocated 37.9% to Park City Water and 62.1% to Mountain Regional. These costs shall then be amortized through inclusion in the Annual Payments made by Mountain Regional and Park City Water to Weber Basin in each Party’s respective Water Sales Agreements with Weber Basin, which agreements are to be executed concurrently with this Agreement.

B. Expansion of Capacity in the Existing Rockport Booster Pump Station. Weber Basin has agreed to complete the expansion of capacity in the existing Rockport booster pump station to deliver the 6,600 acre feet of water to be developed by the Expanded Lost Creek Canyon Project and the Snyderville Basin Project . Weber Basin shall involve Mountain Regional and Park City Water in all aspects of the expansion of the existing Rockport booster pump station. Mountain Regional shall have final approval in all aspects of the design, engineering, and construction for the expansion.

The capital costs attributed to the expansion of the existing Rockport booster pump station shall be paid upfront by Weber Basin and allocated 100% to Park City Water. These capital costs shall be amortized through inclusion in the Annual Payments made by Park City Water to Weber Basin pursuant to its Water Sales Agreements with Weber Basin.

D. Ownership and Operation. Mountain Regional shall retain full ownership of the Expanded Lost Creek Canyon Project including the raw water line constructed by Park City within the Promontory Development, and shall continue to operate, maintain, repair and replace all related infrastructure at its sole cost and expense. Park City Water shall reimburse Mountain Regional for its proportionate share of costs as set forth in Section VIII of this Agreement.

E. Continued Operation of Lost Creek Canyon Project During Expansion. All construction, expansion, and modification schedules and actual activity incorporated by Weber Basin for the components it is constructing for the Snyderville Basin Project and Expanded Lost Creek Canyon Project shall be pre-approved by Mountain Regional to ensure that Mountain Regional is at all times able to operate the Rockport Booster Pump Station and related infrastructure as needed to meet its customer demand and properly manage its water rights.

SECTION VI. SNYDERVILLE BASIN PROJECT

A. Construction and Capital Costs. The Snyderville Basin Project shall be constructed by Weber Basin according to the terms, conditions, and limitations set forth in the May 13, 2004 agreement among the Parties and Weber Basin, as amended prior to or concurrently with the execution of this Agreement.

The capital costs of this project shall be allocated 62.1% to Mountain Regional and 37.9% to Park City. These costs shall then be amortized through inclusion in the Annual Payments made by Mountain Regional and Park City Water to Weber Basin pursuant to their respective Water Sales Agreements with Weber Basin. To the extent any term of this Agreement is inconsistent with the Water Sales Agreements, the Water Sales Agreements shall control.

B. Ownership and Operation. Weber Basin shall retain full ownership of the Snyderville Basin Project, and shall operate, maintain, repair and replace all related infrastructure at its sole cost and expense. These costs shall then be allocated to Mountain Regional and Park City Water through inclusion in the Annual Payments made by Mountain Regional and Park City Water to Weber Basin pursuant to their respective Water Sales Agreements.

SECTION VII. INTERIM WATER SERVICE TO PARK CITY

Until completion of the Expanded Lost Creek Canyon Project and the Snyderville Basin Project, the Parties agree to make available to one another any water that either Party determines in its sole discretion to be surplus to the needs of its customers. The cost of such surplus water shall be determined using Mountain Regional's then adopted wholesale water rate. The delivery of surplus water pursuant to this section can be terminated without notice by either Party if that Party, in its sole discretion, determines the water is no longer surplus to the needs of its customers.

SECTION VIII. WHEELING RATE CHARGED BY MOUNTAIN REGIONAL TO DELIVER WATER TO PARK CITY WATER

A. Establishment of the Wheeling Rate. Mountain Regional shall establish a wheeling rate each calendar year for the delivery of water to Park City Water at the point of delivery described in Section III. D of this Agreement in compliance with Mountain Regional's Governing Ordinance, Bylaws, and Rules & Regulations; and the terms of this Agreement.

1. Take or Pay Rate. The wheeling rate shall include a fixed take or pay amount for the delivery of up to 2,500 acre feet of water per calendar year. Park City Water shall commence making monthly payments on the take or pay rate on May 1, 2008. One-twelfth of this take or pay amount shall be billed on or around the 1st day of each month by Mountain Regional Water, and consists of the following components:

A proportionate share of capital costs incurred by Mountain Regional for the Lost Creek Canyon Project facilities already constructed and funded by Mountain Regional and that benefit Park City Water. The amount of this rate component shall be fixed at $90,974 annually, or $7,582 per month. This rate component shall continue to be charged to Park City Water until December 2033.

b. A fixed Operations & Maintenance rate component in an amount to be determined each calendar year by Mountain Regional based upon Mountain Regional's adopted operations budgets for that year.

Mountain Regional shall determine an hourly rate each year that shall include staff time, general supplies, equipment, insurance, vehicle, and other typical general operations and maintenance costs.

This hourly rate shall then be multiplied by the estimated number of hours it is anticipated that Mountain Regional employees shall spend on general operations & maintenance costs for the Expanded Lost Creek Canyon Project for that year based upon historical information, except that for the first year the rate shall be based on one full-time equivalent employee of 2080 hours per year.

Mountain Regional shall track the actual time its employees spend on general operations and maintenance, and provide this information to Park City Water on an annual basis.

The fixed Operations & Maintenance rate component shall also include the estimated costs to perform annual pigging and cleaning of the Expanded Lost Creek Canyon Project.

If the actual amount collected from Park City Water from the fixed Operations & Maintenance rate component during any calendar year is materially different from the actual related fixed operations and maintenance costs incurred by Mountain Regional, then an appropriate adjustment shall be made to this rate component in the following calendar year in order to offset the material difference.

c. A capital asset management rate component of $38,547 shall be included (based upon Park City Water's proportionate capacity in the Expanded Lost Creek Canyon Project). This portion of the rate shall be placed in a repair and replacement reserve account held by Mountain Regional.

Mountain Regional shall contribute an additional $63,069 per calendar year to the repair and replacement reserve account (based upon Mountain Regional's proportionate capacity in the Expanded Lost Creek Canyon Project).

If, at the end of any calendar year, the balance in the repair and replacement reserve account exceeds $1,000,000, the capital asset management rate component shall not be included in the next year's wheeling rate, and Mountain Regional shall not be required to make its annual contribution. All interest earned on the balance in the repair and replacement reserve account shall remain in the reserve account.

Funds in this reserve may be used by Mountain Regional to maintain, repair, or replace all or any portion of the Expanded Lost Creek Canyon Project beyond the reasonable and typical ongoing operations and maintenance of the related infrastructure that is funded by other cost components in the wheeling rate.

Mountain Regional shall provide Park City Water with a full accounting of payments made from this reserve and the interest earned on the cash balance each calendar year.

2. Water Usage Rate. The wheeling rate shall include a variable amount based upon the actual monthly water usage of Park City Water under the terms of this Agreement. Park City Water shall commence making water usage rate payments in the month it starts taking water from the Expanded Lost Creek Canyon Project. The water usage rate shall be billed on or around the 1st of each month for the previous month's actual water usage, and consists of the following components:

a. A variable Operations & Maintenance rate component in an amount to be determined each year as approved in Mountain Regional's adopted budget for that year.

b. A power cost rate component in an amount to be determined each year based upon the projected power costs to deliver water to the Parties through the Expanded Lost Creek Canyon Project during that year. The total projected power costs shall be allocated on a pro-rata basis based upon the projected usage of each Party.

If the amount collected from Park City Water from the water usage rate component during any calendar year is materially different from the actual water usage costs incurred by Mountain Regional, then an appropriate adjustment shall be made to the water usage rate in the following calendar year in order to offset the material difference.

3. Backup Culinary Water Connection. Within five years of executing this Agreement, Park City Water shall make available to Mountain Regional a backup culinary water connection to the Park City Water delivery system at or near the Quinn's junction area on the east side of US Highway 40. Devices may also be installed concurrently within this improvement to enable Park City Water to receive backup culinary water from Mountain Regional. The delivery cost of backup water to each entity shall be based upon each system(s) currently approved wholesale water rates.

Park City Water shall comply with Mountain Regional's payment terms as outlined in its Rules & Regulations as they currently exist or as they may be legally amended in the future.

SECTION VI. MISCELLANEOUS PROVISIONS

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

B. Assignment Limited. No assignment or transfer of this Agreement or any part thereof or interest therein shall be valid unless and until approved in writing by all Parties to this Agreement.

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

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

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

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

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

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

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

J. No Third Party Beneficiaries. This Agreement shall not be deemed to create any right to any person who is not a Party (other than the permitted successors and assigns of a Party) and shall not be construed in any respect to be a contract, in whole or in part, for the benefit of any third party (other than permitted successor and assigns of a Party hereto).

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

L. Termination of Agreement. This Agreement may not be terminated without the written consent of all the Parties.

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

MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT

By: ______________________________________
Roger Fulmer, Administrative Control Board Chair

ATTEST:

____
Mountain Regional Water Special Service District Secretary

APPROVED:

____
Mountain Regional Water Special Service District Attorney

PARK CITY WATER SERVICE DISTRICT

By: _____________________________________
Dana Williams, Chair

ATTEST:

____
City Recorder/Secretary

APPROVED:

____
Park City Water Service District Attorney

SUMMIT COUNTY

By: ______________________________________
Chair, Board of County Commissioners

ATTEST:

____
County Clerk

APPROVED:

____
County Attorney

AMENDMENT TO
WATER SUPPLY AGREEMENT
BY AND AMONG
WEBER BASIN WATER CONSERVANCY DISTRICT,
PARK CITY WATER SERVICE DISTRICT AND
MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT

SNYDERVILLE BASIN WATER PROJECT

THIS AMENDMENT TO WATER SUPPLY AGREEMENT is made and entered into as of this ____ day of _________________, 2007, by and among the Weber Basin Water Conservancy District, a water conservancy district organized and existing pursuant to the provisions of §17A-2-1401 *et seq*., Utah Code Annotated, 1953, as amended ("**Weber Basin**"), Park City Water Service District, a special service district organized and existing pursuant to the provisions of §17A-2-1301 et seq., Utah Code Annotated, 1953, as amended ("**Park City Water**"), and Mountain Regional Water Special Service District, a special service district organized and existing pursuant to the provisions of §17A-2-1301 et seq., Utah Code Annotated, 1953, as amended (**"Mountain Regional"**). Weber Basin, Park City Water and Mountain Regional are hereinafter sometimes referred to individually as a "**Party**" and collectively as the "**Parties**."

RECITALS

A. The Parties executed a Water Supply Agreement dated May 13, 2004 (the "Agreement"), providing for their participation in certain studies to consider delivering Project Water and District Water (as said terms are defined in the Agreement) into the Snyderville Basin (the "Snyderville Basin Project").

B. Said studies have been completed and have concluded that such a project can be constructed.

C. In the Agreement, the Parties anticipated that the facilities comprising the Snyderville Basin Project would be designed, constructed and owned by the United States Bureau of Reclamation ("Reclamation") and operated, maintained, repaired and replaced by Weber Basin, and that the costs of study, development, design and construction of the Snyderville Basin Project would be borne by Reclamation but repaid pursuant to a long-term repayment contract.

D. The Parties now desire to amend the Agreement to define the scope of the Snyderville Basin Project, to provide that the Snyderville Basin Project (as so defined) will be designed, constructed and, except as otherwise provided specifically hereinbelow, owned, operated, maintained, repaired and replaced by Weber Basin, and in other respects, as hereinafter set forth.

