PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
JANUARY 28, 2010

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building, City Council Chambers, 445 Marsac Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, January 28, 2010.

Closed Session
3:00 p.m. Property and litigation

Regular Meeting
6:00 p.m.

I ROLL CALL

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Legislative update

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

IV WORK SESSION NOTES AND MINUTES OF MEETINGS OF DECEMBER 7, AND DECEMBER 14, 2010 P. 4 - 17

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

1. Consideration of an Ordinance amending the Land Management Code of Park City, Utah, to address revisions to Sections 15-2.3, 15-6, 15-10, 15-11 and 15-12 regarding development regulations and master planned developments in the HR-2 and HCB Districts, timeframe for appeals to Board of Adjustment and Planning Commission, and Historic Design Review Process for minor projects and applications.
   (a) Public hearing
   (b) **Motion to continue to a date uncertain**

2. Consideration of (1) the issuance and sale of the City's water revenue bonds, for the purpose of financing the cost of acquisition, construction and completion of improvements to the water system of the City, including the acquisition and financing of certain water rights, and related improvements and facilities and paying the costs incurred in connection with the issuance and sale of the water revenue bonds and (2) the potential economic impact that the facilities will have on the private sector
   (a) Public hearing
   (b) Consideration of a Resolution authorizing the issuance and confirming the sale of up to $13,000,000 Park City, Utah Water Revenue Bonds, Series 2010; authorizing the execution and delivery of a Supplemental Indenture of Trust to secure said Bonds, and other documents required in connection therewith; and related matters P. 18 - 29

3. Consideration of a Resolution affirming Park City's support of and partnership with the 2010 Census P. 30 - 34

4. Consideration of an Amendment #2 to Carollo Professional Services Agreement in an amount of $325,000 P. 35 - 56

VII ADJOURNMENT

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

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

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

Posted: 01/25/10
See www.parkcity.org

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

February 2010

4 Legislative update
Eligibility criteria for Snow Creek housing
Ironhorse Transit Facility Construction Contract (work/action) - KC
11 Legislative update
Open space maintenance
18 **No meeting**
25 Legislative update
1440 Empire Avenue appeal of CUP – KS
1440 Empire Avenue plat - KS

March 2010

4 Legislative update
11 Legislative update
18
25 **No meeting**

April 2010

1
8 **No meeting**
15
22
29

May 2010

6 Presentation of budget – work
13 Budget - work
20 Budget - work
27 Budget – work

Pending Items:

Conditional Use Permit for Display of Art on City-owned Property, 528 Main Street walkway
U S Postal Service gang boxes in Old Town - MC
Quinn's WTP Building Construction Contract – TT
Special event prioritization – work
Performance measures (work)
Resolution amending (or replacing) Resolution No. 20-07, adopting Affordable Housing Guidelines and Standards for Park City, Utah
Carrying capacity/market analysis survey
Wild land interface issues

PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
JANUARY 7, 2010

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

Tom Bakaly, City Manager; Mark Harrington, City Attorney, Jon Weidenhamer, Economic Development Manager; Rhoda Stauffer, Housing Specialist; ReNae Rezac, Public Affairs Analyst; and Phyllis Robinson, Public Affairs Manager

Consultants Becky Zimmerman, Design Workshop and Michael Barille, Jack Johnson Company

1. Council questions/comments. Mayor Williams recognized Evan Russack's service on the Planning Commission from 2006 through 2009 and presented him with a certificate of appreciation. He spoke about Roger Harlan's unexpected death this week and highlighted his many contributions to the community as an elected official, specifically his recent commitment to sustainability and the environment. Council member Harlan was a very kind and considerate man and promoted programs and projects benefitting our youth. The Mayor commented on Mr. Harlan's commitment to the skate park project as an example. His passing is a great loss to the community.

2. Quarterly goal update. Mayor Williams guided the discussion. With regard to preservation of Park City's character, Liza Simpson reported that she and Ms. Erickson informally discussed whether Rossi Hill should have its own permit parking program like the west side of Old Town which may be a good topic for next week's Visioning Session. Candace Erickson acknowledged that neighborhood streets in Old Town can be very different and the application of a residential parking program may have to be modified for certain areas. The City Manager stated that this can be explored during Visioning. There were no changes to the goal matrix.

3. Lower Park Avenue RDA. Jon Weidenhamer introduced the City's consultants and explained that redevelopment agencies use tax increment financing to accomplish economic development and affordable housing projects. The Lower Park Avenue RDA was created in 1990 and it is estimated that it could generate approximately $15 to $20 million for improvements. Last January in Visioning, the Council discussed redevelopment and concluded that the resort economy would be its primary focus for the year.

He described the boundaries of the Lower Park Avenue RDA beginning with Hotel Park City to the north, 8th Street to the south, and SR224 and Park City Mountain Resort (PCMR) east to west. The area also includes major intersections in town at SR224 and SR248, Park Avenue and Deer Valley Drive, and the Bonanza and Deer Valley Drive intersection. Much of this area includes City property and it is felt that a high level plan should be identified. He suggested continuing an on-going dialog with PCMR because its parking lots will be developed at some point. He explained the careful selection of consultants, Design Workshop and Jack Johnson Company, to identify land use strategies. Mr. Weidenhamer referred to the project list in the packet and asked for Council direction about exploring a partnership with land owners and whether members are supportive of using RDA financing to pursue projects. In a response to a question from Alex Butwinski, the City Manager explained that *mitigation* mentioned in the staff report is a payment to the School District, created through a lawsuit, to reimburse the District for lost tax increment because of the RDA. Mr. Butwinski brought up the real cost of building underground parking and Mr. Weidenhamer indicated that $25,000 per stall is based on China Bridge Parking Structure figures. Consultant Michael Barille added that the price to construct underground parking can vary significantly.

Becky Zimmerman, Design Workshop, stated that she has worked in mountain resort communities for the past 25 years. Through a PowerPoint presentation, Ms. Zimmerman explained that tourism in mountain resort communities began some 30 years ago and started to replace historic economic bases, like timber harvesting or mining. Tourism based economies face challenges like the change in population, distribution of wealth, and increased traffic and circulation. The goal has been to focus on creating a sustainable resort economy that will work well now and for future generations. The recent recession has compelled communities to explore diverse economies. She described the evolution of skiing which has moved from recreation to an amenity because many visitors don't ski every day.

She stated that mountain resort communities are highly reliant on multiple seasons and not just the winter. In this current economy, the competition for visitors is *wicked* and resort communities must constantly rejuvenate and deliver a great experience four seasons of the year which takes vision, leadership and partnerships. Ms. Zimmerman pointed out that the focus should be to ensure economic, environmental and community sustainability. Resort communities in the future should meet the needs of changing demographics, offer authenticity, connect people to nature and each other, redevelop aging products and infrastructure, celebrate the quality of life, create a sustainable revenue stream, be simple, and deliver the promise.

Ms. Zimmerman explained that the criteria for evaluating projects in the Lower Park Avenue RDA includes increasing destination visitors, improving overall competitiveness, stimulating private investment, improving the visitor experience, providing long-term benefits, and being physically, politically, and financially feasible. Many projects have a tangible return. She recommended creating a new mixed-use node around Bonanza-Park, and strengthening the linkages between the nodes including downtown. It is important that the nodes stay distinct in character to minimize competition between them. Circulation solutions are the framework for connectivity. The proposed projects list in the packet relate to redevelopment, transportation, streetscape, walkability, and environment. The first opportunity is the redevelopment of the parking lot area at PCMR. The next area deals with transportation and she acknowledged that intersection improvements are expensive but help function and flow. Smaller projects include smart signs about load-in and load-out during peak times and way-finding signs. Alternate transportation is different in every community because of individual attributes of the area. Connectivity for walkability is extremely important and there are opportunities to use City land for elements like affordable, seasonal and senior housing. Ms. Zimmerman displayed redevelopment projects from other cities and pointed out the number of renewable energy opportunities. Additional projects to consider include redevelopment of a portion of the municipal golf course and the creation of the Park and Ride at US40 and SR248. One of the first steps is to secure the funding for initial efforts and to formulate public/private partnerships. She discussed the South Lake Tahoe public/private redevelopment project and displayed before and after photos which resulted in access to the mountain within walking distance of 5,000 beds. The redevelopment of the Town of Avon was illustrated, where redevelopment funds were used to improve private sector projects. She then explained redevelopment efforts on the north shore of Lake Tahoe where codes were changed to accommodate improvements. Ms. Zimmerman explained that after Whistler reached its goal as a world-class resort, it became apparent that redevelopment was necessary and Whistler reinvented itself and its municipal departments.

Liza Simpson emphasized that none of these examples relate to preserving historic character. Jon Weidenhamer interjected that there are many opportunities between City Park and PCMR to make the area more cohesive. Michael Barille pointed out the small historic buildings which are lost with newer development in the Lower Park Avenue neighborhood while the upper half is much more residential. In response to a question from the Mayor, Ms. Zimmerman noted that the *threat* of eminent domain was used in the South Lake Tahoe redevelopment project but the vision made it happen and it took many years to complete.

Candace Erickson stated that the City trip to Boise initiated the Council's interest in redevelopment. Boise had a vision of its improved downtown and first tackled properties it owned or controlled. She felt it important to create an ultimate plan because property can change hands and it's helpful to think outside the box and determine the best uses for properties regardless of what exists there now or ownership. She expressed that she doesn't find Whistler attractive or a town to emulate because it lacks character. Mayor Williams agreed and pointed out resort towns like Vail that look very sterile. He agreed that PCMR is a priority and pointed out that there will always be traffic and congestion here at times because of the way Park City is laid out. The value of authenticity is not what we build but what we haven't built. Mayor Williams noted that green building is actually part of the City's long-term sustainability plan which is also important to people visiting our community. Ms. Zimmerman acknowledged that many resort communities are envious of Park City's historic downtown and Mayor Williams stated that the attraction is not just historic Main Street but the history of the area.

Cindy Matsumoto agreed that people are looking for simplicity, connectivity, and quality of life and she supported moving forward with exploring partnerships and improving the area. She acknowledged that preserving authenticity may be a challenge; expanding PCMR is important but so are historic neighborhoods. Candace Erickson felt it important to make basic assumptions in creating the plan, the most important being that the car can not be the basis of our planning. We want PCMR to grow but maybe it means that guests are educated to use public transportation rather than bringing a rental car to town. Building parking structures attracts more cars into town and is not the answer, especially in consideration of the investment in the Park and Ride. It is important to work with hotels and property management companies on transportation alternatives while ensuring the visitor experience. Ms. Erickson stated that she would never agree to sacrifice green space, i.e., Library and Education Center or golf course. The only way she would agree to build a parking structure would be in the existing Library and Education Center's parking lot because of the potential of reclaiming the Mawhinney parking lot for green space.

For the benefit of Liza Simpson, Michael Barille described a redevelopment plan for the internal area at Snow Country Condominiums adjacent to City Park. She expressed reservations about moving the Senior Center there and then claiming the area as green space. Mr. Barille explained that the plan was based on efficiency and would require more planning. The Senior Center parcel is not a large space. Joe Kernan felt the concept is exciting; however, he is not supportive of building a road through the golf course property and losing 10% of the course, unless the return was compelling. The Mayor invited public input; there was none.