AGREEMENT

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

1. Paragraph I.B of the Agreement (entitled "Ownership of Facilities, Transport of Non-Reclamation Project Water") is hereby amended in its entirety to read as follows:

> "B. Scope of Project, Ownership of Facilities, Transport of Non-BOR Project Water. The Parties agree that the Snyderville Basin Project shall consist of, and for all purposes as referred to in this Agreement (as hereby amended) shall be defined as, an intake structure and pump station (the "Weber Basin Pump Station") near or on property owned by Reclamation on the Weber River near the inlet to Rockport Reservoir, a pipeline from the Weber Basin Pump Station to the existing pump station owned by Mountain Regional (the "Mountain Regional Pump Station"), and additional pumps and other improvements to the Mountain Regional Pump Station as needed to accommodate the volume of water to be supplied to Park City Water and Mountain Regional pursuant to the Agreement and related waters sales contracts between Weber Basin and Park City Water and Weber Basin and Mountain Regional. The facilities comprising the Snyderville Basin Project shall be designed and constructed by Weber Basin. The Weber Basin Pump Station and the pipeline from the Weber Basin Pump Station to the Mountain Regional Pump Station shall be owned, operated, maintained, repaired and replaced by Weber Basin. The Mountain Regional Pump Station, including the additional pumps and other improvements to the Mountain Regional Pump Station, shall be owned, operated, maintained, repaired and replaced by Mountain Regional. The transport of any water other than Snyderville Basin Project Water through any facilities comprising the Snyderville Basin Project shall be in the sole and absolute discretion of Reclamation and Weber Basin, both before and after the facilities have been paid for under in paragraph I.C below."

2. Paragraph I.C of the Agreement (entitled "Snyderville Basin Project Costs and Financing") is hereby amended in its entirety to read as follows:

> "C. Snyderville Basin Project Costs and Financing. The costs of study (other than those borne by Reclamation), development, design and construction of the Snyderville Basin Project will be borne by Weber Basin and repaid to Weber Basin pursuant to the Water Sales Contracts referred to in Section II.C, below."

3. Paragraph I.D of the Agreement (entitled "Park City Water and Mountain Regional Facilities") is hereby amended in its entirety to read as follows:

"D. Park City Water and Mountain Regional Facilities. All facilities necessary to be constructed or otherwise provided by Park City Water to receive, transport and deliver water from the point of delivery at the Mountain Regional Pump Station into Park City Water's water system(s), and all facilities necessary to be constructed or otherwise provided by Mountain Regional to receive, transport and deliver water from the said point of delivery at the Mountain Regional Pump Station into Mountain Regional's water system(s), shall be acquired, designed, constructed, owned, operated, maintained, repaired and replaced by Park City Water and Mountain Regional, respectively, at their sole cost and expense."

4. Paragraph II.A of the Agreement (entitled "Water Supply Commitment"") is hereby amended by deleting the words "Petitions and", and by deleting the words "perpetual" and inserting in its place the words "forty (40) year".

5. Paragraph II.C of the Agreement (entitled "Water Purchase Commitment"") is hereby amended in its entirety to read as follows:

"C. Water Purchase Commitment. Park City Water and Mountain Regional, respectively, shall execute and deliver to Weber Basin (subject to approval by Reclamation) the applicable water sales contracts (the **"Water Sales Contracts"**) attached hereto and by this reference incorporated herein, for their respective allocations of the Snyderville Basin Project Water as provided in Section II.B, above. If there are any contradictions or inconsistencies between the terms and provisions of this Agreement and the terms and provisions of the Water Sales Contracts, the terms and provisions of the Water Sales Contracts shall govern."

6. Paragraph II.D of the Agreement (entitled "Reservation Fees for Snyderville Basin Project Water") is hereby amended in its entirety to read as follows:

"D. Reservation Fees for Snyderville Basin Project Water. Until the date which is three (3) years after the date on which construction of the Snyderville Basin Project is complete and able to deliver water (the **"Project Completion Date"**), Weber Basin shall reserve from its sources of supply for use in the Snyderville Basin Project Five Thousand (5,000) acre-feet of water, less any amounts previously contracted for in accordance with the Takedown Schedule, and as an express condition to Weber Basin reserving said water, Park City Water and Mountain Regional shall each pay to Weber Basin annually, on or before the first business day of January of each year for which such water is to be reserved, a reservation fee in the amount of One Hundred Twenty-Five Thousand Dollars ($125,000) per year (the **"Reservation Fees"**). Weber Basin shall use said Reservation Fees to cover all of its costs, whether contracted or internal, incurred in connection with the Snyderville Basin Project (collectively, **"Weber Basin's Project Development Costs"**), including, but not limited to, all costs incurred in connection with the District Study and the Reclamation Study, all design, engineering and other costs incurred in connection with the Snyderville Basin Project, and all costs in obtaining all required State Approvals and Federal Approvals referred to in Section III.A, below. If at any time or from time to time Weber Basin anticipates that the then remaining balance of the Reservation Fees paid by Park City Water and Mountain Regional pursuant to this Agreement will be insufficient to cover Weber Basin's Project Development Costs, then Weber Basin shall give written notice of such anticipated deficiency to Park City Water and Mountain Regional, following which the Parties shall meet quarterly during the next ten (10) months in order to allow Park City and Mountain Regional to anticipate and budget for such deficiency; and at the end of such ten (10) month period Weber Basin shall notify Park City Water and Mountain Regional of the actual amount of such deficiency, and Park City Water and Mountain Regional shall each pay to Weber Basin one-half (½) of the amount of such actual deficiency within sixty (60) days after receipt of such notice."

7. Paragraph II.E of the Agreement (entitled "First Right of Refusal to Acquire Defaulting Party's Share of Water") is hereby deleted in its entirety.

8. Paragraph III.A(1) of the Agreement (entitled "Federal Approvals") is hereby amended by deleting the words "(and provided the District Study and the Reclamation Study determine that the Snyderville Basin Project can be constructed)" and the words "Petitions and".

9. Section IV of the Agreement (entitled "Termination of Agreement Prior to Execution of Petitions and Water Sales Contracts") and Section X of the Agreement (entitled "Alternative Project") are hereby deleted in their entirely.

10. All remaining provisions of the Agreement are hereby ratified and affirmed, and shall remain in full force and effect.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Amendment to Water Supply Agreement as of the day and year first above written.

ATTEST:

____
Secretary

APPROVED AS TO FORM:

____
Weber Basin Attorney

WEBER BASIN WATER CONSERVANCY DISTRICT

By:__________________________________
Chairman, Board of Trustees

ATTEST:

____
City Recorder

APPROVED AS TO FORM:

____
Park City Water Attorney

PARK CITY WATER SERVICE DISTRICT

By:__________________________________
President

ATTEST:

____
Clerk

APPROVED AS TO FORM:

____
Mountain Regional Attorney

MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT

By:__________________________________
Chairman, Board of County Commissioners,
Acting as the Governing Authority of the District

PCWSD Staff Report

Public Works

Author: Jerry W Gibbs
Kathy Lundborg
Tom Daley
Subject: WATER SALES AGREEMENT
Date: March 1, 2007
Type of Item: Administrative

Summary Recommendations:
Authorize the Chairman to sign a

1. WBWCD Water Conservancy District (WBWCD) Water Sales Agreement for 1,250 ac-ft of WBWCD's "district water" and 1,250 ac-ft of Bureau of Reclamation "project water."
2. Mountain Regional Water Special Service District (MRWSSD) Agreement for the delivery of 3,100 gpm of water from MRWSSD's Expanded Lost Creek Canyon Project.
3. Amendment to WBWCD/Park City/MRWSSD (three-party) Water Supply Agreement to reflect WBWCD financing of the river diversion and the upgrade to the Mt Regional pump station.

Description:

Topic:

Water Sales Agreements

Background:

WBWCD, Park City, MRWSSD, and Summit County conceived a water project over a decade ago and entered into an MOU on November 27, 1996. WBWCD agreed to reserve 5,000 acre feet of water from Smith-Morehouse Reservoir and other WBWCD surface sources in addition to 1,600 acre feet of exchange water rights allowing the diversion of underground water. By way of example, an exchange right allows a water user to divert water in the Snyderville Basin while letting an equivalent amount of water flow downstream from Rockport Reservoir.

The MOU required:

- Reservation fees for the reserved acre-feet of water
- Reservation fees applied to project costs

A committee of staff members from Park City and Summit County formed in 1999 to finalize the details of an interlocal agreement. Numerous meetings were held with the County and WBWCD. By the end of 1999 the County and the City had decided to move forward with WBWCD in a 5000 ac-ft project designed to import water from WBWCD sources.

In 2000, the County's water manager released a document entitled "Long Range Strategic Water Plan" which called for the development of the Upper Weber River Project and created Basin Regional Water Special Service District from the Atkinson Water Service District. The Upper Weber River Project used a groundwater approach to meet the initial demands for the county. The surface diversion was identified as Phase IV of the Upper Weber River Project; it would be constructed only if the wells called for in Phase I did not produce a sufficient amount of water. The groundwater approach did not produce the required amount of water and in the spring of 2002, MRWSSD began construction of the Lost Creek Canyon Pipeline, pump station and treatment facility to convey surface water to be used within the Promontory area. A treatment plant was constructed on Signal Hill to meet Promontory culinary water demands.

The original three-party MOU expired the end of 2003. A bridge agreement was adopted on November 20, 2003 to keep WBWCD's obligation to provide 5000 ac-ft of water alive. A new agreement was adopted on May 13, 2004, and is in place between MRWSSD, Park City and WBWCD requiring:

- Cooperation between the Parties and Bureau of Reclamation (BOR).
- BOR to complete a feasibility study to determine the preferred alternative to bring water to the Snyderville Basin.
- Continue to reserve 2500 ac-ft of water for Park City and 2500 ac-ft of water for Mt Regional
- Parties agree to cooperate in all Federal and State approval processes
- Annex into WBWCD Water Conservancy District all properties within the water service district boundaries.
- Park City and Mt Regional to sign a petition agreement upon completion of the feasibility study prior to moving into a design phase
- Parties may cancel if Federal and State approvals are not timely forthcoming with 60 days written notice.
- Opportunity to cancel at the end of the feasibility study and the completion of design upon approval of all parties. Reservation fees would be forfeited.

Analysis:
The following items have been completed or in progress as required in the May 13, 2004 agreement:

- BOR completed the "*Snyderville Basin Water Supply Study Special Report*" in February 2006 identifying a Snyderville Basin projected annual deficit of 17,100 acre-feet by 2050, the BOR Study identified the Lost Creek Canyon Pipeline Project (5,000 AF) as the preferred alignment for initial import water and the East Canyon Pipeline Project (12,100 AF) to immediately follow.
- WBWCD, Park City, MRWSSD, Snyderville Basin Water Reclamation District and other water providers in the Basin participated in the "*Snyderville Basin Transport Study*", funded with Corp of Engineers 595 funding, to develop an intra-basin-wide master plan to deliver imported water.

- WBWCD contracted with BOR to complete the "*Rockport Reservoir Environmental Assessment*" for delivery of up to 7500 ac-ft of water. A FONSI is anticipated by late winter 07.
- WBWCD anticipates filing a change application immediately upon MRWSSD and Park City approving the Water Sales Agreements.
- Engineering work, bidding, award of contract and notice to proceed by May 2007
- The construction of the Weber River diversion structure to be completed by November 15, 2007.