The Council unanimously supported seeking partnership opportunities and generally supported projects where green space is not lost or in instances where green space is returned or increased at another location. Alex Butwinski agreed with Ms. Erickson's comments on green space and determining the best use for a piece of property regardless of its current use or ownership but rather how it contextually ties in with the plan. Jon Weidenhamer discussed creating an implementation strategy. Ms. Erickson pointed out that the City must have a plan in place before talking with land owners. Mr. Weidenhamer agreed but noted that shorter-term immediate goals can be set without precluding higher level projects.

Mr. Bakaly urged members to filter projects with the open space test and the clean-slate approach and proceeding on a conceptual level. Becky Zimmerman discussed the goal of improvements benefitting both residents and visitors. In response to comments made by the Mayor, Mr. Weidenhamer reported that the Sustainability Department has reviewed the projects and has rated them. Ms. Simpson understood direction to be to begin preliminary discussions with major entities that need to be involved to determine if a vision can be achieved that satisfies everyone's goals, including fewer cars and more skiers. The Mayor relayed that the Council is basically okay with the filters mentioned earlier but there should also be a sustainability standard. Mr. Barille pointed out the unique healthy relationship between the City and PCMR where it is recognized that they are stronger together than apart.

4. Senior needs assessment. Rhoda Stauffer explained that staff was directed to conduct a survey to assess what programs, activities and resources are currently utilized and what is needed and well as to gain an initial sense of housing needs for the population. In order to look at future needs, staff included ages 55 and above. Since

Summit County was seeking similar information, the project was accomplished in partnership with the County.

ReNae Rezac explained that staff researched how other communities collected information from seniors and looked at a model from Mountainlands Association of Governments Department of Aging and a University of Utah study for Salt Lake County on aging. These agencies and a group of seniors reviewed and provided input on the draft survey and the survey was distributed throughout Park City and Summit County. More than 500 hard copies were distributed as well as electronic surveys, which were placed on Summit County's and Park City's home pages. Copies were available at senior centers in Park City, Coalville and Kamas. The survey was also distributed to the Summit County client base of the Mountainlands Office on Aging as well as the Caregivers Coalition, medical offices catering to seniors, libraries, Summit County Council of Governments, Park City Racquet Club, and the Summit County Health Department. She thanked a number of churches and community groups for assisting with collecting surveys.

Rhoda Stauffer indicated that the response rate was excellent. Three hundred and six surveys were returned representing 6% to 8% of the senior population in the County. Seventy four surveys were returned from residents in Park City which represents about 20% of the senior population based on the percentage of seniors from the 2000 census. Respondents indicated that Park City services are adequate and not much more is needed. Survey responses indicated that although there may be a wealth of programs and resources, information could be better distributed. The responses also indicated that there is an interest from a small number about down-sized housing options to curb maintenance. She noted that in the next five to ten years, there is interest in having assisted living options in the community. Staff is recommending creating an inter-agency team, similar to the one formed for developing the survey, to formulate recommendations for the next steps and future direction. She referred to a list of potential tasks for the group, outlined in the staff report.

The Mayor encouraged Ms. Stauffer to present this information to the Mayor's group and to the County Council on January 20. Ms. Stauffer stated that Anita Lewis will be presenting the information to the new County Manager and then will take it from there, but she felt that was an excellent idea. Mayor Williams believed it would be helpful to hear from other communities about potential partnerships although the needs of the cities within the County can vary significantly. He was surprised to learn that 91% of the respondents own their own homes. Ms Stauffer added that the discussion on senior housing will be continued at the Visioning Session next week.

Joe Kernan stated that seniors are a huge asset to the community and he hoped we can preserve our diversity. Candace Erickson felt this is good information. She spoke about Old Town as being a good location for seniors because it has smaller properties and is close to services, but with increased values, it is out of reach for many. She pointed out that many seniors prefer warmer climates for retirement. Cindy Matsumoto expressed that she knows many second home owners who intend on retiring in Park

City but these are probably not the individuals who need assistance or have special needs and this group should be identified. Liza Simpson commended the survey process. Mayor Williams interjected that he knows people who are caregivers to parents who would like to have access to a facility in the community and this segment probably should be explored. Ms. Stauffer noted that there is more of a need for senior housing on a County-wide basis. Members supported staff's recommendation.

5. Non-discrimination ordinance. Phyllis Robinson explained that in November 2009, staff was asked to research the development of an ordinance which would prohibit discrimination in employment and housing based upon sexual orientation or gender identity. Federal legislation and Utah law prohibit discrimination in employment and housing and Park City, as an employer, has regulations in place that further promote equal opportunities and offers health care benefits to domestic partners without regard of gender. Salt Lake City adopted its ordinances in November to prohibit discrimination in housing and employment based upon sexual orientation or gender identity. Salt Lake County has a pending ordinance that was favorably received during a public hearing.

Ms. Robinson relayed that the purpose of the proposal is a clear statement about basic human rights. While we have protections regarding a number of ways in which people can be protected against discrimination, these two areas are not covered within federal or state laws. Salt Lake City researched this issue over the past couple of years before bringing it forward and has been a pioneer in the state. Ms. Robinson emphasized the harmful effects of discrimination to individuals and the City as a whole. The draft ordinance mirrors Salt Lake City's ordinances and she asked members if they would like to move forward, noting the exemptions. She asked if more information is needed and recommended a community outreach program which would involve the Chamber of Commerce, the Board of Realtors, other community groups, and religious organizations. If Council desires to move forward, the recommended effective date is July 1, 2010 which fits within the City's fiscal year and allows time to explore potential budget and staffing impacts in terms of the administration of the ordinance.

Mayor Williams stated that he was very impressed with Salt Lake City's effort. Park City's proposal is not a reaction to public outcry but it seemed like the right thing to do. Providing for exemptions was questioned by Ms. Simpson and the Mayor who invited public input.

David Everitt, Mayor Becker's Chief of Staff, disclosed that he is not a lawyer but would be happy to provide resources to Park City on this matter. The Mayor asked the reasoning for exempting small companies, for instance. Mr. Everitt explained that the process was very delicate and sensitive and included a variety of stakeholders on a local and state level. The result is something that will work for citizens and minimize the potential for a challenge. Salt Lake City's ordinances follow federal law with regard to other protected classes. The ordinances were a high priority of Mayor Becker but took a year and a half to adopt because of the required research and providing for an adequate public process. Mark Harrington recommended remaining consistent with the draft ordinance and not expanding it unless there is a demonstrated need. Alex Butwinski pointed out the irony that the US Government and its agencies and the state of Utah are exempt from the ordinance and yet impose these regulations on everyone else. Mr. Everitt explained that Salt Lake chose an implementation date of April 1 to better accommodate the legislature's review. Discussion ensued on presenting the ordinance to interested groups. Joe Kernan felt that the potential for housing discrimination is probably much more likely for rental properties.

Father Bob Bussen, Pastor of St. Mary's Catholic Church, thanked the Council for consideration of this ordinance.

Jonathon Jepson, Salt Lake City Human Rights Commission Chairman, explained that the discrimination report took about a year to compile. It was the ground work for the non-discrimination ordinances. He emphasized that no special protections are granted by these ordinances as they protect everyone because we all have a sexual orientation and a gender identity. This goes a long way to send a clear message to other municipalities throughout the state and the country. Over half of American citizens are already protected by similar ordinances on a state or local basis.

Lauren Littlefield, Quality Utah, spoke about the importance of passing an ordinance and thanked Council members for their attention to this matter.

Liza Simpson expressed the importance of outreach in the community because of the number of rentals in town and ensuring that the exemptions are appropriate for our demographics.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
JANUARY 7, 2010

Swearing-in Ceremony:

The Honorable Dana Williams, Alex Butwinski and Cindy Matsumoto

- Oath of Office administered by The Honorable Shauna L. Kerr, Justice Court Judge

Judge Kerr encouraged the newly elected officials to enjoy their terms, to remember to laugh, and to view public service as an opportunity. She administered the oath of office to Mayor Dana Williams and Council members Alex Butwinski and Cindy Matsumoto. Mayor Williams spoke about former Council member Roger Harlan's great sense of humor and that he represented the best in our community. He stated that the skate park was one of his legacies and added that we all will miss him dearly.

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, January 7, 2010. Members in attendance were Dana Williams, Alex Butwinski, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Mark Harrington, City Attorney; Brooke Moss, Human Resources Analyst; Brooks Robinson, Planner; Phyllis Robinson, Public Affairs Manager; and Tom Daley, Deputy City Attorney.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

None.

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

None.

IV WORK SESSION NOTES AND MINUTES OF MEETINGS OF DECEMBER 10 AND DECEMBER 17, 2009

Liza Simpson, "I move approval of the Work Session Notes and Minutes of the meetings of December 10 and 17, 2009". Candace Erickson seconded. Motion carried.

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

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

Joe Kernan, "I move we approve Consent Agenda Items 1 through 3". Liza Simpson seconded. Motion unanimously carried.

1. Consideration of a Resolution authorizing the issuance and sale of up to $13,000,000 aggregate principal amount of water revenue bonds of the City; fixing certain maximum terms for the Bonds; and providing for related matters – See staff report.

2. Consideration of a Service Provider Agreement with Alliance Engineering for the Holiday Ranch Loop Road Pathway Project in the amount of $85,500, in a form approved by the City Attorney – See staff report.

3. Consideration of a Resolution establishing a regular meeting date, time, and location for meetings of the City Council of Park City, Utah for 2010 – See staff report.

VI RESIGNATIONS AND APPOINTMENTS

1. Consideration of the appointment of Mayor Pro Tem and Alternate Mayor Pro Tem – Joe Kernan, "I move we appoint Liza Simpson as Mayor Pro Tem and myself as the Alternate". Alex Butwinski seconded. Motion unanimously carried.

2. Consideration of a the appointment of two members to the Employee Transfer and Discharge Appeals Board and a member as the Alternate – Brooke Moss explained that this board is established by state statute and explained the charge of the group. City employees elect three members as well as an alternate. Mayor Williams recommended that Liza Simpson and Candy Erickson be appointed members with Cindy Matsumoto as the Alternate. Liza Simpson, "I so move". Candace Erickson seconded. Motion carried unanimously".

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

1. Consideration of Ordinance approving the VMCS Plat Amendment located at 3615 Sun Ridge Drive, Park City, Utah – The Mayor opened the public hearing; there were no comments from the audience. Liza Simpson, "I move we continue the Ordinance approving the VMCS Plat Amendment to the 14th of January". Cindy Matsumoto seconded. Motion unanimously carried.

2. Consideration of an Ordinance approving a plat amendment for 1440 Empire Avenue, Park City, Utah – The Mayor opened the public hearing; there was no public

comment. Joe Kernan, "I move we continue Item No. 2 under New Business to January 28th". Candace Erickson seconded. Motion unanimously carried.

3. Consideration of an Ordinance approving The Hotel Park City Amended Condominium Record of Survey, located at 2001 Park Avenue, Park City, Utah – Brooks Robinson explained that the City has been in a lengthy legal process regarding the purchase of the Pro Shop and related issues. This plat amendment sets values and assigns parking on the plat and reflects the division of parking at 48% for the City and 52% for the Hotel. The Planning Commission forwarded a positive recommendation on September 9, 2009. The Mayor opened the public hearing; there was none. Liza Simpson, "I move we approve an Ordinance approving The Hotel Park City Amended Condominium Record of Survey, located at 2001 Park Avenue, Park City, Utah". Joe Kernan seconded. Motion unanimously carried.

4. Consideration of an Ordinance approving the First Amended Black Bear Condominium Record of Survey Plat, located at 7447 Royal Street, Park City, Utah – Brooks Robinson advised that the project is located in the Silver Lake area of Deer Valley. The original approval and the CC&Rs allowed for the division of the condominiums and the Planning Commission forwarded a positive recommendation. In response to a question from Candace Erickson, Mr. Robinson explained that the building was constructed so that units could be divided and the Deer Valley Master Plan allowed for the development of a certain number of units of unlimited size or using the unit equivalent formula where the size is fixed. He noted that the developer at Black Bear elected to use the unit equivalent approach. The Mayor opened the public hearing. The developer explained that no walls or utilities will be moved. The public hearing was closed. Candace Erickson, "I move we approve the Amended Condominium Record of Survey Plat and approve the Black Bear Condominium Record of Survey based on the findings of fact, conclusions of law, and conditions of approval". Joe Kernan seconded. Motion unanimously carried.

5. Consideration of an Ordinance approving the Parkwood Place Amended Condominium Record of Survey Plat, located at 801-817 Park Avenue and 804-816 Woodside Avenue, Park City, Utah – Planner Brooks Robinson explained that a plat was recorded so the owners could sell the units before they were built and this amendment reflects the as-built conditions and modifications to the common area. The Planning Commission heard this matter and forwarded a positive recommendation. In response to a question from Liza Simpson, Mr. Robinson indicated that all of the building design changes were reviewed by the Planning and Building Departments. The Mayor opened the public hearing; there were no comments from the public. Cindy Matsumoto, "I move we approve the Parkwood Place Amended Condominium Record of Survey Plat, located at 801-817 Park Avenue and 804-816 Woodside Avenue, Park City, Utah". Joe Kernan seconded. Motion unanimously carried.

6. Consideration of an amendment to the deed restrictions for Silver Meadows and 1465 Park Avenue Condominiums - Phyllis Robinson explained that these units were constructed and deed-restricted in the mid-1990s in a different lending environment.

Over the last 18 months, the financial market has changed and has limited the ability to sell units because of the lack of detail within the deed restrictions. She addressed the mortgage protection clause which means that in the event of a foreclosure that is not cured by the City, the deed restrictions will be lifted. Since 1995, the City stepped in to cure a foreclosure at The Line Condominiums and all of the City's current projects contain a mortgage protection clause. An amendment is recommended by the lending community that would allow these units to continue within the program. Liza Simpson thanked everyone involved with the amendment which will help people get into affordable housing.

Rich Miller, mortgage broker, stated that he is here in support of the amendment, noting that the mortgage climate has changed drastically over the past two years. It has become more difficult to find lenders for this type of product. The clause is a good protection for the lenders and he detailed a Fannie Mae program with a full market approach to financing while providing a 60 day period for the City to cure the foreclosure. He hoped that the City will consider creating some kind of fund to assist with affordable housing mortgages because of the reluctance of the market to support these types of applications.

Alex Butwinski, "<u>I move that the City Council authorize the City Manager to execute an amendment to the deed restriction for Silver Meadows and 1465 Park Avenue, as units are offered for sale, in a form approved by the City Attorney</u>". Joe Kernan seconded. <u>Motion unanimously carried</u>.

7. <u>Consideration of an Agreement with Jordanelle Special Services District to purchase a water right of 1,000 acre feet of water in an amount of $12,830,335</u> – Tom Daley referred to the agreement included in the meeting packet and pointed out that the City is acquiring a water right and a guarantee of 1,000 gallons per minute. The water right has a volume component of 1,000 acre feet, and the flow is outlined in the delivery agreement. He explained that JSSD is holding a reservation of water at 2,000 gallons per minute for mining and milling purposes. Because of the change in ownership over the years, JSSD owns it resulting in a remote possibility that some day it will sell it to a mining or milling business. This water has priority over any of the rights in the tunnel. The agreement specifies that JSSD is not aware of any obligation which would interfere with the delivery of water to Park City, specifically the 2,850 gallon reservation that JSSD acquired from United Park City Mines. In response to a question from Liza Simpson, Mark Harrington explained that the priority is set by the state and Mr. Daley indicated that delivery to the City is guaranteed. The Mayor invited public input; there was none.

Mayor Williams emphasized the significance of this purchase. The price is phenomenal and the acquisition will secure future water for our community. Joe Kernan, "<u>I move we authorize the agreement with the Jordanelle Special Service District to purchase the water right of 1,000 acre feet, as amended by Tom Daley</u>". Liza Simpson seconded. <u>Motion unanimously carried</u>.

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 3 p.m. Members in attendance were Mayor Dana Williams, Alex Butwinski, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Diane Foster, Sustainability Manager; Tom Daley, Assistant City Attorney; Michael Kovacs, Assistant City Manager; and Mark Harrington, City Attorney. Liza Simpson, "I move to close the meeting to discuss property and litigation". Candace Erickson seconded. Motion carried unanimously. The meeting opened at approximately 3:40 p.m. Candace Erickson, "I move to open the meeting". Joe Kernan 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

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Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
JANUARY 14, 2010

I ROLL CALL

Mayor Dana Williams called the regular meeting of the City Council to order at approximately 6 p.m. at the Marsac Municipal Building on Thursday, January 14, 2010. Members in attendance were Dana Williams, Alex Butwinski, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Bret Howser, Budget Manager; Jacquie Mauer, Planner; and Mark Harrington, City Attorney.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Liza Simpson thanked staff involved with the production of the Visioning Session on Monday and Tuesday. The participation of the Planning Commission was particularly valuable. Cindy Matsumoto agreed and extended her appreciation. Candace Erickson expressed how sad but beautiful Roger Harlan's funeral was; he touched so many people. Alex Butwinski added that the Visioning Session was a great experience. He reported on the Art Advisory meeting; members are working on the Marsac Building art component. Mayor Williams noted that although 2009 was a tough year, the City accomplished many projects and goals. He also commented on Sunday's funeral, noting that Roger Harlan's out-of-state friends were amazed at the size of his extended family in Park City.

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

<u>2010 Census</u> – Bret Howser introduced Daniel Pacheko. Staff has been working with Census Bureau staff to coordinate the program which will begin April 1. A complete count committee has been formed with volunteers from different sectors of the community.

Mr. Pacheko displayed a video to educate people about the importance of conducting an accurate census. He explained that a census is conducted every ten years because the Constitution mandates that every individual in the country be counted. The first census was conducted in 1790. The Bureau's message is that *it's simple and easy, it's safe, it's important*. The form is down to about ten questions and there are no questions about citizenship or polygamy. He explained that the local committee will reach out to the community to encourage full participation. Forms are confidential for 72 years and Mr. Pacheko asked for Council support of the committee. In response to a question from Joe Kernan, he stated that the number of second homes in Park City create somewhat of a challenge.

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

<u>Consideration of Ordinance approving the VMCS Plat Amendment located at 3615 Sun Ridge Drive, Park City, Utah</u> – Jacquie Mauer explained that the Planning Commission heard the application on December 9, 2009 and forwarded a positive recommendation. In 2001, Lot 5 and 6 of the Royal Oaks Subdivision were combined into one lot and now the owner wants to revert to the original approval of the two-lot configuration. The Mayor referred to letters included in the meeting packet alleging that the lot can not be legally altered. Ms. Mauer explained that

the plat amendment does not violate our Code, but it does not comply with the subdivision's CC&Rs. The City does not have the authority to enforce home owner association covenants. Alex Butwinski asked if there is anything on the plat that would prohibit the City from approving this application and Mark Harrington said no. The Mayor opened the public hearing; there were no comments from the audience and the public hearing was closed.

Liza Simpson, "I move that we approve the VMCS replat based on the findings of fact, conclusions of law, and conditions of approval as found in the Ordinance". Alex Butwinski seconded. Motion unanimously carried.

V ADJOURNMENT

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

MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 5 p.m. Members in attendance were Mayor Dana Williams, Alex Butwinski, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Diane Foster, Sustainability Manager, Jon Weidenhamer, Economic Development Manager; Michael Kovacs, Assistant City Manager; Tom Daley, Deputy City Attorney; Tommy Youngblood, Special Events Coordinator; Max Paap, Special Events Manager; and Mark Harrington, City Attorney. Alex Butwinski, "I move to close the meeting to discuss property and litigation". Candy Erickson seconded. Motion carried unanimously. The meeting opened at approximately 6 p.m. Joe Kernan, "I move to open the meeting". Liza Simpson 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

Janet M. Scott, City Recorder

City Council
Staff Report

Subject: 2010 Series Water Revenue Bond Final Resolution
Author: Jed Briggs
Department: Budget, Debt, & Grants
Date: Jan. 28, 2010
Type of Item: Legislative

Summary Recommendations:
Staff recommends that Council hold a public hearing and approve the attached final bond resolution related to the sale of $12.52 million of Water Revenue bonds for water infrastructure projects.

Topic/Description:
Water Revenue Bond Final Resolution

Background:
Park City Municipal Corporation (City) and Jordanelle Special Service District (JSSD) entered into a Water Supply Agreement in 2002 stating that JSSD would deliver 1000 acre feet of culinary water per year to Park City according to the terms and conditions of that agreement. This included a lease agreement for a 20-year term with a 4% annual escalator of payment. Currently, the payment this year would be $986,948.83, which is budgeted as a Water Fund operations expense. On the 20th year, the annual payment to JSSD would be $1,580,136.88.

On January 7, 2010, Council approved a Parameters Resolution in preparation to issue no more than $13 million in Water Revenue Bonds during 2010. Public notice was published in the Park Record on January 9, 2010, and January 13, 2010 announcing a public hearing which will be held on January 28, 2010. This will initiate a 30 day period in which interested parties may contest the legality of the resolution or the bonds.

Analysis:
Staff has negotiated an Agreement to purchase the water right associated with the Ontario Drain Tunnel water that the City receives from JSSD under the current lease. The purchase price is based on the current annual lease payment ($986,948.83) times the remaining 13 years of the current 20-year lease; totaling $12,830,334.85. The 4% escalator for the remaining 13 years of the lease is not applied in calculating the total.

A down payment on the purchase price of $986,948.83 was already paid by Park City earlier this month. The remaining balance of $11,843,386.02 shall be paid by Park City within sixty (60) days of the date of execution of the water right purchase agreement. When the balance of the purchase price is paid, JSSD shall deliver a warranty deed to Park City conveying the Water Right.

Thus, in order to finance the acquisition of the water right to be used in the water system of the City, Staff proposes to issue $12.52 million of water revenue bonds backed by water service fees. The attached resolution would approve this sale. The estimated premium generated by the bond issuance is estimated to be around $612k. The premium coupled with the principal ($12.52 million) would fund the remaining unpaid balance of $11.8 million to JSSD as well as the cost of issuance and the required Debt Service Reserve Fund ($1.1 million).