This is the next decision point on whether to move forward or not with WBWCD and MRWSSD. Park City and WBWCD will need to adopt two separate Water Sales Agreements, one for 1250 ac-ft of District water ($177.14/ac-ft/year) and one for 1250 ac-ft of BOR Project water ($86.27/ac-ft/year) and amend the three-party agreement to reflect WBWCD financing of the river diversion and the upgrade to the Mt Regional pump station. The estimated construction cost of the river diversion is $2,900,000 and will add an estimated $28.58/ac-ft to the annual cost of water. The $3,000,000 upgrade to Mt Regional's pump station will add an estimated additional cost of $78.06/ac-ft to Park City's annual cost of water.

The water sales agreement with WBWCD can be summarized as follows:

- 40 year term
- 1,250 acre feet of District and 1,250 ac-ft of Bureau of Reclamation water annually
- Cost for District water is the WBWCD standard rate ($177.14), cost for Bureau of Reclamation water ($86.27), plus 38% of the development costs of the Snyderville Basin Project and plus 38% of the construction costs of the Snyderville Basin Project.
- Take or Pay (i.e., PCWSD will pay the above-listed cost regardless of whether the water is taken).
- Takedown Schedule, i.e., some water would be left under reservation as initial water is taken down and used. (This provision may be unnecessary due to the passage of so many years.)
- Water is measured at the WBWCD intake and the point of delivery is the Mountain Regional Water Special Service District (MRWSSD) pump station.
- Maximum delivery amount is 3,100 gallons per minute (gpm) and 4,464,285 gallons per day (gpd).
- Water delivered under this contract is available under WBWCD water rights.
- Water must be used within the WBWCD boundaries.
- Return flows belong to WBWCD, i.e., no reuse without WBWCD's permission.
- PCWSD agrees to annex all land within both the PCWSD and Summit County boundaries into the WBWCD.
- Delivery reductions based on drought are on same percentage basis used throughout the entire WBWCD system.
- 900 ac-ft of additional water may be made available by WBWCD. The water allocation will be based on agreement by all three parties.

The water delivery agreement with Mt Regional allows Park City to pay for water to be delivered through the Expanded Lost Creek Canyon Project and other MRWSSD infrastructure to Park City at a point near the Promontory property line. The agreement would supersede the 2004 agreement with the following terms:

- PCWSD would pay for water based on the costs of the existing MRWSSD system which is comprised of a pump station above the Rockport Reservoir and a 24" transmission line running from the pump station to the MRWSSD treatment plant on Signal Hill.
- PCWSD would finance the estimated $3 million upgrade to the MRWSSD pump station through WBWCD; the upgrade would include the replacement of the existing pumps in the MRWSSD pump station and the necessary upgrades to the electric utility.
- Park City's contribution to the capital cost of the pump station and 24" transmission would depend on the year of implementation of the agreement. If the agreement began in 2008, the annual payments would be $92,994 annually for 25 years, or, alternatively, a lump sum payment in 2007 of $1,326,556.
- An asset management plan under which PCWSD would contribute $46,523 and MRWSSD would contribute $76,301 annually until a reserve fund reached $1,000,000; this money would be used for major repairs and replacement of facilities.
- PCWSD's ongoing costs of operation, maintenance, and repair of the pump station and transmission line would be based on MRWSSD's actual operation costs.
- PCWSD would be guaranteed up to 3,100 gpm of water and would share proportionately in any reduction of capacity / volume with MRWSSD and Promontory.
- PCWSD would be guaranteed no less than 2,500 acre feet annually and would share proportionately in any reduction of capacity / volume with MRWSSD and Promontory.
- Point of delivery would be in the vicinity of the Rail Trail, below Promontory.
- Park City has requested Promontory/Pivitol sign an estoppel letter acknowledging that no existing commitment or agreement between MRWSSD and Promontory would impact the final agreement between PCWSD and MRWSSD.

The following points were recent additions:

- PCWSD and MRWSSD agree the delivery of any potential Excess Water shall be governed by a separate agreement.
- MRWSSD shall pay any costs associated with upsizing or otherwise modifying the raw water pipeline from Signal Hill to the point of delivery near the rail trail at the Promontory property line to meet the needs of an entity other than Park City Water. Following completion and dedication to Mountain Regional, any future modifications to this line shall be approved in writing by Park City Water.
- The annual payment for the capital buy-in component to be paid by PCWSD is based on the current MRWSSD bonding rate and will be paid until December 2033, which is the retirement date of Mountain Regional's existing bonds. MRWSSD wanted any reference to their bonds deleted from the agreement. If language was included linking the annual payment to the financing of the bond, it would give the option to have PCWSD annual payments adjusted up or down based on any adjustments, up or down, to MRWSSD financing.
- Expedited remedy language was added to cover the situation of PCWSD not receiving the guaranteed 3100 gpm flow.

Table A below shows the anticipated fixed and variable costs per ac-ft based on the estimated construction and operating costs.

Table A
SNYDERVILLE BASIN PROJECT WATER COST
Feb-07

	Volume (ac-ft)	Capital	Fixed Annual Cost (ac-ft)	Variable Annual Cost (ac-ft)	PC Annual Cost @ Full Utilization	PC Cost Prior to Using Water (2008 Start)	Impact Fee Eligible
WBWCD District Water	1250		($177.14)		($221,425.00)	($221,425.00)	($221,425.00)
WBWCD BOR Project Water	1250		($86.27)		($107,837.50)	($107,837.50)	($107,837.50)
Coanda Diversion & pump station	2500	$2,900,000	($28.58)		($71,458.02)	($71,458.02)	($71,458.02)
MR Pump Station Upgrade	2500	$3,000,000	($78.06)		($195,154.31)	($195,154.31)	($195,154.31)
Coanda Pumping Cost	0-2500			($20)	($50,000.00)		
MR Buy-in Cost 2008	2500	$ 1,326,556	($37.20)		($92,993.58)	($92,993.58)	($92,993.58)
MR Asset Replacement	2500		($18.61)		($46,522.66)	($46,522.66)	
MR Fixed O&M	2500		($29.29)		($73,234.39)	($73,234.39)	
MR Pumping Cost	0-2500			($93.18)	($232,950.00)		
MR variable O&M	2500			($4.89)	($12,227.88)		
Totals		$ 7,226,556.00	($455.16)	($118.07)	($1,103,803.33)	($808,625.45)	($688,868.40)
MR-PC Pipeline	2500	$10,217,000	($265.85)		($664,630.51)		($664,630.51)
Total PC Project Cost	2500	$17,443,556.00	($725.26)	($118.07)	($1,768,433.84)	($808,625.45)	($1,353,498.91)

WBWCD Financing- 5%, 30 years
Park City's share is 37.9% of WBWCD project
Average cost of WBWCD water is $131.70/ac-ft

A. Department Review:
The agreements have been reviewed by Legal, Public Works and Executive Departments.

Alternatives:

A. Approve the Request:

1. Authorize the Chairman to sign two water sales agreements with WBWCD for a total of 2,500 ac-ft (Staff Recommended)
2. Authorize the Chairman to sign an agreement with Mt Regional for the delivery of 3,100 gpm in their Expanded Lost Creek Canyon Project. (Staff Recommended)
3. Authorize the Chairman to sign an Amendment to WBWCD/Park City/MRWSSD (three-party) Water Supply Agreement to reflect WBWCD financing of the river diversion and the upgrade to the Mt Regional pump station. (Staff Recommended)

B. Deny the Request:
Direct staff to pursue an alternative water supply.

C. Continue the Item:

D. Do Nothing:

Significant Impacts:
The Bureau of Reclamation Study included both the Lost Creek Canyon Project and the Summit Water East Canyon Project in the “Preferred Plan”. The Lost Creek Canyon Project was determined to have a greater likelihood of meeting the critical time constraints imposed by rapid growth within the Snyderville Basin. A departure from the Bureau of Reclamation study recommendations may adversely affect Park City’s chances to secure Federal funding, WBWCD may be restricted or choose not to provide water and a different project will add expense, time and possible controversy depending on where and how the water is delivered.

Park City has only three choices to import water from reasonably close water sources, Rockport, East Canyon or Jordannelle. The entities controlling the water rights from each reservoir are receiving intense pressure to allocate water to developments outside of the Snyderville Basin. The Lost Creek Canyon Project is the most cost effective water delivery system for Park City. Park City must secure and develop the infrastructure to deliver water from outside of the Basin to ensure Park City has adequate water to meet long term needs. Quality Water is a top priority identified by the City Council. Continuing efforts to import water from Rockport Reservoir is consistent with the Park City’s Strategic Water Plan.

Capital related costs will be impact fee eligible. Operating cost will be paid by city-wide user fees. The city is pursuing Federal funding opportunities. Park City will be obligated to WBWCD and MRWSSD for construction of capital facilities and water in the amount of approximately $327.70/ac-ft ($819,264.24) annually on a take or pay contract for 2500 ac-ft. A combination of Federal funding, water user fees, water impact fees and a water revenue bond will be needed to cover fixed and variable O&M, WBWCD water fees, construction costs and engineering costs. A water revenue bond will need to be guaranteed by water user rates. The amount of revenue from water user fees required to support capital cost will vary depending on the success and level of Federal funding. The level of revenue required from water user fees will determine the potential impact to water user rates.

Consequences of not taking the recommended action:
Changing environmental issues, greater demands outside of the Basin, escalating construction costs, limited funding alternatives and timing will continue to add cost to solutions to bring in additional water resources. All other alternatives are substantially more expensive and will add many years on to the project. Some of these projects could offer greater security to Park City

Recommendation:
Authorize the Chairman to sign:

1. WBWCD Water Conservancy District (WBWCD) Water Sales Agreement for 1,250 ac-ft of WBWCD's "district water" and 1,250 ac-ft of Bureau of Reclamation "project water."
2. Mountain Regional Water Special Service District (MRWSSD) Agreement for the delivery of 3,100 gpm of water from MRWSSD's Expanded Lost Creek Canyon Project.
3. Amendment to WBWCD/Park City/MRWSSD (three-party) Water Supply Agreement to reflect WBWCD financing of the river diversion and the upgrade to the Mt Regional pump station.