The bonds will be issued through a negotiated sale with George K. Baum & Company acting as underwriter and marketing the bonds. The borrowed funds would be repaid over 15 years beginning in June 2011 with some interest payment accrued back to FY 2010. The debt service payment would be roughly $1.1 million per year. Annual debt payments for the entire Water Fund are expected to range from $1 million to $2.8 million. An anticipated debt service schedule is included in Attachment A.

This bond issuance was rated by Standard & Poor's as AA grade and by Moody's as Aa3. The last time the City had a Water Revenue Bond rated was last year, at which point the City's water debt was given an AA rating. This is a significant upgrade from the 1994 water bond rating of A2, which allows the City to achieve a favorable interest rate while avoiding the cost of bond insurance. In its bond rating release, S&P related the following:

> Standard & Poor's Ratings Services assigned its 'AA' long-term rating and stable outlook to Park City, Utah's water revenue and refunding bonds series 2009B. The rating reflects the city's: Role as an affluent year-round resort destination, with access for full-time residents to the larger Salt Lake City economy; Very strong wealth levels of the city's full-time population; Diverse customer base, despite the economic concentration in tourism; Historically strong annual debt service coverage ratios, and strong pro forma coverage ratios that are bolstered by planned rate increases; and Growing cash balances resulting more than a year of cash on hand at the end of fiscal 2008, which we consider strong.

Staff anticipates that selling the bonds in the current market would result in a True Interest Cost (TIC) to be around 3.25%. Actual rates resulting from the sale on Thursday will be presented during Council meeting on Thursday evening.

The purpose or allowable expenditure of the bond proceeds is described as follows:

> …financing the cost of acquisition, construction and completion of improvements to the water system of the City, including the acquisition and financing of certain water rights, and related improvements and facilities (collectively, the *"Project"*).

Staff will move forward with the pricing of the bonds on Thursday, January 28. At that time, final details of the bond, the True Interest Cost, and debt structure will be prepared for consideration by Council on the evening of January 28. Should Council approve the final bond resolution, staff will move forward to close on the bond sale on or around February 10, 2010.

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

Alternatives:

A. **Approve:**
Staff recommends that Council hold a public hearing and approve the attached final bond resolution approving the sale of a $12.52 million water revenue bond.

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

C. **Modify:**
Staff does not recommend modifying the resolution as the terms as written are favorable to Park City.

D. **Continue the Item:**
This may impact the timing of projects and purchases.

E. **Do Nothing:**
This would have a similar impact as B.

Significant Impacts:
The final bond resolution is the final step in a bond issuance. This bond issuance is not anticipated in the FY 2010 budget; however, current operating expenditures would be used to cover the new debt payments. The funding would allow staff to continue with the current timing of the project.

Consequences of not taking the recommended action:
The identified water infrastructure projects could be delayed until Council decides to move forward with the bond issuance or identify alternate funding sources.

Recommendation:
Staff recommends that Council hold a public hearing and approve the attached final bond resolution related to the sale of $12.52 million of Water Revenue bonds for water infrastructure projects.

Attachments:
A – Debt Service Schedule
B – Final Bond Resolution

Park City, Utah Water Revenue Bonds - All Bonds Including Series 2010 - Preliminary Terms

Bond Fund Year Ending June 30	Outstanding Parity Bonds		Series 2010A Principal	Series 2010A Rate	Series 2010A Interest	Series 2010A P & I	Total Projected Rev. Bond Payments	Transfer to DSF for MBA/Sales Tax	Grand Total
		02/10/10					$0		
2010	$1,721,586	06/15/10			$171,832	$171,832	$1,893,418	$489,957	$2,383,375
2011	$2,112,623	12/15/10	$650,000	4.00%	$481,878	$1,131,878	$3,244,500	$489,957	$3,734,457
2012	$2,103,133	12/15/11	$670,000	2.25%	$461,340	$1,131,340	$3,234,473	$489,957	$3,724,430
2013	$2,845,048	12/15/12	$685,000	2.25%	$446,096	$1,131,096	$3,976,144		$3,976,144
2014	$2,842,903	12/15/13	$700,000	2.25%	$430,515	$1,130,515	$3,973,418		$3,973,418
2015	$2,854,048	12/15/14	$720,000	2.50%	$413,640	$1,133,640	$3,987,688		$3,987,688
2016	$2,843,048	12/15/15	$740,000	4.00%	$389,840	$1,129,840	$3,972,888		$3,972,888
2017	$2,844,803	12/15/16	$770,000	4.00%	$359,640	$1,129,640	$3,974,443		$3,974,443
2018	$2,843,313	12/15/17	$810,000	5.00%	$323,990	$1,133,990	$3,977,303		$3,977,303
2019	$2,847,543	12/15/18	$850,000	5.00%	$282,490	$1,132,490	$3,980,033		$3,980,033
2020	$2,846,993	12/15/19	$890,000	5.00%	$238,990	$1,128,990	$3,975,983		$3,975,983
2021	$2,817,363	12/15/20	$930,000	3.60%	$200,000	$1,130,000	$3,947,363		$3,947,363
2022	$2,786,713	12/15/21	$965,000	3.75%	$165,166	$1,130,166	$3,916,879		$3,916,879
2023	$2,749,525	12/15/22	$1,005,000	3.90%	$127,475	$1,132,475	$3,882,000		$3,882,000
2024	$2,711,650	12/15/23	$1,045,000	3.95%	$87,239	$1,132,239	$3,843,889		$3,843,889
2025	$437,695	12/15/24	$1,110,000	4.00%	$44,400	$1,154,400	$1,592,095		$1,592,095
2026	$437,825						$437,825		$437,825
2027	$438,605						$438,605		$438,605
2028	$125,000						$125,000		$125,000
2029	$125,000						$125,000		$125,000
2030	$125,000						$125,000		$125,000
	$41,459,411	$663,210	$12,540,000		$4,624,531	$17,164,531	$58,623,942	$1,469,871	
						$0			

Target DS: $1,134,000

Sources of Funds - Est'd.	
Principal	$12,540,000
Premium	$613,732
Other	$0
Total Sources	$13,153,732

Uses of Funds - Est'd.		
Const. Fund	$11,843,386	
DSR Fund	$1,154,400	
U/W	$61,446	$4.90
BC	$37,620	$3.00
FA	$23,019	$1.75
Moody's	$9,500	
S&P	$13,000	
Trustee	$6,000	
Rounding	$5,360	
Total Uses	$13,153,732	

RESOLUTION NO. _____________

A RESOLUTION AUTHORIZING THE ISSUANCE AND CONFIRMING THE SALE OF WATER REVENUE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL INDENTURE OF TRUST, A BOND PURCHASE CONTRACT, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY FOR THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION

*** *** ***

Whereas, Park City, Utah (the *"City"*) is a political subdivision and body politic duly organized and existing under the Constitution and laws of the State of Utah; and

Whereas, the City considers it necessary and desirable and for the benefit of the City and the users of the System (as hereinafter defined) to issue water revenue bonds as hereinafter provided for the purpose of financing the cost of acquisition, construction and completion of improvements to the water system of the City, including the acquisition and financing of certain water rights, and related improvements and facilities (collectively, the *"Project"*).

Whereas, pursuant to and in accordance with the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the *"Utah Code"*) and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code (collectively, the *"Act"*), the General Indenture of Trust, dated as of December 1, 2002 (the *"General Indenture"*), between the City and Zions First National Bank, as trustee (the *"Trustee"*), as amended and supplemented (the copy of which is attached hereto as *Exhibit A*), and a Seventh Supplemental Indenture of Trust, dated as of February 1, 2010 (the *"Supplemental Indenture"* and, together with the General Indenture, the *"Indenture"*), between the City and the Trustee (the form of which is attached hereto as *Exhibit B*), the City has determined that it is in the best interest of the City to issue its $________________ Water Revenue Bonds, Series 2010A (Bank Qualified) (the *"Bonds"*) pursuant to this Resolution and the Indenture to provide funds for the purpose of (i) paying a portion of the costs of the Project, (ii) funding a debt service reserve fund and (iii) paying costs of issuance relating to the issuance, sale and delivery of the Bonds, (b) to sell the Bonds to George K. Baum & Co. (the *"Underwriter"*), pursuant to a Bond Purchase Contract dated January 28, 2010, between the City and the Underwriter and (c) to cause the proceeds of the sale of the Bonds to be applied in accordance with the Indenture; and

Whereas, the City is authorized by the Act to enter into the Indenture and to issue the Bonds;

NOW, THEREFORE, BE IT RESOLVED by the City Council of Park City, Utah, as follows: *Section 1.Issuance of Bonds.* (a) For the purposes described in the recitals hereto, the execution, issuance, sale and delivery of the Bonds is hereby authorized and approved. The Bonds shall be issued pursuant to the Indenture and shall be sold to the Underwriter at a price of $_______________ (representing the principal amount of the Bonds, plus original issue premium of $________________, less an underwriter's discount of $____________), as contemplated in the Purchase Contract.

The Bonds shall be dated as of their date of original issuance and delivery (the *"Dated Date"*), shall mature on the dates and in the principal amounts, and shall bear interest from the Dated Date, payable semiannually on June 15 and December 15 in each year, commencing June

15, 2010, at the interest rates shown below. Interest on the Bonds shall be computed on the basis of a year of 360 days consisting of twelve 30-day months.

JUNE 15 OF THE YEAR	AMOUNT MATURING	INTEREST RATE
	$	%
TOTAL	$	

The Bonds shall be issued in authorized denominations and shall be executed and payable as provided in the Indenture.

(b) The Bonds shall be subject to redemption prior to maturity as provided in the Indenture.

(c) The form of the Bonds set forth in the Supplemental Indenture, subject to appropriate insertion and revision in order to comply with the provisions of the Indenture, is hereby approved.

(d) The Bonds shall be special obligations of the City, payable from and secured by a pledge and assignment of the Net Revenues (as defined in the Indenture) derived by the City from the operation of its System (as defined in the Indenture) for the distribution of water, and certain funds established under the Indenture, subject to the application of the Net Revenues upon the terms and conditions set forth in the Indenture. The Bonds shall not be obligations of the State of Utah or any other political subdivision thereof, other than the City, and neither the faith and credit nor the taxing or appropriation power of the State of Utah or any political subdivision thereof, including the City, is pledged to the payment of the Bonds. The Bonds shall not constitute general obligations of the City or any other entity or body, municipal, state or otherwise.

Section 2. Approval of General Indenture and Approval and Execution of Supplemental Indenture. The General Indenture and the Supplemental Indenture, in substantially the forms attached hereto as *Exhibits A* and *B*, respectively, are hereby authorized and approved, and the Mayor is hereby authorized, empowered and directed to execute and deliver the Supplemental Indenture on behalf of the City, and the City Recorder is hereby authorized, empowered and directed to attest such execution and to countersign, and to affix the seal of the City to the Supplemental Indenture, with such changes to the Supplemental Indenture from the forms attached hereto as are approved by the Mayor, his execution thereof to constitute conclusive evidence of such approval. The provisions of the General Indenture and the Supplemental Indenture, as executed and delivered, are hereby incorporated in and made a part of this resolution. The General Indenture and the Supplemental Indenture shall constitute a "system of registration" for all purposes of the Registered Public Obligations Act of Utah.