CONTRACT BETWEEN THE UNITED STATES OF AMERICA,
WEBER BASIN WATER CONSERVANCY DISTRICT AND
PARK CITY WATER SERVICE DISTRICT

FOR THE SALE OF THE USE OF UNTREATED PROJECT WATER

*****

THIS CONTRACT made this ____ day of ________________, 2006, between the UNITED STATES OF AMERICA, acting by and through the Bureau of Reclamation, Department of the Interior, pursuant to the provisions of the Act of January 17, 1902, and acts amendatory and supplemental thereto, particularly the Act of August 29, 1949 ("Reclamation"), WEBER BASIN WATER CONSERVANCY DISTRICT, a water conservancy district organized and existing pursuant to the provisions of §17A-2-1401 *et seq*., Utah Code Annotated, 1953, as amended ("Weber Basin"), and PARK CITY WATER SERVICE DISTRICT, a special service district organized and existing pursuant to the provisions of §17A-2-1301 *et seq*., Utah Code Annotated, 1953, as amended ("Purchaser") (Weber Basin and Purchaser being herein sometimes collectively referred to as the "Parties"),

WITNESSETH:

A. WHEREAS, Weber Basin, Purchaser and Mountain Regional Water Special Service District, a special service district organized and existing pursuant to the provisions of §17A-2-1301 *et seq*., Utah Code Annotated, 1953, as amended ("Mountain Regional") have entered into a Water Supply Agreement dated May 13, 2004, as amended (the "Water Supply Agreement"), to provide to Purchaser and Mountain Regional from a project to be constructed by Weber Basin, to consist of an intake structure and pump station (the "Weber Basin Pump Station") near or on property owned by Reclamation on the Weber River near the inlet to Rockport Reservoir, a pipeline from the Weber Basin Pump Station to the existing pump station owned by Mountain Regional (the "Mountain Regional Pump Station"), and additional pumps and other improvements to the Mountain Regional Pump Station as needed to accommodate the water to be supplied to Purchaser and Mountain Regional pursuant to the Water Supply Agreement and this and other related water sales contracts (collectively, the "Snyderville Basin Project"), a supply of untreated water which Weber Basin administers under agreement with Reclamation ("Project Water") and other water developed independently by Weber Basin ("District Water"), and

B. WHEREAS, pursuant to the Water Supply Agreement, Weber Basin has reserved from its supply a limited amount of Project Water and District Water for the purpose of selling the use thereof to Purchaser, and

C. WHEREAS, Purchaser desires to purchase from District the right to use One Thousand Two Hundred Fifty (1,250) acre-feet of Project Water, on the terms and conditions herein set forth,

NOW, THEREFORE, in consideration of the mutual and dependent promises and undertakings herein contained, Purchaser hereby applies to Weber Basin for an allotment of Project Water upon the following terms and conditions:

1. Purchase of Right to Use Water. Weber Basin shall sell to Purchaser, for a period of forty (40) years commencing upon completion of the Snyderville Basin Project, the right to use the amount of Project Water specified in the Takedown Schedule attached hereto and by this reference incorporated herein (the "Snyderville Basin Project Water"), and shall deliver the same in the manner and at the place hereinafter provided, and Purchaser shall purchase from District the right to use said Snyderville Basin Project Water in each calendar year during said forty (40) year period. The purchase of the right to use annually the quantities of Project Water specified on the Takedown Schedule represents minimum annual contract amounts. Purchaser may accelerate its purchases hereunder by notifying Weber Basin in writing ninety (90) days prior to the end of any calendar year of its intent to so accelerate and specifying the amount of additional water the right to the use of which Purchaser desires to purchase commencing with the next calendar year; provided, however, that in the event purchases are so accelerated, Purchaser shall not be relieved of its obligation to purchase the minimum contract amount provided for in the Takedown Schedule for each succeeding year.

2. Obligation of Purchaser to Pay for Water. Purchaser shall annually pay Weber Basin for its right to use the water under this Contract in conformance with the following:

(a) Snyderville Basin Project Water Rate. Purchaser shall pay for the right to use Snyderville Basin District Water under this Contract at the "Snyderville Basin Project Water Rate", which shall be determined by adding to Weber Basin's Project Water Rate, as determined annually by Weber Basin's Board of Trustees (which consists of Weber Basin's cost for source development, including, but not limited to, Weber Basin's repayment obligations to the United States and other lenders, and operation, repair, replacement and maintenance throughout Weber Basin's system, as the same are determined annually by Weber Basin's Board of Trustees for its other customers), one-fourth (1/4) of: (i) the annual amount of all capitalized costs relating to project development of the Snyderville Basin Project (to the extent the same are not covered by Reservation Fees paid to Weber Basin under the Water Supply Agreement); and (ii) the annual amount of all capitalized costs of construction of the Snyderville Basin Project.

(b) Annual Payment. The Snyderville Basin Project Water Rate shall be determined each year by Weber Basin's Board of Trustees, subject to the terms of this Contract, to take effect on January 1 of the following calendar year. The annual obligation to be paid by Purchaser under this Contract shall then be determined by multiplying the Snyderville Basin Project Water Rate by the amount of Snyderville Basin District Water the use of which Purchaser is required to purchase (or allowed to purchase, in the case of any accelerated purchases pursuant to paragraph 1 above) under this Contract for the following calendar year (the "Annual Payment"). If Weber Basin's estimate of the operation, maintenance, replacement and repair costs used determining the Snyderville Basin Project Water Rate is more or less than the actual costs thereof, an appropriate adjustment will be made in the Annual Payment for the year following the year for which the estimate was made. Notwithstanding the foregoing, the Snyderville Basin Project Water Rate for the calendar year in which the Project Completion Date occurs shall be effective on the Project Completion Date, and the amount of the Annual Payment for the year in which the Project Completion Date occurs shall be prorated for the number of days remaining in that year. Weber Basin's determinations of the Annual Payment and any adjustment or supplement thereto shall be final and conclusive.

(c) Annual Billing Statement; Payment Due Date. A notice setting forth a statement of the amount of the Annual Payment for the calendar year in which the Project Completion Date occurs and the next succeeding calendar year shall be furnished to Purchaser within sixty (60) days following the Project Completion Date. The amount of the Annual Payment for the year in which the Project Completion Date occurs shall be due and payable to Weber Basin within ninety (90) days of such notice. The amount of the Annual Payment for the next succeeding calendar year shall be due and payable to Weber Basin on or before the first business day of January of such next succeeding calendar year or, if later, on the date which is ninety (90) days after the Project Completion Date. A notice setting forth a statement of the amount of the Annual Payment for each succeeding calendar year shall be furnished to Purchaser on or before March 1 of the previous calendar year. The amount of the Annual Payment as set forth in the notice shall be due and payable to Weber Basin on or before the first business day of January of such succeeding year during the remainder of the forty (40) year period of this Contract.

(d) Supplemental Operating Charge. In addition to the Annual Payment, Weber Basin's Board of Trustees may from time to time impose an additional charge (the "Supplemental Operating Charge") to cover any additional expenses incurred in connection with the Snyderville Basin Project (including, but not limited to, any wheeling, conveyance or other similar charge payable to the United States for the use of its facilities to deliver the water hereunder), and Purchaser shall pay such supplemental operating charge on or before the date specified in the supplemental notice.

(e) Take-or-Pay Basis. The Annual Payment and any Supplemental Operating Charge shall be paid in full by Purchaser to Weber Basin whether or not all or any part of the annual allocation of Snyderville Basin Project Water set forth in the Takedown Schedule is called for or used by Purchaser.

(f) Refusal of Water in the Event of Default. No water will be delivered to or for Purchaser if Purchaser has not paid all Reservation Fees required by the Water Supply Agreement or if Purchaser is in arrears in any Annual Payment, Supplemental Operating Charge or other obligations due and owing to Weber Basin under this Contract for more than thirty (30) days. The provisions of this paragraph are not exclusive and shall not in any manner prevent Weber Basin from exercising any other remedy given by this Contract or by law to enforce the collection of any payments due under the terms of this Contract.

(g) Penalty for Delinquency. Every installment or charge required to be paid to Weber Basin under this Contract which shall remain unpaid after its due date shall bear interest from date of delinquency at the existing prime interest rate as of January 1 of each year.

3. Water Rate Covenant. Purchaser shall levy impact fees, water service fees and other fees and charges in connection with the sale of Snyderville Basin Project Water to its customers and customer agencies in amounts sufficient to pay all obligations due and owing to Weber Basin each year in addition to such amounts as shall be necessary to cover administrative, contract, operation, maintenance and replacement costs, expenses and reserve accounts relative to its own water distribution system.

4. Collection of Fees and Charges by Purchaser. Purchaser shall exercise all of its lawful powers and authority to collect all fees and charges levied by it and otherwise take such action as shall be necessary in order to ensure that there are sufficient revenues on hand to pay all amounts owing to Weber Basin hereunder as the same become due.

5. Delivery and Use of Water. Water furnished under this Contract shall be measured at the Weber Basin Pump Station and delivered at the Mountain Regional Pump Station. Weber Basin reserves the right to substitute and use any of its sources of water to make the delivery. It shall not be the responsibility of Weber Basin to provide facilities to convey water from such point of delivery to the place of use. Purchaser shall be charged a pro-rata share of all conveyance and operation losses from District storage reservoirs to said point of delivery. Purchaser shall have no right to hold over or accumulate from year to year water covered hereby. Weber Basin shall not guarantee pressures or be responsible for fluctuations in pressure including failure of devices regulating pressure. Purchaser shall give Weber Basin not less than forty-eight (48) hours prior notice of any desired change in the flow rate of water then being delivered. Purchaser shall provide sufficient storage, at its own expense, to maintain a flow rate from Weber Basin not to exceed One Thousand Five Hundred Fifty (1,550) gallons per minute. At no time shall the Snyderville Basin District Water be delivered at a flow rate exceeding Two Million Two Hundred Twenty-Five Thousand (2,225,000) gallons per day. Purchaser shall not sell the use of Snyderville Basin District Water to any person or entity for use outside Weber Basin's boundaries, as now or hereafter fixed, either on a permanent or temporary basis.

6. Operation and Maintenance of Purchaser's Facilities. Purchaser shall operate, maintain, replace and repair, without cost to Weber Basin, all of Purchaser's facilities necessary to take and utilize its water, including the water purchased under this Contract.

7. Accounting and Water Supply Records. Purchaser shall maintain a standard set of books (a) to account for money received and expended as provided by law and (b) to keep and furnish suitable records of water supply and the disposition thereof.

8. Annexation. Purchaser agrees to take all action necessary to annex into the Weber Basin Water Conservancy District all property in Summit County that is now or in the future may become within the boundaries of Purchaser.

9. Beneficial Use. The basis, measure, and limit of the right of Purchaser to the use of Snyderville Basin Project Water shall rest perpetually in the beneficial application thereof. Purchaser shall put the Snyderville Basin Project Water to beneficial use in accordance with law for wholesale and retail sale and delivery and to supplement its existing municipal water supply for present and future, planned and permitted development.

10. Waste Water, Seepage Water and Return Flow. The reuse of Snyderville Basin Project Water pursuant to this Agreement is not allowed except upon the prior written authorization of Weber Basin and the United States. The waste, seepage, or return flow from water delivered pursuant to this Contract shall belong to the United States for the use and benefit of the Weber Basin Project. Weber Basin may substitute in lieu of stored water any other water available to the Weber Basin Project to the extent that it can be delivered at points where it can be used, provided such water is of quality suitable for project municipal irrigation use. All of Purchaser's water users who accept the benefits of this Contract shall be deemed thereby to have consented to such substitution of water, and Purchaser shall obtain the written consent of all such users of Snyderville Basin Project Water to such substitution of water.

11. Compliance with Applicable Pollution Laws and Regulations. Purchaser agrees to fully comply with all applicable Federal laws, orders and regulations, and the laws of the State of Utah, all as administered by appropriate authorities, concerning the pollution of streams, reservoirs, ground water, or water courses with respect to thermal pollution or the discharge of refuse, garbage, sewage effluent, industrial waste, oil, mine tailings, mineral salts, or other pollutants.

12. Water Shortage. In the event there is a shortage of water caused by drought, inaccuracies in distribution not resulting from negligence, hostile diversion, prior or superior claims, or other causes not within the control of the District, no liability shall accrue against the United States or the District or any of its officers, agents or employees for any damage, direct or indirect, arising therefrom, and the payments to the District provided for herein shall not be reduced because of any such shortage or damage. During periods of water shortage, allocations of treated and untreated water for municipal, domestic, and industrial use shall have priority over irrigation water deliveries. If there

should ever be any shortage of municipal water, deliveries to Purchaser shall be reduced in the proportion that the number of acre-feet of such shortage as determined by Weber Basin bears to the total number of acre-feet allocated for municipal use within the total Weber Basin system. Notwithstanding the foregoing, Weber Basin shall use its best efforts to remedy said inability to provide a full supply of Snyderville Basin Project Water at the earliest possible date.