Section 3. Sale of the Bonds. The Purchase Contract, in substantially the form attached hereto as *Exhibit C*, is hereby authorized and approved, and the Mayor is hereby authorized, empowered and directed to execute and deliver the Purchase Contract on behalf of the City, and the City Recorder is hereby authorized, empowered and directed to affix the seal of the City and to attest such seal, with such changes to the Purchase Contract from the form attached hereto as are approved by the Mayor, his execution thereof to constitute conclusive evidence of such approval.

Section 4. Approval of Continuing Disclosure Undertaking. The Continuing Disclosure Undertaking relating to the Bonds (the "*Continuing Disclosure Undertaking*"), in substantially the form attached hereto as *Exhibit D* is hereby authorized and approved, and the Mayor is hereby authorized, empowered and directed to execute and deliver the Continuing Disclosure Undertaking on behalf of the District, and the City Recorder is hereby authorized, empowered and directed to affix the seal of the District and to attest such seal, with such changes to the Continuing Disclosure Undertaking from the form attached hereto as are approved by the Mayor, his execution thereof to constitute conclusive evidence of such approval.

Section 5. Approval of Official Statement. The Official Statement, dated January 28, 2010, for the sale of the Bonds (the "*Official Statement*"), in substantially the form attached hereto as *Exhibit E*, with such changes, omissions, insertions and revisions as the Mayor shall approve, is hereby authorized, and the Mayor shall sign and deliver such Official Statement to the Underwriter for distribution to the purchasers of the Bonds and other interested persons, his execution thereof to constitute conclusive evidence of such approval. The use of the Preliminary Official Statement, dated January ____, 2010, and the Official Statement by the Underwriter in connection with the offering of the Bonds is hereby acknowledged, approved and ratified.

Section 6. Other Certificates and Documents Required to Evidence Compliance with Federal Tax Laws. Each of the Mayor and the City Recorder is hereby authorized and directed to execute such other certificates and documents as are required to evidence compliance with the federal laws relating to the tax-exempt status of interest on the Bonds.

Section 7. Other Actions With Respect to the Bonds. The officers and employees of the City shall take all action necessary or reasonably required to carry out, give effect to, and consummate the transactions contemplated hereby and shall take all action necessary in conformity with the Act to carry out the issuance of the Bonds, including, without limitation, the execution and delivery of any documents required to be delivered in connection with the sale and delivery of the Bonds. If (a) the Mayor or (b) the City Recorder shall be unavailable to execute or attest and countersign, respectively, the Bonds or the other documents that they are hereby authorized to execute, attest and countersign the same may be executed, or attested and countersigned, respectively, (i) by the Mayor pro tempore or (ii) by any Deputy City Recorder.

Section 8. Resolution Irrepealable. Following the execution and delivery of the Indenture, this resolution shall be and remain irrepealable until the Bonds and the interest thereon shall have been fully paid, cancelled, and discharged.

Section 9. Severability. If any section, paragraph, clause, or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this resolution.

Section 10. Effective Date. This resolution shall be effective immediately upon its approval and adoption.

ADOPTED AND APPROVED by the City Council of Park City, Utah, this 28th day of January, 2010.

PARK CITY, UTAH

By_________________________________
Mayor

[SEAL]

ATTEST AND COUNTERSIGN:

By_________________________________
City Recorder

APPROVED AS TO FORM:

By _________________________________
City Attorney

Park City Water Revenue Bond, Series 2010
Long Term Budget Impact of JSSD Water Purchase

	OLD COST	NEW COST			
Fiscal Year	Lease Payment	Net Debt Service -1	Wheeling Rate - 2	Net Savings/ (Cost)	Cumulative Savings/ (Cost)
2010		$159,807		($159,807)	($159,807)
2011	$1,026,427	$1,097,246		($70,819)	($230,626)
2012	$1,067,484	$1,096,708		($29,224)	($259,850)
2013	$1,110,183	$1,096,464		$13,719	($246,131)
2014	$1,154,591	$1,095,883		$58,708	($187,423)
2015	$1,200,774	$1,099,008		$101,766	($85,656)
2016	$1,248,805	$1,095,208		$153,597	$67,941
2017	$1,298,758	$1,095,008		$203,750	$271,690
2018	$1,350,708	$1,099,358		$251,350	$523,040
2019	$1,404,736	$1,097,858		$306,878	$829,919
2020	$1,460,926	$1,094,358		$366,568	$1,196,486
2021	$1,519,363	$1,095,368		$423,995	$1,620,481
2022	$1,580,137	$1,095,534		$484,603	$2,105,084
2023	$1,643,343	$1,097,843	$805,649	($260,149)	$1,844,935
2024	$1,709,076	$1,097,607	$821,115	($209,645)	$1,635,289
2025	$1,777,439	($34,632)	$836,968	$975,104	$2,610,393
2026	$1,848,537		$853,217	$995,320	$3,605,713
2027	$1,922,479		$869,873	$1,052,606	$4,658,319
2028	$1,999,378		$886,944	$1,112,433	$5,770,752
2029	$2,079,353		$904,443	$1,174,910	$6,945,662
2030	$2,162,527		$922,379	$1,240,148	$8,185,810
2031	$2,249,028		$940,764	$1,308,264	$9,494,074
2032	$2,338,989		$959,608	$1,379,381	$10,873,455
2033	$2,432,549		$978,923	$1,453,626	$12,327,081
2034	$2,529,851		$998,721	$1,531,130	$13,858,211
	$40,115,440	$15,478,626	$10,778,603	$13,858,211	

Notes: 1. Net of Reserve Fund earnings at 3.0%.
2. JSSD's estimated delivery cost escalating at 2.5%.

City Council
Staff Report

Subject:	**2010 Census Partnership**
Author:	**Marin Decker and Bret Howser**
Department:	**Executive**
Date:	**January 28, 2010**
Type of Item:	**Legislative**

Summary Recommendations:
Staff recommends that council approve the attached resolution to become a 2010 Census partner, and that the city aid in complete count efforts.

Topic/Description:
2010 Census Partnership

Background:
The U.S. 2010 Census will occur on April 1, 2010. The Census is partnering with state and local government entities to help ensure the most complete count possible. This partnership includes establishing a Complete Count Committee, a group of citizens involved in the Park City community who can help ensure residents know that the census is coming, and fill out and return their forms. Of particular importance is reaching historically hard-to-count populations, including immigrants, seasonal employees, etc.

Analysis:
Partnering with the Census Bureau will help ensure accurate census data, which guides funding decisions for the community, and helps assure residents that it is important – and safe – to answer the census.

As partners with the Census Bureau, the City is encouraged to be creative in reaching out to potentially hard-to-count sectors of the community. In order to do so, staff has assembled a Complete Count Committee (CCC) made up of volunteers from the community uniquely positioned to reach out to these hard-to-count groups. The Committee met for the first time on January 14, 2010. The following volunteers are members of the Committee: Gloria Cardenas Conn (Immigration Attorney, appointed to represent Father Bob Bussen of Saint Mary's), Patty Murphy (PCSD), Bill Malone (PC Chamber of Commerce), Shelley Weiss (PC Community Outreach), Leslie Thatcher (KPCW). With the help of Park City staff, this group will develop and carry out a plan for ensuring the Park City's residents are counted as part of the 2010 Census.

In addition to the efforts of the CCC, staff has also working with the Census Bureau to secure space for a 2010 Census booth during Sundance, and will work with the Bureau to find space in a City facility for a census worker to provide information to the public during April. It is not anticipated that there will be any significant expenses for the City related to census activities. If there are minor expenses, they will be handled with existing budgeted resources.

The attached resolution declares Park City's support for and intent to assist in the 2010 Census. Staff recommends that the City continue with Census support efforts as described above and adopt the attached resolution to solidify partnership with the Census Bureau.

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

Alternatives:

A. **Approve the Resolution (Staff recommendation)**
B. Do not approve the Resolution
C. Continue the Item
D. Do Nothing

Significant Impacts:
It is not expected that this resolution or the resultant partnership with the census will have a significant financial impact nor an appreciable impact on staff time.

Consequences of not taking the recommended action:
Park City would not be an official partner with the US Census Bureau for the 2010 Census.

Recommendation:
Staff recommends that council approve the attached resolution to become a 2010 Census partner, and that the City aid in complete count efforts.

Attachment A

<<Insert Date>>

Dear <<Insert Name>>:

The 2010 Census is fast approaching. By partnering with the U.S. Census Bureau, <<Insert Organization Name>> can help achieve an accurate and complete count of the nation's growing and changing population.

Why is an accurate census count so important? The U.S. census is taken every 10 years to count each resident and defines who we are as a nation. Census data inform critical decisions on the national, state and local levels – from congressional representation to the allocation of more than $300 billion each year in government funding. This means the 2010 Census will directly impact your organization and those you serve.

Consider the following benefits of the census:

- The 2010 Census will create hundreds of thousands of temporary employment opportunities nationwide, bringing some of those jobs to your community.
- Federal and state funds are allocated based, in part, on census data. An accurate count means your community gets its fair share of these funds.
- Census data guide local planning decisions, including where to provide additional social services, where to build new roads, hospitals and schools, or where to locate job training centers.

Your organization can send a strong message to your community about the importance of the 2010 Census and the benefits of being counted. As a census partner, you will receive free materials and partner activity ideas to support outreach and communications efforts.

A Census Bureau representative will be in touch soon to discuss how you and your organization can make an important difference in the community you serve. The success of the 2010 Census is in our hands.

Sincerely,

<<Insert Name of Partnership Specialist or Regional Director (if so mandated)>>
<<Insert Title>>
<<Insert Contact Information>>

Become a 2010 Census Partner

Your partnership sends a strong message to your community about the importance of the census and the benefits of being counted. By partnering with the Census Bureau, you can help:

- Ensure accurate census data, which guide funding decisions for your community and affect your representation in Congress.
- Spread the word about temporary census jobs in your community.
- Assure people that it is important – and safe – to answer the census.

Take Action for Your Community and Country

As a partner, you will play an important role in making the 2010 Census successful by encouraging people in your community to take part in the count. You can:

- Encourage your peers to get involved by joining a Complete Count Committee (CCC), an organized group of other influential leaders in your area who are committed to increasing participation in the census.
- Issue a proclamation or other public endorsement of the 2010 Census.
- Include census information in newsletters, mailings and online.
- Conduct meetings or other events to encourage participation in the census.
- Help recruit census workers.
- Provide space for Be Counted sites and Questionnaire Assistance Centers or for testing and ⇦⇦training census employees.

Resolution No.   -10

RESOLUTION AFFIRMING PARK CITY'S SUPPORT OF AND PARTNERSHIP WITH THE 2010 CENSUS

WHEREAS the U.S. Census Bureau is required by the U.S. Constitution to conduct a count of the population, and the census provides a historic opportunity to help shape the foundation of our society and play an active role in American democracy; and

WHEREAS, Park City is committed to ensuring every resident is counted; and

WHEREAS, census data is used to make a number of vital decisions on local, state and national levels; and

WHEREAS a united voice from business, government, community-based and faith-based organizations, educators, media and others will allow the 2010 Census message to reach a broader audience, providing trusted advocates who can spark positive conversations about the 2010 Census;

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council of Park City, Utah:

1. Support the goals and ideals for the 2010 Census and will disseminate 2010 Census information to encourage participation.