13. Subject to Water Conservancy Act and Reclamation Law. This Contract, and any amendments thereto, shall be subject to the Utah Water Conservancy Act, 17A-2-1401 et seq., Utah Code Annotated, l953, as amended, and the rules and regulations of Weber Basin as the same have been and may be supplemented or amended from time to time. The delivery of water or the use of Federal facilities pursuant to this Contract is subject to Reclamation law, as amended and supplemented, and the rules and regulation promulgated by the Secretary of the Interior to administer Reclamation Law. Purchaser agrees to abide by such final rules and regulation lawfully adopted.

14. Notice. Any and all notices or other communications to be given to either of the Parties hereto shall be personally delivered to such Party or mailed to such Party by registered or certified mail, return receipt requested, at the address indicated below:

Notices to Weber Basin:

Weber Basin Water Conservancy District
2837 East Highway 193
Layton, Utah 84040

Notices to Purchaser:

Park City Water Service District
445 Marsac Avenue
Park City, Utah 84060

Either Party may change the place of address aforesaid by written notice to the other Party. Notice shall be deemed to have been given upon the date of personal delivery thereof or upon depositing the same in the United States mails as aforesaid.

15. Relationship to Water Supply Agreement. The Water Supply Agreement is not cancelled or superceded by this Contract, but shall remain in full force and effect. However, if there are any contradictions or inconsistencies between the terms and provisions of this Contract and the terms and provisions of the Water Supply Agreement, the terms and provisions of this Contract shall govern.

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

17. Assignment Limited. The provisions of this Contract shall apply to and bind the respective successors and assigns of the Parties; however, but no assignment or other transfer of this Contract or any part thereof or interest therein shall be valid unless and until approved by Weber Basin, whose approval shall not be unreasonably withheld.

18. Expenses of Enforcement. In any proceeding to enforce, interpret, rescind or terminate this Contract or in pursuing any remedy provided hereunder or by applicable law, the prevailing Party shall be entitled to recover from the other Party all costs and expenses, including a reasonable attorney's fee, whether such proceeding or remedy is pursued by filing suit or otherwise, and regardless of whether such costs, fees and/or expenses are incurred in connection with any bankruptcy proceeding.

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

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

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

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

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

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

25. No Third Party Beneficiaries. This Contract shall not be deemed to create any right in any person who is not a Party (other than the permitted successors and

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

26. Effective Upon Acceptance and Execution by Weber Basin and United States. This Contract shall become the binding obligation of the Parties upon acceptance and execution hereof by Weber Basin and the United States Bureau of Reclamation, as evidenced by their respective signatures below.

[Signature Page Follows]

IN WITNESS WHEREOF, this Contract has been executed by the Parties hereto as of the day and year first above written.

ATTEST:

PARK CITY WATER SERVICE DISTRICT

____
Recorder

By: ______________________________
Chairman

APPROVED AS TO FORM:

____
Park City Water Attorney

ATTEST:

WEBER BASIN WATER CONSERVANCY DISTRICT

____
Tage I. Flint, Secretary

By: ______________________________
President

APPROVED AS TO FORM:

____
Weber Basin Attorney

THE UNITED STATES OF AMERICA,
Bureau of Reclamation

By: ______________________________
Regional Director, Upper Colorado Region

APPROVED AS TO FORM:

____
Office of the Solicitor

CONTRACT BETWEEN WEBER BASIN WATER CONSERVANCY DISTRICT

and

PARK CITY WATER SERVICE DISTRICT

FOR THE SALE OF THE USE OF UNTREATED DISTRICT WATER

*****

THIS CONTRACT made this ____ day of ________________, 2006, between WEBER BASIN WATER CONSERVANCY DISTRICT, a water conservancy district organized and existing pursuant to the provisions of §17A-2-1401 *et seq*., Utah Code Annotated, 1953, as amended ("Weber Basin") and PARK CITY WATER SERVICE DISTRICT, a special service district organized and existing pursuant to the provisions of §17A-2-1301 *et seq*., Utah Code Annotated, 1953, as amended ("Purchaser"), Weber Basin and Purchaser being herein sometimes collectively referred to as the "Parties",

WITNESSETH:

A. WHEREAS, Weber Basin, Purchaser and Mountain Regional Water Special Service District, a special service district organized and existing pursuant to the provisions of §17A-2-1301 *et seq*., Utah Code Annotated, 1953, as amended ("Mountain Regional") have entered into a Water Supply Agreement dated May 13, 2004, as amended (the "Water Supply Agreement"), to provide to Purchaser and Mountain Regional from a project to be constructed by Weber Basin, to consist of an intake structure and pump station (the "Weber Basin Pump Station") near or on property owned by the United States Bureau of Reclamation ("Reclamation") on the Weber River near the inlet to Rockport Reservoir, a pipeline from the Weber Basin Pump Station to the existing pump station owned by Mountain Regional (the "Mountain Regional Pump Station"), and additional pumps and other improvements to the Mountain Regional Pump Station as needed to accommodate the water to be supplied to Purchaser and Mountain Regional pursuant to the Water Supply Agreement and this and other related water sales contracts and petitions (collectively, the "Snyderville Basin Project"), a supply of untreated water which Weber Basin administers under agreement with Reclamation ("Project Water") and other water developed independently by Weber Basin ("District Water"), and

B. WHEREAS, pursuant to the Water Supply Agreement, Weber Basin has reserved from its supply a limited amount of Project Water and District Water for the purpose of selling the use thereof to Purchaser, and

C. WHEREAS, Purchaser desires to purchase from District the right to use One Thousand Two Hundred Fifty (1,250) acre-feet of District Water, on the terms and conditions herein set forth,

NOW, THEREFORE, in consideration of the mutual and dependent promises and undertakings herein contained, it is agreed between the District and Purchaser as follows:

1. Purchase of Right to Use Water. Weber Basin shall sell to Purchaser, for a period of forty (40) years commencing on the date that the construction of the Snyderville Basin Project is completed and Weber Basin is first able to deliver water (the "Project Completion Date"), the right to use the amount of District Water specified in the Takedown Schedule attached hereto and by this reference incorporated herein (the "Snyderville Basin District Water"), and shall deliver the same in the manner and at the place hereinafter provided, and Purchaser shall purchase from District the right to use said Snyderville Basin District Water in each calendar year during said forty (40) year period. The purchase of the right to use annually the quantities of Snyderville Basin District Water specified on the Takedown Schedule represents minimum annual contract amounts. Purchaser may accelerate its purchases hereunder by notifying Weber Basin in writing ninety (90) days prior to the end of any calendar year of its intent to so accelerate and specifying the amount of additional water the right to the use of which Purchaser desires to purchase commencing with the next calendar year; provided, however, that in the event purchases are so accelerated, Purchaser shall not be relieved of its obligation to purchase the minimum contract amount provided for in the Takedown Schedule for each succeeding year.

2. Obligation of Purchaser to Pay for Water. Purchaser shall annually pay Weber Basin for its right to use the water under this Contract in conformance with the following:

(a) Snyderville Basin District Water Rate. Purchaser shall pay for the right to use Snyderville Basin District Water under this Contract at the "Snyderville Basin District Water Rate", which shall be determined by adding to Weber Basin's District Water Rate, as determined annually by Weber Basin's Board of Trustees (which consists of Weber Basin's cost for source development, including, but not limited to, Weber Basin's repayment obligations to the United States and other lenders, and operation, repair, replacement and maintenance throughout Weber Basin's system, as the same are determined annually by Weber Basin's Board of Trustees for its other customers), one-fourth (1/4) of: (i) the annual amount of all capitalized costs relating to project development of the Snyderville Basin Project (to the extent the same are not covered by Reservation Fees paid to Weber Basin under the Water Supply Agreement); and (ii) the annual amount of all capitalized costs of construction of the Snyderville Basin Project.

(b) Annual Payment. The Snyderville Basin District Water Rate shall be determined each year by Weber Basin's Board of Trustees, subject to the terms of this Contract, to take effect on January 1 of the following calendar year. The annual obligation to be paid by Purchaser under this Contract shall then be determined by multiplying the Snyderville Basin District Water Rate by the amount of Snyderville Basin District Water the use of which Purchaser is required to purchase (or allowed to purchase, in the case of any accelerated purchases pursuant to paragraph 1 above) under this Contract for the following calendar year (the "Annual Payment"). If Weber Basin's estimate of the operation, maintenance, replacement and repair costs used determining the Snyderville Basin District Water Rate is more or less than the actual costs thereof, an appropriate adjustment will be made in the Annual Payment for the year following the year for which the estimate was made. Notwithstanding the foregoing, the Snyderville Basin District Water Rate for the calendar year in which the Project Completion Date occurs shall be effective on the Project Completion Date, and the amount of the Annual Payment for the year in which the Project Completion Date occurs shall be prorated for the number of days remaining in that year. Weber Basin's determinations of the Annual Payment and any adjustment or supplement thereto shall be final and conclusive.

(c) Annual Billing Statement; Payment Due Date. A notice setting forth a statement of the amount of the Annual Payment for the calendar year in which the Project Completion Date occurs and the next succeeding calendar year shall be furnished to Purchaser within sixty (60) days following the Project Completion Date. The amount of the Annual Payment for the year in which the Project Completion Date occurs shall be due and payable to Weber Basin within ninety (90) days of such notice. The amount of the Annual Payment for the next succeeding calendar year shall be due and payable to Weber Basin on or before the first business day of January of such next succeeding calendar year or, if later, on the date which is ninety (90) days after the Project Completion Date. A notice setting forth a statement of the amount of the Annual Payment for each succeeding calendar year shall be furnished to Purchaser on or before March 1 of the previous calendar year. The amount of the Annual Payment as set forth in the notice shall be due and payable to Weber Basin on or before the first business day of January of such succeeding year during the remainder of the forty (40) year period of this Contract.

(d) Supplemental Operating Charge. In addition to the Annual Payment, Weber Basin's Board of Trustees may from time to time impose an additional charge (the "Supplemental Operating Charge") to cover any additional expenses incurred in connection with the Snyderville Basin Project (including, but not limited to, any wheeling, conveyance or other similar charge payable to the United States for the use of its facilities to deliver the water hereunder), and Purchaser shall pay such supplemental operating charge on or before the date specified in the supplemental notice.

(e) Take-or-Pay Basis. The Annual Payment and any Supplemental Operating Charge shall be paid in full by Purchaser to Weber Basin whether or not all or any part of the annual allocation of Snyderville Basin District Water set forth in the Takedown Schedule is called for or used by Purchaser.

(f) Refusal of Water in the Event of Default. No water will be delivered to or for Purchaser if Purchaser has not paid all Reservation Fees required by the Water Supply Agreement or if Purchaser is in arrears in any Annual Payment, Supplemental Operating Charge or other obligations due and owing to Weber Basin under this Contract for more than thirty (30) days. The provisions of this paragraph are not exclusive and shall not in any manner prevent Weber Basin from exercising any other remedy given by this Contract or by law to enforce the collection of any payments due under the terms of this Contract.

(g) Penalty for Delinquency. Every installment or charge required to be paid to Weber Basin under this Contract which shall remain unpaid after its due date shall bear interest from date of delinquency at the existing prime interest rate as of January 1 of each year.

3. Water Rate Covenant. Purchaser shall levy impact fees, water service fees and other fees and charges in connection with the sale of Snyderville Basin District Water to its customers and customer agencies in amounts sufficient to pay all obligations due and owing to Weber Basin each year in addition to such amounts as shall be necessary to cover administrative, contract, operation, maintenance and replacement costs, expenses and reserve accounts relative to its own water distribution system.

4. Collection of Fees and Charges by Purchaser. Purchaser shall exercise all of its lawful powers and authority to collect all fees and charges levied by it and otherwise take such action as shall be necessary in order to ensure that there are sufficient revenues on hand to pay all amounts owing to Weber Basin hereunder as the same become due.

5. Delivery and Use of Water. Water furnished under this Contract shall be measured at the Weber Basin Pump Station and delivered at the Mountain Regional Pump Station. Weber Basin reserves the right to substitute and use any of its sources of water to make the delivery. It shall not be the responsibility of Weber Basin to provide facilities to convey water from such point of delivery to the place of use. Purchaser shall be charged a pro-rata share of all conveyance and operation losses from District storage reservoirs to said point of delivery. Purchaser shall have no right to hold over or accumulate from year to year water covered hereby. Weber Basin shall not guarantee pressures or be responsible for fluctuations in pressure including failure of devices regulating pressure. Purchaser shall give Weber Basin not less than forty-eight (48) hours prior notice of any desired change in the flow rate of water then being delivered. Purchaser shall provide sufficient storage, at its own expense, to maintain a flow rate from Weber Basin not to exceed One Thousand Five Hundred Fifty (1,550) gallons per minute. At no time shall the Snyderville Basin District Water be delivered at a flow rate exceeding Two Million Two Hundred Twenty-Five Thousand (2,225,000) gallons per day. Purchaser shall not sell the use of Snyderville Basin District Water to any person or entity for use outside Weber Basin's boundaries, as now or hereafter fixed, either on a permanent or temporary basis.

6. Operation and Maintenance of Purchaser's Facilities. Purchaser shall operate, maintain, replace and repair, without cost to Weber Basin, all of Purchaser's facilities necessary to take and utilize its water, including the water purchased under this Contract.

7. Accounting and Water Supply Records. Purchaser shall maintain a standard set of books (a) to account for money received and expended as provided by law and (b) to keep and furnish suitable records of water supply and the disposition thereof.

8. Annexation. Purchaser agrees to take all action necessary to annex into the Weber Basin Water Conservancy District all property in Summit County that is now or in the future may become within the boundaries of Purchaser.

9. Beneficial Use. The basis, measure, and limit of the right of Purchaser to the use of Snyderville Basin District Water shall rest perpetually in the beneficial application thereof. Purchaser shall put the Snyderville Basin District Water to beneficial use in accordance with law for wholesale and retail sale and delivery and to supplement its existing municipal water supply for present and future, planned and permitted development.

10. Waste Water, Seepage Water and Return Flow. The reuse of Snyderville Basin District Water pursuant to this Agreement is not allowed except upon the prior written authorization of Weber Basin. The waste, seepage, or return flow from water delivered pursuant to this contract shall belong to Weber Basin for the use and benefit of the Weber Basin Project. Weber Basin may substitute in lieu of stored water any other water available to the Weber Basin Project to the extent that it can be delivered at points where it can be used, provided such water is of quality suitable for project municipal irrigation use. All of Purchaser's water users who accept the benefits of this Contract shall be deemed thereby to have consented to such substitution of water, and Purchaser shall obtain the written consent of all such users of Snyderville Basin District Water to such substitution of water.

11. Compliance with Applicable Pollution Laws and Regulations. Purchaser agrees to fully comply with all applicable Federal laws, orders and regulations, and the laws of the State of Utah, all as administered by appropriate authorities, concerning the pollution of streams, reservoirs, ground water, or water courses with respect to thermal pollution or the discharge of refuse, garbage, sewage effluent, industrial waste, oil, mine tailings, mineral salts, or other pollutants.

12. Water Shortage. In the event there is a shortage of water caused by drought, inaccuracies in distribution not resulting from negligence, hostile diversion, prior or superior claims, or other causes not within the control of the District, no liability shall accrue against the United States or the District or any of its officers, agents or employees for any damage, direct or indirect, arising therefrom, and the payments to the District provided for herein shall not be reduced because of any such shortage or damage. During periods of water shortage, allocations of treated and untreated water for municipal, domestic, and industrial use shall have priority over irrigation water deliveries. If there

should ever be any shortage of municipal water, deliveries to Purchaser shall be reduced in the proportion that the number of acre-feet of such shortage as determined by Weber Basin bears to the total number of acre-feet allocated for municipal use within the total Weber Basin system. Notwithstanding the foregoing, Weber Basin shall use its best efforts to remedy said inability to provide a full supply of Snyderville Basin District Water at the earliest possible date.

13. Subject to Water Conservancy Act and Reclamation Law. This Contract, and any amendments thereto, shall be subject to the Utah Water Conservancy Act, 17A-2-1401 et seq., Utah Code Annotated, l953, as amended, and the rules and regulations of Weber Basin as the same have been and may be supplemented or amended from time to time. The delivery of water or the use of Federal facilities pursuant to this Contract is subject to Reclamation law, as amended and supplemented, and the rules and regulation promulgated by the Secretary of the Interior to administer Reclamation Law. Purchaser agrees to abide by such final rules and regulation lawfully adopted.

14. Notice. Any and all notices or other communications to be given to either of the Parties hereto shall be personally delivered to such Party or mailed to such Party by registered or certified mail, return receipt requested, at the address indicated below:

Notices to Weber Basin:

Weber Basin Water Conservancy District
2837 East Highway 193
Layton, Utah 84040

Notices to Purchaser:

Park City Water Service District
445 Marsac Avenue
Park City, Utah 84060

Either Party may change the place of address aforesaid by written notice to the other Party. Notice shall be deemed to have been given upon the date of personal delivery thereof or upon depositing the same in the United States mails as aforesaid.

15. Relationship to Water Supply Agreement. The Water Supply Agreement is not cancelled or superceded by this Contract, but shall remain in full force and effect. However, if there are any contradictions or inconsistencies between the terms and provisions of this Contract and the terms and provisions of the Water Supply Agreement, the terms and provisions of this Contract shall govern.

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

17. Assignment Limited. The provisions of this Contract shall apply to and bind the respective successors and assigns of the Parties; however, but no assignment or other transfer of this Contract or any part thereof or interest therein shall be valid unless and until approved by Weber Basin, whose approval shall not be unreasonably withheld.

18. Expenses of Enforcement. In any proceeding to enforce, interpret, rescind or terminate this Contract or in pursuing any remedy provided hereunder or by applicable law, the prevailing Party shall be entitled to recover from the other Party all costs and expenses, including a reasonable attorney's fee, whether such proceeding or remedy is pursued by filing suit or otherwise, and regardless of whether such costs, fees and/or expenses are incurred in connection with any bankruptcy proceeding.

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

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

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

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

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

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

25. No Third Party Beneficiaries. This Contract shall not be deemed to create any right in any person who is not a Party (other than the permitted successors and

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

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

ATTEST:

____
Recorder

PARK CITY WATER SERVICE DISTRICT

By: ___________________________________
Chairman

APPROVED AS TO FORM
:

____
Park City Water Attorney

ATTEST:

____
Tage I. Flint, Secretary

WEBER BASIN WATER CONSERVANCY DISTRICT

By: ___________________________________
President

APPROVED AS TO FORM:

____
Weber Basin Attorney

Agreement Between Mountain Regional Water Special Service District, Park City Water Service District and Summit County Regarding Implementation of the Summit County Project

This Agreement is entered into this ___ th day of _____, _______, by and between Mountain Regional Water Special Service District (**Mountain Regional**), a special service district organized and existing pursuant to the provisions of Section 17A-2-1301 *et seq*. Utah Code Annotated 1953, as amended; Park City Water Service District (**Park City Water**), a special service district organized and existing pursuant to the provisions of Section 17A-2-1301 *et seq*. Utah Code Annotated 1953, as amended and Summit County (**Summit County**), a county and political subdivision of the State of Utah pursuant to Section 17-50-1 *et seq*. Mountain Regional, Park City Water, and Summit County are hereinafter sometimes referred to as a **Party** and collectively as the **Parties**.

Whereas, Mountain Regional (as successor in interest to the Atkinson Special Service District and Basin Regional Water Special Service District), Park City Municipal Corporation (**Park City**), Summit County, and Weber Basin Water Conservancy District (**Weber Basin**) entered into a certain Memorandum of Understanding and Agreement, dated November 27, 1996 (the **MOU**), which sets forth the framework for the development of a water project to deliver water, made available from Bureau of Reclamation (**BOR**) and Weber Basin sources, for distribution within Summit County, and

Whereas, Mountain Regional financed and completed the Lost Creek Canyon Project portion of the Summit County Project, and

Whereas, Summit County, Mountain Regional, and Park City Water entered into a certain agreement dated March 10, 2004 further clarifying the MOU and acknowledging the need for Weber Basin and the BOR to conduct a feasibility study for the remainder of the Summit County Project, and outlining the related financial obligations of the Parties, and

Whereas, Mountain Regional, Park City Water, and Weber Basin entered into a water supply agreement dated May 13, 2004 further clarifying the MOU and a March 10, 2004 agreement regarding the financing, construction and operation of the remainder of the Summit County Project, now referred to as the Snyderville Basin Project, by Weber Basin.

Whereas, the development of the Snyderville Basin Project by Weber Basin is currently underway, and

Whereas, the Parties agree that the intent and purpose of the MOU shall be fulfilled upon the construction of the Snyderville Basin Project and the Expansion of Capacity in the Lost Creek Canyon Project to provide water to Mountain Regional and Park City Water as provided below, and

Wherefore, the Parties agree as follows:

SECTION I. INTEGRATION, TERMINATION OF MOU

A. Entire Understanding. In addition to the agreement dated May 13, 2004, as amended prior to or concurrently with the execution of this Agreement, this Agreement constitutes the entire understanding and of the Parties concerning the Expanded Lost Creek Canyon Project and the Summit County Project, and specifically supersedes the March 10, 2004 agreement among the Parties, representations or understandings by and among them, whether written or oral, pertaining to the subject matter hereof.

SECTION II. CAPACITY RIGHTS

A. Mountain Regional Capacity Rights. Mountain Regional shall have capacity rights to 4,100 acre feet annually, or 5,085 gallons per minute peak day demand in the Snyderville Basin Project and Expanded Lost Creek Canyon Project.

B. Park City Water Capacity Rights. Park City Water shall have capacity rights to 2,500 acre feet annually, or 3,100 gallons per minute peak day demand in the Snyderville Basin Project and Expanded Lost Creek Canyon Project.

C. Allocation of Capacity Rights in Event of Water Shortage. In the event of a shortage of water supply of either short or long term duration caused by problems such as drought or other natural or man-caused disasters; unplanned failure of physical infrastructure; or planned repairs and downtimes; water deliveries shall be provided on a pro-rata basis based upon each Party's capacity rights outlined above.