2. Ask its residents to work together to achieve an accurate and complete count.

3. Encourage our community to participate in events and initiatives that will raise the overall awareness of the 2010 Census and increase participation among all populations.

PASSED AND ADOPTED this 28th day of January, 2010.

PARK CITY MUNICIPAL CORPORATION

City Council
Staff Report

Author:	**Kathy Lundborg**
Subject:	**QUINN'S WATER TREATMENT PLANT DESIGN CONTRACT AMENDMENT 2**
Department:	**Public Works**
Date:	**January 8, 2009**
Type of Item:	**Administrative**

Summary Recommendations:
Staff recommends Council authorize the City Manager to execute the Second Amendment to the Professional Services Agreement, in a form approved by the City Attorney, with Carollo Engineers, for the design of the Quinn's Water Treatment Plant in an amount of $324,970.

Description:
Water Strategic Plan: Source Strategies & Polices
- Maximize the availability of Park City's water from the Rockport Importation project

Topic:
Quinn's Water Treatment Plant.

Background:
In the fall of 2008, City Council authorized the City Manager to execute a Professional Services Agreement with Carollo Engineers for the design of the Quinn's Water Treatment Plant in an amount of $795,000. Originally, the water treatment plant was to have an ultimate treatment capacity of 6 MGD with only 3 MGD of equipment being installed at time of construction. However, with modifications to the Water Master Plan, the ultimate capacity of the treatment plant was increased to 9 MGD. In July of 2009, City Council authorized Amendment No. 1 to Carollo's Professional Service Agreement to include costs associated with the increase in treatment capacity and other scope modifications.

As the design process has progressed, City Staff and the Engineer have worked together to identify design concepts that will ensure that the treatment plant will effectively meet the current and future needs of the City. Some of these design concepts include final design of a second pump station to the Boothill (Park Meadows) pressure zone, ability to treat and discharge Judge Tunnel Water, include a laboratory and locker room in the treatment plant building, provide architecture design in accordance with the planning commission recommendations, etc.

Carollo's existing scope of work does not include these design concepts. Amendment No. 2 requests compensation for these additional design items. The detailed scope changes are discussed in the Analysis section.

Analysis:
The proposed Amendment No. 2 captures additional cost for the following scope items that were added to the design:

- Design of Boothill Pump Station – The original design scope included the design of a pump station to deliver treated water to the Fairway Hills zone. The finished water tie-in to the existing distribution system at Quinn's Junction (Fairway Hills Zone) was going to be the only available delivery point to the City's culinary water system until the subsequent transmission lines to the Park City Heights and the Boothill Zones were constructed in the future. The Boothill and Park City Heights pump stations were to be designed and constructed in the future. However, due to delays in the water treatment plant construction, the schedule for the Boothill Zone finished waterline has been accelerated to provide emergency water to the IHC Hospital and will be constructed this summer. This line will be a two-way line, able to deliver water from the Boothill Zone to the Fairway Hills Zone and IHC in the case of an upset of the Fairway Hills tank. With that line in place, it is more beneficial to design and construct the Boothill Zone pump station with the initial construction of the water treatment plant. The design of the Fairway Hills pump station was complete and will be saved for a future construction date.
- Architectural Revisions – The engineer worked with the Park City Planning Commission to develop an architectural concept fitting for the treatment plant site. The original concept included a square block building with a metal roof; the current design includes an irregular shape, varying roof lines, and various other design features in accordance with the Planning Commission recommendations.
- Design of Office, Laboratory and Locker Room Space – The original scope did not include office, laboratory and locker room space. The addition of these areas allow for City Staff to effectively operate the treatment plant.
- Surge Analysis and Pressure Relief for Raw Water – The current design allows for available water pressure on the raw water supply to drive flow through the treatment process. This decision eliminated the need for continuous pumping costs; however, pressure and surge control features are needed to protect the membranes against over pressurizing. This task allows for the evaluation and design of pressure and surge control measures.
- Site Development – Amendment No. 1 credited the City with costs associated with various site development tasks due to the elimination of the formerly planned separate bid package to accommodate the temporary treatment unit that was eliminated from the scope of work last year. However, a majority of these credits are necessary for the treatment plant design and thus are added back into the design scope and fee.
- Material Storage Bins – Material storage bins were added to the treatment plant site. The bins will be constructed out of concrete and will allow the water department to store materials such as road base, gravel, and other construction debris at the treatment plant site.
- Future Elevator Accommodation – Discussions with the City Building Department indicate that an elevator may be required in the future to meet ADA requirements, depending on how the upstairs is ultimately finished. This task

identifies a location and allows for easier installation of an elevator if required in the future.

- Water and High Voltage Power to Maintenance Building – This task provides wash down water and high voltage power to the maintenance building. These utilities will allow maintenance staff to better utilize the building.
- Discharge of Treated Judge Tunnel Water – To accommodate the potential future treatment and discharge of Judge Tunnel water, this task allows for Judge Tunnel water to be treated at the WTP to meet necessary requirements and then be discharged into Silver Creek. This task provides an acceptable method for discharging Judge Tunnel water.

Exhibit A of the attached Amendment No. 2 provides additional information and detailed costs for the above items. It should be noted that several tasks were eliminated from the Engineers scope of work resulting in a credit of $34,800.

Staff feels that the negotiated fee in the proposed Amendment is fair for the work that his being performed.

Department Review:

This staff report has been reviewed by Public Works, Legal, and City Manager.

Alternatives:

A. Approve the Request:

Staff recommends Council authorize the City Manager to execute the Second Amendment to the Professional Services Agreement, in a form approved by the City Attorney, with Carollo Engineers, for the design of the Quinn's Water Treatment Plant in an amount of $324,970.

B. Deny the Request:

Council could deny Staff's request. The schedule for the water treatment plant is currently delayed, in part due to added scope above and the Planning Commission approval process. Denying the request would further delay the design of the time-critical project.

C. Continue the Item:

Council could continue the request. Continuing the request would delay the design of the time-critical project.

D. Do Nothing:

Staff does not recommend this alternative. Doing nothing would also delay the design of the time-critical project.

Significant Impacts:

The increase to the design budget is within the overall approved budget for the Park City Water Infrastructure Project which includes the raw water pipeline from Promontory to the Quinn's Water Treatment Plant location, Quinn's Water Treatment Plant and the finished waterlines.

Recommendation:
Staff recommends Council authorize the City Manager to execute the Second Amendment to the Professional Services Agreement, in a form approved by the City Attorney, with Carollo Engineers, for the design of the Quinn's Water Treatment Plant in an amount of $324,970.

SECOND ADDENDUM TO PARK CITY MUNICIPAL CORPORATION SERVICE PROVIDER/PROFESSIONAL SERVICES AGREEMENT

THIS SECOND ADDENDUM is made and entered into in duplicate this ____ day of ________________, 2009, by and between PARK CITY MUNICIPAL CORPORATION, a Utah municipal corporation and political subdivision of the State of Utah ("City"), and CAROLLO ENGINEERS, an Arizona corporation having offices located at Salt Lake City, Utah ("Service Provider") to amend the Service Provider Agreement signed and executed by the Parties on October 2, 2008.

WITNESSETH:

WHEREAS, the parties entered into a Professional Services Agreement on October 2, 2008 (hereinafter "Original Agreement"); and

WHEREAS, both parties to the Original Agreement desire to amend the Original Agreement to include additional scope, fees and time to complete additional projects of similar scope to those described in the Scope of Services in the Original Agreement; and

WHEREAS, the parties desire to amend the Original Agreement to provide sufficient time for such performance.

NOW, THEREFORE, in consideration of the mutual promises made herein and other valuable consideration, the parties hereto now amend the Original Agreement as follows:

1. **INCREASE of $324,970.** Park City shall pay Service Provider for professional services in an amount not to exceed $1,244,000, which is an increase to the Original Agreement for additional professional services. The amended Scope of Services is attached hereto as Exhibit A. Exhibit A also includes a memorandum outlining Carollo's understanding of the services to be provided.

2. **OTHER TERMS**. All other terms and conditions of the Original Agreement shall continue in full force and effect and shall not be affected by this First Addendum.

3. **ENTIRE AGREEMENT**. This First Addendum is a written instrument pursuant to Paragraph 23 of the Original Agreement between the parties and cannot be altered or amended except by written instrument, signed by both parties.

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

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

____
Thomas B. Bakaly, City Manager

Attest:

____
Janet M. Scott, City Recorder

Approved as to form:

____
Mark D. Harrington, City Attorney

SERVICES PROVIDER
CAROLLO ENGINEERS
Address:

Tax ID#: ________________________

____
Signature

____
Printed name

____
Title

Corporate Acknowledgment

STATE OF UTAH)
) ss.
COUNTY OF __________________)

On this ____ day of ___________________, 2007, personally appeared before me _________________________, whose identity is personally known to me/or proved to me on the basis of satisfactory evidence and who by me duly sworn/affirmed), did say that he/she is the _________________________ (title) of ________________________, Inc. by Authority of its Bylaws/Resolution of the Board of Directors, and acknowledged to me that said Corporation executed the same.

____
Notary Public

EXHIBIT A

Park City Municipal Corporation
Quinn's Junction WTP
Amendment No. 2

Scope of Work

The original Scope of work included design of a 10,000 square foot membrane treatment facility with chemical storage and feed equipment and a small maintenance shop housed in a single building. The original capacity was 3 mgd with provision to expand capacity to 6 mgd in the future, by providing additional membranes. The building was assumed to be a simple rectangular building with split face block and metal roof. A site location had not been selected initially, so ancillary facilities such as a clearwell, high service pump station, offices, laboratory, locker rooms, etc. were not included in the initial scope.

Amendment No. 1 revised the ultimate treatment capacity from 6 mgd to 9 mgd by adding approximately 5,000 square feet to the building for future membranes and included design of a separate maintenance building, power generating turbines for the initial 3 mgd capacity, preliminary mechanical design of future pump stations, electrical supply for future pump stations, mechanical design for a 1.5 mgd GAC system for partial THM precursor removal, and evaluation of various other items.

This amendment provides additional design elements not included in the original scope of work or Amendment No. 1, and includes the following tasks:

Task 1 – Design of Boothill Pump Station

The Engineer will provide final design for the Boothill pump station. The pump station will include three vertical turbine pumps (two duty, one standby) each with a flow capacity of 2085 gpm at a total dynamic head of 405 feet. The pumps will be VFD driven, and will include a magnetic flow meter for measurement of the total combined flow. A bridge crane will be provided for pump removal and maintenance. The structural design will accommodate the future Fairway Hills and Snow Park Pump Stations.

Task 2 – Surge Analysis for Boothill Pump Station

The Engineer will evaluate the potential for pressure surges due to operation of the new Boothill Pump Station. The surge analysis will include evaluation of surge potential due to pump shutdown caused by power loss. The Engineer will design appropriate surge protection facilities for the pump station.

Task 3 – Architectural Revisions

Anticipated architectural concepts were not acceptable to the Planning Commission and architectural enhancements were required. The Engineer coordinated with the City to revise the architectural elements of the building as required by the Planning Department staff and Planning Commission. The Engineer retained a local architect to assist with the development of architectural concepts.