D. Water Use in Excess of Capacity Rights. If Park City Water's or Mountain Regional's average gallon per minute use in any calendar week, measured from Monday morning to Sunday night, is in excess of its capacity rights as set forth in paragraphs A and B of this Agreement, then that Party will pay the other Party Mountain Regional's then adopted wholesale rate for the excess capacity so used. In the event Park City Water does not receive its water when requested, Mountain Regional agrees to provide the requested water within seventy-two (72) hours of receiving notice, provided, however, that this paragraph is subject to the water shortage provisions in Section II C of this Agreement and further provided that this paragraph does not preclude the exercise of any legal right otherwise available to the Parties.

E. System Capacity in Excess of Capacity Rights. The Parties acknowledge and agree that the total amount of water developed by both the Expanded Lost Creek Canyon Project and the Snyderville Basin Project could exceed the 6,600 acre feet (8,185 gpm) capacity rights of the Parties as set forth in paragraphs A and B of this Agreement ("Excess Water"). The Parties agree the delivery of Excess Water shall be governed by a separate agreement wherein the Parties agree a) to share equally in such Excess Water; b) either Party may sell such Excess Water to a third party with the prior written consent of the other Party; c) the sale of Excess Water to a third party shall reduce the non-selling Party's proportional cost allocation for the projects described in Section III of this Agreement; and d) that any Excess Water shall be represented by Weber Basin Water Conservancy District water rights, unless otherwise agreed in writing by the Parties.

F. Project Expansion and Operations Costs. All capital, operations, maintenance, repairs, and replacement costs for current and future infrastructure shared by Mountain Regional and Park City Water shall be allocated according to each Party's capacity rights in each component of the shared infrastructure.

SECTION III – PROJECT DEFINITIONS

A. Lost Creek Canyon Project. This project consists generally of a shallow well collection system above the Rockport Reservoir, a booster pump station, a twenty-four inch pipeline, a treatment plant with capacity of three million gallons per day, and all facilities necessary to transport and deliver water from the shallow wells to the raw water reservoir and treatment plant located within the Promontory Development.

B. Expanded Lost Creek Canyon Project. This project consists of three components that shall increase capacity in the Lost Creek Canyon Project to at least 6,600 acre feet annually and 8,185 gallons per minute peak day demand.

1. Surge Protection and Pigging Upgrades to the Existing Rockport Booster Pump Station.
2. Expansion of Capacity in the Existing Rockport Booster Pump Station.
3. Construction of a Raw Water Pipeline within the Promontory Development to the Promontory Property Line.

C. Snyderville Basin Project. This project consists generally of an intake, pipeline and booster station to transport water from the Rockport Reservoir to the Rockport Booster Pump Station with a capacity of at least 6,600 acre feet annually and 8,185 gallons per minute peak day demand.

D. Raw Water Pipeline within Promontory Development. Park City Water shall construct a raw water pipeline that connects to an existing raw water pipeline within the Promontory Development and extends to the Promontory property line. This shall be the point of delivery of water from Mountain Regional to Park City Water. Mountain Regional shall provide all easements required for the construction of the raw water pipeline within the Promontory Development. Upon completion, Mountain Regional shall own and operate this raw water pipeline. Mountain Regional shall pay any costs associated with upsizing or otherwise modifying this raw water pipeline to meet the needs of an entity other than Park City Water. Following completion and dedication to Mountain Regional, any future modifications to this line shall be approved in writing by Park City Water.

Park City Water shall be responsible to construct whatever infrastructure is required to transport water from the Promontory property line to its customers at its sole cost and expense.

SECTION IV. LOST CREEK CANYON PROJECT

Mountain Regional has constructed and owns the Lost Creek Canyon Project. Mountain Regional shall continue to own, operate, maintain, repair and replace all related infrastructure at its sole cost and expense. Park City Water shall reimburse Mountain Regional for its proportionate share of capital, operations, maintenance, repair and replacement costs as set forth in Section VIII of this Agreement.

The existing capacity of the Lost Creek Canyon Project is sufficient to provide 4,100 acre feet of water. However, the existing pumping capacity in the Rockport Booster Pump station is not sufficient to deliver the 6,600 acre feet of water to be developed by the Expanded Lost Creek Canyon Project and the Snyderville Basin Project.

SECTION V. EXPANDED LOST CREEK CANYON PROJECT

A. Surge Protection and Pigging Upgrades to Existing Rockport Booster Pump Station. Weber Basin has agreed to complete the upgrades to the surge protection and pigging capability of the existing Rockport booster pump station concurrently with the construction of the Snyderville Basin Project.

The capital costs for the surge protection and pigging upgrade shall be paid upfront by Weber Basin and allocated 37.9% to Park City Water and 62.1% to Mountain Regional. These costs shall then be amortized through inclusion in the Annual Payments made by Mountain Regional and Park City Water to Weber Basin in each Party's respective Water Sales Agreements with Weber Basin, which agreements are to be executed concurrently with this Agreement.

B. Expansion of Capacity in the Existing Rockport Booster Pump Station. Weber Basin has agreed to complete the expansion of capacity in the existing Rockport booster pump station to deliver the 6,600 acre feet of water to be developed by the Expanded Lost Creek Canyon Project and the Snyderville Basin Project . Weber Basin shall involve Mountain Regional and Park City Water in all aspects of the expansion of the existing Rockport booster pump station. Mountain Regional shall have final approval in all aspects of the design, engineering, and construction for the expansion.

The capital costs attributed to the expansion of the existing Rockport booster pump station shall be paid upfront by Weber Basin and allocated 100% to Park City Water. These capital costs shall be amortized through inclusion in the Annual Payments made by Park City Water to Weber Basin pursuant to its Water Sales Agreements with Weber Basin.

D. Ownership and Operation. Mountain Regional shall retain full ownership of the Expanded Lost Creek Canyon Project including the raw water line constructed by Park City within the Promontory Development, and shall continue to operate, maintain, repair and replace all related infrastructure at its sole cost and expense. Park City Water shall reimburse Mountain Regional for its proportionate share of costs as set forth in Section VIII of this Agreement.

E. Continued Operation of Lost Creek Canyon Project During Expansion. All construction, expansion, and modification schedules and actual activity incorporated by Weber Basin for the components it is constructing for the Snyderville Basin Project and Expanded Lost Creek Canyon Project shall be pre-approved by Mountain Regional to ensure that Mountain Regional is at all times able to operate the Rockport Booster Pump Station and related infrastructure as needed to meet its customer demand and properly manage its water rights.

SECTION VI. SNYDERVILLE BASIN PROJECT

A. Construction and Capital Costs. The Snyderville Basin Project shall be constructed by Weber Basin according to the terms, conditions, and limitations set forth in the May 13, 2004 agreement among the Parties and Weber Basin, as amended prior to or concurrently with the execution of this Agreement.

The capital costs of this project shall be allocated 62.1% to Mountain Regional and 37.9% to Park City. These costs shall then be amortized through inclusion in the Annual Payments made by Mountain Regional and Park City Water to Weber Basin pursuant to their respective Water Sales Agreements with Weber Basin. To the extent any term of this Agreement is inconsistent with the Water Sales Agreements, the Water Sales Agreements shall control.

B. Ownership and Operation. Weber Basin shall retain full ownership of the Snyderville Basin Project, and shall operate, maintain, repair and replace all related infrastructure at its sole cost and expense. These costs shall then be allocated to Mountain Regional and Park City Water through inclusion in the Annual Payments made by Mountain Regional and Park City Water to Weber Basin pursuant to their respective Water Sales Agreements.

SECTION VII. INTERIM WATER SERVICE TO PARK CITY

Until completion of the Expanded Lost Creek Canyon Project and the Snyderville Basin Project, the Parties agree to make available to one another any water that either Party determines in its sole discretion to be surplus to the needs of its customers. The cost of such surplus water shall be determined using Mountain Regional's then adopted wholesale water rate. The delivery of surplus water pursuant to this section can be terminated without notice by either Party if that Party, in its sole discretion, determines the water is no longer surplus to the needs of its customers.

SECTION VIII. WHEELING RATE CHARGED BY MOUNTAIN REGIONAL TO DELIVER WATER TO PARK CITY WATER

A. Establishment of the Wheeling Rate. Mountain Regional shall establish a wheeling rate each calendar year for the delivery of water to Park City Water at the point of delivery described in Section III. D of this Agreement in compliance with Mountain Regional's Governing Ordinance, Bylaws, and Rules & Regulations; and the terms of this Agreement.

1. Take or Pay Rate. The wheeling rate shall include a fixed take or pay amount for the delivery of up to 2,500 acre feet of water per calendar year. Park City Water shall commence making monthly payments on the take or pay rate on May 1, 2008. One-twelfth of this take or pay amount shall be billed on or around the 1st day of each month by Mountain Regional Water, and consists of the following components:

A proportionate share of capital costs incurred by Mountain Regional for the Lost Creek Canyon Project facilities already constructed and funded by Mountain Regional and that benefit Park City Water. The amount of this rate component shall be fixed at $90,974 annually, or $7,582 per month. This rate component shall continue to be charged to Park City Water until December 2033.

b. A fixed Operations & Maintenance rate component in an amount to be determined each calendar year by Mountain Regional based upon Mountain Regional's adopted operations budgets for that year.

Mountain Regional shall determine an hourly rate each year that shall include staff time, general supplies, equipment, insurance, vehicle, and other typical general operations and maintenance costs.

This hourly rate shall then be multiplied by the estimated number of hours it is anticipated that Mountain Regional employees shall spend on general operations & maintenance costs for the Expanded Lost Creek Canyon Project for that year based upon historical information, except that for the first year the rate shall be based on one full-time equivalent employee of 2080 hours per year.

Mountain Regional shall track the actual time its employees spend on general operations and maintenance, and provide this information to Park City Water on an annual basis.

The fixed Operations & Maintenance rate component shall also include the estimated costs to perform annual pigging and cleaning of the Expanded Lost Creek Canyon Project.

If the actual amount collected from Park City Water from the fixed Operations & Maintenance rate component during any calendar year is materially different from the actual related fixed operations and maintenance costs incurred by Mountain Regional, then an appropriate adjustment shall be made to this rate component in the following calendar year in order to offset the material difference.

c. A capital asset management rate component of $38,547 shall be included (based upon Park City Water's proportionate capacity in the Expanded Lost Creek Canyon Project). This portion of the rate shall be placed in a repair and replacement reserve account held by Mountain Regional.

Mountain Regional shall contribute an additional $63,069 per calendar year to the repair and replacement reserve account (based upon Mountain Regional's proportionate capacity in the Expanded Lost Creek Canyon Project).

If, at the end of any calendar year, the balance in the repair and replacement reserve account exceeds $1,000,000, the capital asset management rate component shall not be included in the next year's wheeling rate, and Mountain Regional shall not be required to make its annual contribution. All interest earned on the balance in the repair and replacement reserve account shall remain in the reserve account.

Funds in this reserve may be used by Mountain Regional to maintain, repair, or replace all or any portion of the Expanded Lost Creek Canyon Project beyond the reasonable and typical ongoing operations and maintenance of the related infrastructure that is funded by other cost components in the wheeling rate.

Mountain Regional shall provide Park City Water with a full accounting of payments made from this reserve and the interest earned on the cash balance each calendar year.

2. <u>Water Usage Rate</u>. The wheeling rate shall include a variable amount based upon the actual monthly water usage of Park City Water under the terms of this Agreement. Park City Water shall commence making water usage rate payments in the month it starts taking water from the Expanded Lost Creek Canyon Project. The water usage rate shall be billed on or around the 1st of each month for the previous month's actual water usage, and consists of the following components:

a. A variable Operations & Maintenance rate component in an amount to be determined each year as approved in Mountain Regional's adopted budget for that year.

b. A power cost rate component in an amount to be determined each year based upon the projected power costs to deliver water to the Parties through the Expanded Lost Creek Canyon Project during that year. The total projected power costs shall be allocated on a pro-rata basis based upon the projected usage of each Party.

If the amount collected from Park City Water from the water usage rate component during any calendar year is materially different from the actual water usage costs incurred by Mountain Regional, then an appropriate adjustment shall be made to the water usage rate in the following calendar year in order to offset the material difference.

3. Backup Culinary Water Connection. Within five years of executing this Agreement, Park City Water shall make available to Mountain Regional a backup culinary water connection to the Park City Water delivery system at or near the Quinn's junction area on the east side of US Highway 40. Devices may also be installed concurrently within this improvement to enable Park City Water to receive backup culinary water from Mountain Regional. The delivery cost of backup water to each entity shall be based upon each system(s) currently approved wholesale water rates.

Park City Water shall comply with Mountain Regional's payment terms as outlined in its Rules & Regulations as they currently exist or as they may be legally amended in the future.

SECTION VI. MISCELLANEOUS PROVISIONS

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

B. Assignment Limited. No assignment or transfer of this Agreement or any part thereof or interest therein shall be valid unless and until approved in writing by all Parties to this Agreement.

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

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

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

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

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

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

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

J. No Third Party Beneficiaries. This Agreement shall not be deemed to create any right to any person who is not a Party (other than the permitted successors and assigns of a Party) and shall not be construed in any respect to be a contract, in whole or in part, for the benefit of any third party (other than permitted successor and assigns of a Party hereto).

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

L. Termination of Agreement. This Agreement may not be terminated without the written consent of all the Parties.

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

MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT

By: ______________________________________
Roger Fulmer, Administrative Control Board Chair

ATTEST:

____
Mountain Regional Water Special Service District Secretary

APPROVED:

____
Mountain Regional Water Special Service District Attorney

PARK CITY WATER SERVICE DISTRICT

By: ______________________________________
Dana Williams, Chair

ATTEST:

____
City Recorder/Secretary

APPROVED:

____
Park City Water Service District Attorney

SUMMIT COUNTY

By: ______________________________________
Chair, Board of County Commissioners

ATTEST:

____
County Clerk

APPROVED:

____
County Attorney

AMENDMENT TO
WATER SUPPLY AGREEMENT
BY AND AMONG
WEBER BASIN WATER CONSERVANCY DISTRICT,
PARK CITY WATER SERVICE DISTRICT AND
MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT

SNYDERVILLE BASIN WATER PROJECT

THIS AMENDMENT TO WATER SUPPLY AGREEMENT is made and entered into as of this ____ day of _________________, 2007, by and among the Weber Basin Water Conservancy District, a water conservancy district organized and existing pursuant to the provisions of §17A-2-1401 *et seq*., Utah Code Annotated, 1953, as amended ("**Weber Basin**"), Park City Water Service District, a special service district organized and existing pursuant to the provisions of §17A-2-1301 et seq., Utah Code Annotated, 1953, as amended ("**Park City Water**"), and Mountain Regional Water Special Service District, a special service district organized and existing pursuant to the provisions of §17A-2-1301 et seq., Utah Code Annotated, 1953, as amended (**"Mountain Regional"**). Weber Basin, Park City Water and Mountain Regional are hereinafter sometimes referred to individually as a "**Party**" and collectively as the "**Parties**."

<u>RECITALS</u>

A. The Parties executed a Water Supply Agreement dated May 13, 2004 (the "Agreement"), providing for their participation in certain studies to consider delivering Project Water and District Water (as said terms are defined in the Agreement) into the Snyderville Basin (the "Snyderville Basin Project").

B. Said studies have been completed and have concluded that such a project can be constructed.

C. In the Agreement, the Parties anticipated that the facilities comprising the Snyderville Basin Project would be designed, constructed and owned by the United States Bureau of Reclamation ("Reclamation") and operated, maintained, repaired and replaced by Weber Basin, and that the costs of study, development, design and construction of the Snyderville Basin Project would be borne by Reclamation but repaid pursuant to a long-term repayment contract.

D. The Parties now desire to amend the Agreement to define the scope of the Snyderville Basin Project, to provide that the Snyderville Basin Project (as so defined) will be designed, constructed and, except as otherwise provided specifically hereinbelow, owned, operated, maintained, repaired and replaced by Weber Basin, and in other respects, as hereinafter set forth.

AGREEMENT

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

1. Paragraph I.B of the Agreement (entitled "Ownership of Facilities, Transport of Non-Reclamation Project Water") is hereby amended in its entirety to read as follows:

> "B. Scope of Project, Ownership of Facilities, Transport of Non-BOR Project Water. The Parties agree that the Snyderville Basin Project shall consist of, and for all purposes as referred to in this Agreement (as hereby amended) shall be defined as, an intake structure and pump station (the "Weber Basin Pump Station") near or on property owned by Reclamation on the Weber River near the inlet to Rockport Reservoir, a pipeline from the Weber Basin Pump Station to the existing pump station owned by Mountain Regional (the "Mountain Regional Pump Station"), and additional pumps and other improvements to the Mountain Regional Pump Station as needed to accommodate the volume of water to be supplied to Park City Water and Mountain Regional pursuant to the Agreement and related waters sales contracts between Weber Basin and Park City Water and Weber Basin and Mountain Regional. The facilities comprising the Snyderville Basin Project shall be designed and constructed by Weber Basin. The Weber Basin Pump Station and the pipeline from the Weber Basin Pump Station to the Mountain Regional Pump Station shall be owned, operated, maintained, repaired and replaced by Weber Basin. The Mountain Regional Pump Station, including the additional pumps and other improvements to the Mountain Regional Pump Station, shall be owned, operated, maintained, repaired and replaced by Mountain Regional. The transport of any water other than Snyderville Basin Project Water through any facilities comprising the Snyderville Basin Project shall be in the sole and absolute discretion of Reclamation and Weber Basin, both before and after the facilities have been paid for under in paragraph I.C below."

2. Paragraph I.C of the Agreement (entitled "Snyderville Basin Project Costs and Financing") is hereby amended in its entirety to read as follows:

> "C. Snyderville Basin Project Costs and Financing. The costs of study (other than those borne by Reclamation), development, design and construction of the Snyderville Basin Project will be borne by Weber Basin and repaid to Weber Basin pursuant to the Water Sales Contracts referred to in Section II.C, below."

3. Paragraph I.D of the Agreement (entitled "Park City Water and Mountain Regional Facilities") is hereby amended in its entirety to read as follows:

"D. Park City Water and Mountain Regional Facilities. All facilities necessary to be constructed or otherwise provided by Park City Water to receive, transport and deliver water from the point of delivery at the Mountain Regional Pump Station into Park City Water's water system(s), and all facilities necessary to be constructed or otherwise provided by Mountain Regional to receive, transport and deliver water from the said point of delivery at the Mountain Regional Pump Station into Mountain Regional's water system(s), shall be acquired, designed, constructed, owned, operated, maintained, repaired and replaced by Park City Water and Mountain Regional, respectively, at their sole cost and expense."

4. Paragraph II.A of the Agreement (entitled "Water Supply Commitment"") is hereby amended by deleting the words "Petitions and", and by deleting the words "perpetual" and inserting in its place the words "forty (40) year".

5. Paragraph II.C of the Agreement (entitled "Water Purchase Commitment"") is hereby amended in its entirety to read as follows:

"C. Water Purchase Commitment. Park City Water and Mountain Regional, respectively, shall execute and deliver to Weber Basin (subject to approval by Reclamation) the applicable water sales contracts (the **"Water Sales Contracts"**) attached hereto and by this reference incorporated herein, for their respective allocations of the Snyderville Basin Project Water as provided in Section II.B, above. If there are any contradictions or inconsistencies between the terms and provisions of this Agreement and the terms and provisions of the Water Sales Contracts, the terms and provisions of the Water Sales Contracts shall govern."

6. Paragraph II.D of the Agreement (entitled "Reservation Fees for Snyderville Basin Project Water") is hereby amended in its entirety to read as follows:

"D. Reservation Fees for Snyderville Basin Project Water. Until the date which is three (3) years after the date on which construction of the Snyderville Basin Project is complete and able to deliver water (the **"Project Completion Date"**), Weber Basin shall reserve from its sources of supply for use in the Snyderville Basin Project Five Thousand (5,000) acre-feet of water, less any amounts previously contracted for in accordance with the Takedown Schedule, and as an express condition to Weber Basin reserving said water, Park City Water and Mountain Regional shall each pay to Weber Basin annually, on or before the first business day of January of each year for which such water is to be reserved, a reservation fee in the amount of One Hundred Twenty-Five Thousand Dollars ($125,000) per year (the **"Reservation Fees"**). Weber Basin shall use said Reservation Fees to cover all of its costs, whether contracted or internal, incurred in connection with the Snyderville Basin Project (collectively, **"Weber Basin's Project Development Costs"**), including, but not limited to, all costs incurred in connection with the District Study and the Reclamation Study, all design, engineering and other costs incurred in connection with the Snyderville Basin Project, and all costs in obtaining all required State Approvals and Federal Approvals referred to in Section III.A, below. If at any time or from time to time Weber Basin anticipates that the then remaining balance of the Reservation Fees paid by Park City Water and Mountain Regional pursuant to this Agreement will be insufficient to cover Weber Basin's Project Development Costs, then Weber Basin shall give written notice of such anticipated deficiency to Park City Water and Mountain Regional, following which the Parties shall meet quarterly during the next ten (10) months in order to allow Park City and Mountain Regional to anticipate and budget for such deficiency; and at the end of such ten (10) month period Weber Basin shall notify Park City Water and Mountain Regional of the actual amount of such deficiency, and Park City Water and Mountain Regional shall each pay to Weber Basin one-half (½) of the amount of such actual deficiency within sixty (60) days after receipt of such notice."

7. Paragraph II.E of the Agreement (entitled "First Right of Refusal to Acquire Defaulting Party's Share of Water") is hereby deleted in its entirety.

8. Paragraph III.A(1) of the Agreement (entitled "Federal Approvals") is hereby amended by deleting the words "(and provided the District Study and the Reclamation Study determine that the Snyderville Basin Project can be constructed)" and the words "Petitions and".

9. Section IV of the Agreement (entitled "Termination of Agreement Prior to Execution of Petitions and Water Sales Contracts") and Section X of the Agreement (entitled "Alternative Project") are hereby deleted in their entirely.

10. All remaining provisions of the Agreement are hereby ratified and affirmed, and shall remain in full force and effect.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Amendment to Water Supply Agreement as of the day and year first above written.

ATTEST:	WEBER BASIN WATER CONSERVANCY DISTRICT
____________________________	By:____________________________________
Secretary	Chairman, Board of Trustees
APPROVED AS TO FORM:	
____________________________	
Weber Basin Attorney	
ATTEST:	PARK CITY WATER SERVICE DISTRICT
____________________________	By:____________________________________
City Recorder	President
APPROVED AS TO FORM:	
____________________________	
Park City Water Attorney	
ATTEST:	MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT
____________________________	By:____________________________________
Clerk	Chairman, Board of County Commissioners, Acting as the Governing Authority of the District
APPROVED AS TO FORM:	
____________________________	
Mountain Regional Attorney	