Task 4 – Additional Structural Design to Support Architectural Revisions

The original scope anticipated a simple rectangular building. Based on the architectural design elements required by the Planning Commission, the building has become more complex. The building has been redesigned with an irregular shape and with walls bumped out to create architectural interest. The roof has been modified to create varying ridge heights and slopes. This increases the structural design complexity and requires more columns and concrete footings and additional details for corners of support walls. The Engineer will design the required structural details to accommodate the revised architectural concept. The Engineer will also review the design calculations from the metal building manufacturer to verify that design loads and calculations are correct.

Task 4 – Design of Office, Laboratory and Locker Room Space

The Engineer will work with the City to design space for offices, a control room, process laboratory and locker room space. The offices and control room will be on an upper mezzanine level, and the laboratory and locker rooms and a unisex restroom will be on the lower level. The lower level areas will be ADA accessible. The upper level areas will not be ADA accessible. ADA access to the upper level can be provided as an optional service.

Task 5 – Surge Analysis and Pressure Relief for Raw Water

During the design process, it was decided to eliminate the membrane feed pumps and switch to a pressure system that would make use of residual pressure in the raw water transmission pipe. It was also decided that additional residual pressure could be made available, and the City desired to use this pressure to generate electricity. Flow to the facility will be controlled by the membrane flow control valves. These are pneumatic valves that can open and close rapidly. Membrane racks are taken out of service frequently for backwash. If a membrane rack is out of service, flow fluctuations during membrane backwash cycles can be significant and rapid, which may cause surges which could rupture membranes leading to frequent integrity problems.

The Engineer will conduct a surge analysis for the raw water piping to analyze the impact of the membrane flow control valves. The effect of rapid flow variations due to membrane racks shutting down for backwash or CIP will be evaluated. Surge suppression/relief measures will be incorporated into the design.

Task 7 – Site Development

The Engineer will design civil and electrical site development drawings to accommodate the treatment facility and maintenance building. A grit trap will be provided for drains from the maintenance building to meet SBWRD requirements. The engineer will coordinate piping locations with other pipeline projects.

Task 8 – Design of Material Storage Bins

The Engineer will design reinforced concrete bins for storage of materials such as road salt, gravel, road base, etc. The bins will be 3 sided concrete structures 12 feet wide by 14 feet deep and 12 feet high. Three bins with common (shared) walls will be designed.

Task 9 – Design of Office/Lab/Locker for Future Elevator

The Engineer will design space to accommodate a future elevator for access to the mezzanine level of the plant. This will provide for future ADA access to future offices on the upper level. Conduits will be stubbed out to facilitate future elevator installation. The design will preserve the existing layout of the lab and locker room area. Actual installation of the elevator will be in a future project.

Task 10 – Design of Water/Drains and 480v Power to Maintenance Building

The Engineer will design wash down water and trench drains in the maintenance building. Drains will connect to a sediment trap outside the building. 480 volt power will be provided to a power panel located in the maintenance building for future use.

Task 11 – Design of Discharge to Detention Basin for Treated Judge Water

The Engineer will design a discharge to the detention basin for future treated Judge Tunnel water. The discharge will provide an air gap and energy dissipation. A pipeline for direct discharge to Silver Creek is not included, but can be provided with a future project.

The following items will be removed from the Engineer's Scope of Work:

1. Conduit exemption from the Federal Energy Regulatory Commission will be completed under a future project.
2. Services during construction for power generating turbines. Power generation will be added with a future project.
3. Process Water Tempering Design. Due to concerns of freezing, this will not be included in the design.
4. Process water tempering system services during construction.

Exhibit A

Park City Municipal Corporation

Quinn's Junction Water Treatment Plant

HOUR AND FEE ESTIMATE

Amendment No. 2

7-Jan-10

Task Description	PM	Project Engineer	Civil Engineer	Structural Engineer	Mechanical Engineer	Electrical Engineer	I&C Engineer	Architect	Technical Advisor	Designer	Word Processing	Total Hours	Total Fee
1 Final Design of Boot Hill Pump Station	8	48		8	32	32	32		8	80	28	276	$ 39,184
2 Surge analysis for Boot Hill Pump Station	8	24							8	25		65	$ 9,993
3 Architectural Revisions required by Planning Commission	60									100		160	$ 23,180
4 Additional Structural Design for Architectural Revisions	8			120						120		248	$ 40,384
5 Design Office, Lab and Locker Room space	4	12		24	32	32		40	4	108	9	265	$ 39,952
6 Surge Analysis & Surge Relief for Raw Water	16	60							40	24	8	148	$ 23,496
7 Site Development Design	10	24	16	8		36	8			98	12	212	$ 30,750
8 Design Material Storage Bins	2			32						40	4	78	$ 12,164
9 Design of New Pig Launching Station	4	16							4	24		48	$ 7,204
10 Design Office/Lab/Locker Room for future elevator	8	20						60		80		168	$ 26,724
11 Design Water/Drains & 480 V power for Maint. Bldg	2	8	16							32	4	62	$ 8,812
12 Design Discharge to Detention Basin for Treated Judge Water	3	16	32			8	16			40		115	$ 17,330
Subtotal	133	228	64	192	64	108	56	100	64	771	65	1845	$ 279,173
Other Direct Costs													
Architectural Sub-consultant													$ 19,000
Surge Analysis for Raw Water													$ 30,000
Surge Analysis for Boot Hill PS													$ 15,000
PECE													$ 16,605
Subtotal - Other Direct Costs													$ 80,605
Credits													
Conduit Exemption for turbines													$ (20,000)
Turbine SDC													$ (2,580)
Process water tempering design													$ (10,162)
Process water tempering SDC													$ (2,066)
Subtotal - Credits													$ (34,808)
TOTAL ADDITIONAL FEE													**$ 324,970**

Engineers...Working Wonders With Water™

Memorandum

To:	Jeff Beckman		
From:	Craig Ashcroft		
Date:	January 19, 2010	Project No.:	8143A.10
Subject	Quinn's Junction Water Treatment Plant		

This memorandum summarizes the components included in the final design of the Quinn's Junction Water Treatment Plant, including the items added to the scope in Amendment #2.

The treatment plant will have an initial capacity of 3 MGD and will treat water from the Weber River. The treatment plant will have the capacity to be expanded to 9 MGD ultimately, with the addition of additional membranes, pumps, GAC contactor and a new pretreatment facility.

The plant will include space to add turbines in the future to generate power from the residual head available from the water transmission lines. Permitting is required before turbines can be designed and installed. Carollo will provide preliminary design information on the turbines for the City's future use. Following the turbines, the water will pass through strainers which are sized to remove large solids and object which may damage the membranes. A chemical coagulant (alum or Aluminum Chlorohydrate) will be added prior to the membranes. Four membrane trains will be provided initially (3 duty and 1 standby) with space to add 3 more.

A single GAC contactor will be provided initially with space to add one additional contactor in the future. The GAC contactor will remove THM precursors and/or taste and odor causing compounds. It is anticipated that the GAC will be necessary seasonally, however if source water quality changes or as new souces are added, more extensive use of GAC may become required. The GAC contactor has the capacity to treat 1.5 MGD, so when the plant is at full capacity only a portion of the flow will be treated and blended with the other water. The capabilty to backrinse the GAC column will be provided. Water from the backrinse will be sent to the solids decant equalization tank and will be pumped back to the head of the plant. Sodium Hypochlorite will be added after the GAC columns for disinfection. The water will then flow to a 100,000 gal clearwell. Carollo will provide a memo summarizing the sizing and operation of the clearwell.

The plant will include space for 3 high service pump stations, the Fairway Hills pump station, the Snow Park pump station and the Boot Hill pump station. Each pump station will have three pumps. The Fairway Hills pump station and Snow Park pump station will be shown as future pump stations and final design will be provided for the Boothill pump station. The Boothill pump station will be designed for 3 pumps (2 duty and 1 standby). The pumps will be VFD driven and will be rated for 2085 gpm each at a total dynamic head of 405 feet. The pumps will be capable of also pumping the the Fairway Hills zone by changing some isolation valves. A surge analysis will be completed and required surge controls will be incorporated into the design.

Solids will be treated using two plate settlers. Waste backwash flow from the membranes will be equalized in a 10,000 gallon tank, and then will be pumped to the two plate settlers. There will be 3 VFD driven feed pumps for the plate settlers (2 duty and 1 standby). Clarified water from the plate settlers will flow into a 13,000 gallon decant tank and from there will be pumped back to the head of the plant with four decant return pumps. Two of the return pumps will be rated for 1300 gpm, and two of them will be rated for 350 gpm. All four pumps will be VFD driven. Thickened solids will be discharged to the sewer.

A chemical storage area will be provided with two primary coagulant tanks (6,000 gallons each) and three coagulant feed pumps, two sodium hypochlorite tanks (3,700 gallons each) and two feed pumps, and clean in place chemical storage tanks and feed equipment.

A surge analysis for the raw water supply from Signal Hill will also be completed, and surge control measures will be incorporated into the mechanical design. In the event that traditional surge control measures will not adequately protect the membranes from pressure spikes that could damage the membranes, then Carollo will discuss alternative approaches with the City. One approach would be to modify the design to provide a pump feed system that will protect the membranes.

The architectural design will be modified to show the location for a future elevator to provide future ADA access to the second floor mezzanine. The second floor mezzanine will inlcude a control room, men's and women's rest rooms and open space for future offices. A drop ceiling will be provided and exterior walls will be roughed in. No floor coverings will be provided in the open space. The first floor will include a unisex locker room with two shower stalls, a unisex restroom, and a process laboratory. The locker room, restroom and laboratory on the first floor will be ADA accessible.

Structural design for the foundation for the facility will be completed following reciept of design calculations from the metal building manufacturer. It is anticipated that these caclulations will be received by February 12, 2010.

The piping will be modified to remove the pig launching facility and simplfy the piping and structure in this area. A pipe will be installed out to the detention basin to allow for potential future discharge of treated Judge Tunnel water to Silver Creek. Piping and isolation valves to isolate the Judge Tunnel Water will also be provided, however, discharge of Judge Tunnel water to Silver Creek will require treatment to remove Cadmium and Zinc to very low concentrations. Bench scale testing completed by Carollo in 2005 indicated that removal of Cadmium and Zinc was feasible by pH adjustment and ferric sulfate addition. However, this treatment process will also remove hardness from the water, and could generate a significant amount of solids. Pilot testing will be required to determine if pretreatment is required for this process. The proposed future pretreatment facility may be required to implement treatment for cadmium and zinc. A UTPDES discharge permit and stream alteration permit will also be required. The pilot testing and permit aquisition are not included in this project but will be part of a future project.

Input on other solids disposal options in leiu of discharging to SBWRD will be provided, however, design of a solids dewatering facility is beyond the current scope and budget.

A maintenance building will be designed and included in the project as a bid alternate. The maintenance building will include floor drains, wash down water, and 480 volt power.

Additional detail will be provided where necessary and changes needed to incoporate the attached review comments will be made. The anticipated completion schedule is attached to this memorandum. While this schedule is tight, Carollo is committed to meeting this schedule.

Carollo will also provide bid period services and construction management services as indicated in our original scope of work.

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Quinn's Water Treatment Plant

Estimated Completion Schedule

Updated: January 6, 2010

Authorize Carollo to Proceed	**January 6, 2010**
Carollo to Finish Design (2 months)	
Metal Building Calculation Returned (February 12th)	
90% Documents Available for Review	**March 5, 2010**
Review period (2 weeks)	
Review Comments to Carollo	**March 19, 2010**
Incorporate Comments (2 weeks)	
Bid Documents Available	**April 6, 2010**
Bid period (23 days)	
Bid Opening	**April 29, 2010**
Bid review, Council approval, NOA, Bonds, Insurance, etc (1 month)	
Estimated Notice of Award	**May 27, 2010**
Construction period (13 months)	
Substantial Completion	**June 15, 2011**

Quinn's Junction Water Treatment Plant
Review Comments
Updated: 1/14/10

General Comments

- Structural Design of Floor System - As we have discussed - Pre-Select Manufacturer and Carollo to provide structural design of concrete.
- Clear Well Size – Confirm that 100,000 gallons is enough at 9 mgd. Baffle walls? Should it be larger?
- Mechanical Design – Additional detail and clarification. Additional sections, equipment and valve identifications, callouts, clarity of section cuts (can see pipe in far distance), etc.
- Judge Pipeline – Need ability to dump Judge water to creek or retention pond after treatment.
- Shop Area – Need to coordinate with Staff essential needs in shop area.
- Extend Fiber Optic Conduits through building – Future Park City Fiber Optic System. Coordinate with other projects.
- Meet ADA requirements – office space, bathrooms, leave room for elevator.
- Second floor office space to be roughed in. Finished later. Bathrooms?
- GAC Roll up door wider.
- Second eye wash in chemical area.
- Clear well – 4'x4' hatch and ladder with safety up.
- Power operated roll up doors
- Pipe penetrations – Is sleeve with link seal or thimble preferred?
- Verify magnetic meters have sufficient up and down stream pipe lengths.
- Surge Anticipator Valve on Pump Stations – Verify it is sufficient for power outages.
- Verify that there is sufficient protection to protect membranes against high pressure.

Civil/Site

- Can you construct clear well and piping? Is shoring needed?
- Removal of Asphalt Millings– Quantify volume? Unit price?
- Transformers in front of Generator?
- Dewatering Requirements
- Coordination of yard piping with other projects
- Area for staging
- Concerned about drainage/groundwater along backside of building. Line ditch? Foundation drain? Slope stabilization? 2:1 slope is steep.
- Identify requirements of Park City Soils Ordinance.
- Identify Limits of Disturbance in drawings.

Maintenance Building

- Bid alternate item?
- Water in building/drains
- 480v Power
- Need to coordinate with Park City staff other essential needs.

Specifications

- Need to use Park City's standard agreement
- Review dollar amounts and estimated scopes of allowance items with Park City staff.
- Does membrane cost include taxes? Clarify.
- Include soils ordinance requirements.
- Add shoring specifications.
- Revise dates, milestones, etc.
- Clarify liquidated damages and early completion incentive.
- Coordinate filed office requirements with Park City staff.
- Have Park City attorney review insurance requirements.

Additional Comments

Reference	Comment
General Section 00410 Section 00520 Section 01110 Section 13122	It was the intent of the design team to select the metal building fabricator and erector through a proposal process and include their contract in the bid documents to be assigned to the General Contractor. The advantages of this process was that it would allow the City to select the metal building fabricator based on product quality and construction as well as price. This process would also allow the fabricator to complete their design and provide the structural loads and reactions to be used in the concrete structural design to the design engineer. The metal building strategy employed in the contract documents does not give the City the opportunity to evaluate the metal building supplier. It does allow the project to go out to bid earlier since it eliminates the metal building supplier proposal period. It is unclear in the bid documents how the building permit will be obtained, and what responsibility the metal building supplier will have in obtaining the building permit. It appears that the building permit process will delay commencement of construction until the structural design calculations can be completed by the metal building fabricator and submitted to the building department.
General Section 00410 – Bid Form	It was intended that the maintenance building be bid as a bid alternate to allow the City to eliminate this work if the bid price exceeds their budget.
General Section 01310 Section 01410 Section 02200 Section 02300 Drawing C-03	The site is located within Park City's soils ordinance area. Requirements of the soils ordinance for excavation and disposal of spoils needs to be included in the contract documents.

Reference	Comment
General Section 01310 Section 01410 Section 02200 Section 02300 Drawing C-03	It was intended that all of the milled asphalt that is removed as part of the excavation for the new structures be hauled and stockpiled at the new park and ride facility located East on Richardson Flat Road.
General Civil	Provide temporary stormwater retention/erosion control plan It was intended to connect to existing sewer manhole using SBWRD's standard connection detail. Include detail in design drawings. It was intended that surveyor would provide benchmark monuments on site for use by contractor and that the benchmarks would be shown on the civil drawings.
General Drawing A-ME-02	Rough in upstairs office space. To be finished later.
General Drawing M-ME-02	The mechanical piping in this area is not clearly shown in the sections provided. Additional sections are needed to clearly define the pipe layout and location of valves and equipment.
General Drawing M-ME-04 E-ME-08	A change order was initiated with Pall Corp that included the provision of a remote system control HMI and cabinet to be located within the membrane room, on the wall directly south of membrane train no. 1. A conduit and Ethernet cable is required between the main Pall control cabinet located in the electrical room and this cabinet.

Reference	Comment
General Drawing M-ME-03, M-ME-07, M-ME-10	It was intended that a chlorine diffuser be provided in the pump discharge line for the Fairway Hills Zone to allow chlorine to be dosed into this line as needed by the operators. The high pressure expected in this line will require that diaphragm metering pumps be provided to dose chlorine solution to this location. It is expected that the chlorine dose used on the combined flow to the clearwell may not be adequate for maintaining the desired residual within the distribution system in the Fairway Hills Zone. This dosing point and associated pumps will allow the operators to boost the chlorine concentration in the line prior to its discharge into the distribution system. Carollo's Response: High Pressure Chlorine feed and remote residual station is not recommended.
General Drawing M-ME-03, M-ME-07, M-ME-10	The sample connection for the on line chlorine analyzer must be located upstream of the chlorine dose point on the discharge line to the Fairway Hills Zone to allow verification of the chlorine dose to be used for virus Ct calculations. Carollo's Response: Chlorine residual analyzer will be located inside the plant. Chlorine feed point in low pressure piping prior to the clearwell.
General Drawing M-ME-03, M-ME-04, M-ME-05, M-ME-06, M-ME-07	It was intended that carry pipes with chemical tubing be provided between each chemical containment area and the main pipe trench located on the North side of the membrane building, and that carry pipe and chemical tubing be provided between the main pipe trench and the chemical diffusers in the pump room and at near the GAC contactors. It was also intended that a carry pipe and chemical tubing be provided between the ACH containment area and the ACH diffuser located on the Waste Washwater line located at the Washwater Equalization Tank.
General	It was intended that all of the roll-up doors be equipped with motorized operators.
Section 01110 – Summary of Work Paragraph 1.09 A	1.09 A 4 Replace "Membrane" with "Maintenance"

Reference	Comment
Section 01210 – Allowances Paragraph 1.02	It was intended that the plate settler, GAC contactor and chemical metering pumps be included as allowances. This allows the City to evaluate proposals for this equipment during the construction phase and make a selection based on the suitability of the equipment for the project as well as price.
	It was intended that the lab be used primarily for sample preparation and storage. The allowance amount appears to be intended for much more sophisticated lab cabinets and equipment than was intended.
	Financial incentive is listed in allowance, but is not evident in the design documents what the contractor must do to earn incentive.
	It was intended to obtain a proposal from the City’s preferred SCADA programmer to better define the level of effort required, and provide an allowance to cover this amount. All of the control interface and programming for the Pall equipment will be provided by Pall as part of their contract. The amount listed for SCADA programming appears to include the programming for the Pall equipment.
Section 01500 Paragraph 1.03 D Paragraph 1.08 B	Review temporary potable water requirements for construction period.
Paragraph 1.08 B 3q	Paragraph requires the provision of AutoCAD LT software. May be unnecessary considering the project drawings are Microstation files
Section 01770 Paragraph 1.07 A	Editing symbols were left in document.
Section 02810	It was intended that a temporary irrigation system be provided to help the new plants get established. The irrigation system will be abandoned after the first year of use. Section appears to include requirements for a permanent irrigation system.
Drawing C-03	Coordinate paving with building entry shown on architectural and structural drawings. Location and extent of wrought iron fencing not defined. Specification for the fence is not included.

Reference	Comment
Drawing C-03, E-13	Review location of transformers.
Drawing S-ME-01	Large roll-up door is intended to allow the passage of the future GAC Contactor. Door as shown is too narrow.
Drawing S-ME-03	It was intended that the exterior stair be a decorative stair and railing in accordance with the concept drawing provided by architect.
General Mechanical	It was intended that a pipe support be designed to be used on the pipe headers located in the pump and membrane rooms. No pipe larger than 3 inches was to be supported from the walls.
Drawing M-ME-02	It was intended to provide pressure relief valves on the membrane feed lines to protect the membranes from damage should the pressure reducing valves fail (See the process flow diagram). The intent was to connect to the 18 inch RW line below the slab in between the static mixer and the membrane feed header. The pressure relief line would be routed to the south end of the pig launch pit where a pressure relief valve would be installed with the discharge connecting to the 12 inch RW line that discharges to the retention basin.
Drawing M-ME-03	It was intended that a spool be provided between the check valve and butterfly valve on the pump discharge piping to prevent the disk on the butterfly valve from interfering with the operation of the check valve
Drawing M-ME-02, M-ME-08, M-ME-10	It was intended that piping connections and backflow prevention valves be provided in the Northeast corner of the pump room, 3 inch non potable water be routed to water softener in chemical room, and non potable and potable water lines be routed to hose bibs and connections throughout building. This system is not clearly shown in drawings.

Additional Comments

November 11, 2009

- Electric Heaters Vs. Gas Heaters – efficiency?, 27 heaters
- Valve Schedule – high pressure valves
- Maintenance Building and Shop Area
    - 220 power for welding
    - Power Doors
    - Hose Bibbs, trench drains
    - Shelves if not part of allowances
- Full length lockers in locker room
- Taller material storage bays (12-ft?)
- Incorporate geotech recommendations –fatty soils, over excavated, etc.
- Design of tall pipe supports
- Couplings throughout piping for ease of removal/repair.

November 23, 2009

- Complete energy analysis to show compliance with the 2006 International Energy Conservation Code (as requested by Building Department).
- Provide recommendations for disposing of membrane backwash. The solids content and flow will result in multi-million dollar impact fee as currently proposed to the sewer district.

January 6, 2010

- Provided design for pressure relief for drain line from Raw Water Lines.
- Allow for turbines to be installed in the future. Carollo's scope will not include procurement of the turbines, however the design will allow for easy installation of future turbines (i.e. tees in pipe, conduits in the concrete, space in the electrical room and equipment, etc). Provide memo with turbine design as was planned by Carollo.
- Provide detail of connection to existing sewer manhole and lowering manhole lid to grade.
- Coordinate size and location of yard piping with raw/finished water pipelines.